

## MEMORANDUM

Date: January 9, 2021

To: Upper Harbor Collaborative Planning Committee

From: Hilary Holmes, CPED

Subject: Remaining Recommendation Points and Proposed Draft Plan Updates

### Remaining Recommendation Points

The document “UHT CPC Recommendation Points for Coordinated Plan” has been updated to reflect decisions as of January 9, 2021. As a reminder, the left column notes the UHT CPC recommendation points that were presented in January 2020 which the UHT CPC has been working to finalize. The second column shows the status (**RECOMMENDATION MADE**, **DIRECTION PROVIDED**, or **NEED DIRECTION**):

- **RECOMMENDATION MADE** reflects specific UHT CPC motions that are also summarized in the UHT CPC Motion page which will be added to the Coordinated Plan.
- **DIRECTION PROVIDED** reflects direction that was obtained from the UHT CPC through meeting presentations, discussions, and the design day. The UHT CPC has not specifically made a motion on any of these items.
- **NEED DIRECTION** reflects items where there has been significant discussion at the UHT CPC, but the development team and City are requesting that the UHT CPC clarify the direction through a specific recommendation through a motion.

Remaining Items where we **NEED DIRECTION** to finalize the UHT Coordinated Plan (as of 1/9/21):

#### 1. Recommendation on Community Partner and organizational structure on the Community Hub.

- **Proposal for Consideration:** Building Blocks would serve as the Lead Developer of the Community HUB and oversee due diligence and the production of a feasibility study *in collaboration with the selected Community Entity or Entities*. The feasibility study would be completed within one year of the approval of the Coordinated Plan. As part of this process, Building Blocks would work to define the HUB program, community partners, potential tenants, ownership structure, project costs and potential philanthropic sources to complete the project. Some of the strategies that would be explored include:
  - Identifying food-based businesses, particularly those owned by or employing people in the priority area, as potential tenants.
  - Reserving a portion of ground floor space for startup/entrepreneur business owners/operators.
  - Exploring financial strategies that utilize anchor businesses to help create more attainable rents for Community Businesses.

- Engaging leasing agents and/or strategic partnerships that are committed to achieving a goal of leasing a substantial number of the individual spaces to Community Businesses

## 2. Recommendation on the development of housing preference for area residents.

- **Proposal for Consideration:**

Apply the City's Community Preference Policy to the housing being developed as part of the Upper Harbor Terminal project whether market or affordable (at all available affordability levels), rental or ownership, with 50% of each category being subject to the preference. The Community Preference Policy as applied to the Upper Harbor Terminal project would be implemented based on the following concepts:

- **Income Eligibility:** If households are not income eligible, as defined in program guidelines, they will be disqualified
- **Household Size:** Applicants whose household size is less than the number of bedrooms in the unit plus one will only be selected if there are no qualified applicants of a compatible size for the unit
- **Preference Policy:** Applicants who meet the criteria of the City's preference policy
- **Current Renters:** Households that do not own a home

If all of the selection criteria are applied and there are still multiple applicants for a housing unit, then a randomized selection will be conducted, with all eligible applicants present.

All units will be initially marketed for applications from households who meet the criteria of the City's preference policy for a minimum of \_\_\_ days. Units must be listed \_\_\_\_\_ (define core listing locations that are specific to the Northside Community).

- **Proposal for Consideration:**

The City, the development team and the Upper Harbor Terminal Collaborative Planning Committee are recommending a special enterprise fund be established by the City Council to earmark the annual ground lease payments to be used for anti-gentrification and anti-displacement efforts in North Minneapolis. It is proposed that the future UHT Community Entity would make recommendations on the distribution of those funds to the City of Minneapolis.

## 3. Recommendation on density and income-mix of Phase 2 Housing (Parcels 1A and 7) (Page 84 of plan).

- **Proposal #1 for Consideration:** 1A Market Rate Senior Coop + 7A Market Rate High Density
- **Proposal #2 for Consideration:** 1A Attainable Senior Rental + 7A Market Rate High Density
- **Proposal #3 for Consideration:** 1A Mixed Income Senior Rental + 7A Market Rate High Density
- **Proposal #4 for Consideration:** 1A Attainable Senior Rental + 7A Market Rate Medium Density
- **Proposal #5 for Consideration:** 1A Mixed Income Senior Rental + 7A Market Rate Medium Density
- **Proposal #6 for Consideration:** 1A Mixed Income Senior Rental + 7A Mixed Income Medium Density
- **Proposal Rejected by UHT CPC:** 1A Attainable Senior Rental + 7A Attainable Medium Density

Remaining Items where **DIRECTION WILL BE NEEDED** for feedback on draft documents submitted by the development team (as of 1/9/21):

1. Request for Qualifications (RFQ) for the Community Entity (Draft to be submitted by United Properties)
2. Community Benefits Agreement Terms (Draft to be submitted by United Properties)

### **Proposed Updates to the Draft Coordinated Plan (as of 1/9/2021)**

The following are a list of proposed modifications that City staff is proposing to make to the Draft Coordinated Plan based on preliminary feedback from the UHT CPC and public meetings for additional information or clarification of language.

1. Add a page documenting the list of the UHT CPC Approved Motions (Motion from the UHT CPC)
2. Add detail about the membership and timeframe of the advisory task force that will assist the development team in the creation of the Comprehensive Strategy for Economic Inclusion. (per request from the UHT CPC)

The advisory task force will be formed by the development team in March/April 2021. The advisory task force is proposed to be comprised of 5-10 people who will assist the development team in developing and refining the strategies that will be included in the Comprehensive Strategy for Economic Inclusion, including individuals with community-based labor inclusion expertise and union trade representatives. It is anticipated that this advisory task force will coordinate closely with staff from the Department of Civil Rights, MPRB and CPED on strategies to maximize the participation of Northside businesses and workforce.

3. Add an implementation section on the Community Hub into the Community Entity section based on anticipated recommendation from the UHT CPC. **NEED DIRECTION** (See above Remaining Recommendation Points)
4. Add language describe anti-gentrification and anti-displacement strategies in implementation section including a recommendation to apply the preference policy to all housing (p 28 and 63-64). **NEED DIRECTION** (See above Remaining Recommendation Points)
5. Add recommendation on Phase II housing for density and affordability to page (page 83-84) **NEED DIRECTION** (See above Remaining Recommendation Points)
6. Xcel Powerline proposed layout: Either add the proposed line location to the diagram on page 55 or add a diagram of the proposed relocation of the Xcel powerline after page 55.