



Community Development Committee

Business Item

Item: 2009-72

Meeting date: February 17, 2008

ADVISORY INFORMATION	
Date:	February 12, 2009
Subject:	City of Columbia Heights Request to Amend Grand Central Lofts LCDA Project Grant SG006-166
District(s), Member(s):	District 2, Columbia Heights, Tony Pistilli
Policy/Legal Reference:	473.253 Livable Communities Demonstration Account
Staff Prepared/Presented:	Guy Peterson, Director, Community Development Division 651-602-1418 Beth Reetz, Housing and Livable Communities Director 651-602-1060 Paul Burns, Manager, Livable Communities Program 651-602-1106
Division/Department:	Housing and Livable Communities/Community Development

Proposed Action

That the Community Development Committee respond to the request from the City of Columbia Heights to amend the project description shown as Attachment A of Livable Communities Demonstration Account (LCDA) Grant #SG006-166.

Background

The Council received a communication from the City of Columbia Heights on January 30, 2009, requesting a change to the end use to the Grand Central Lofts LCDA development project which was awarded \$974,369 in 2006 to fund one third of the cost of a two-story, 230-space publicly-owned parking ramp to support 47,698 square feet of retail, office and restaurant space in two buildings. An administrative amendment to extend the grant for one year, to 12/31/09 was executed on 12/5/08. In October 2008, staff also approved the conversion of ownership of the ramp from public to private, with an executed easement agreement guaranteeing public use of the ramp.

Due to the economic downturn, the developer and the City have now proposed down sizing the development to 35,000 square feet of retail/commercial/office with a 180 stall-parking ramp. All the elements of the original proposal would still be included, but at a smaller scale. The original recommendation from the Livable Communities Advisory Committee (LCAC) indicated that the project:

- “Demonstrates redeveloping an aging corridor to maximize commercial development and connect to housing
- Public parking structure is the catalyst to move the project forward”

The proposed reduction in scale of the project would still include those elements.

A copy of the original project description (Attachment A) is attached

Rationale

The City has indicated that in order for this project to remain economically feasible, the original grant amount is still needed..

A Review Panel has been scheduled for 2:30 P.M.on February 17, 2009 prior to the Community Development Committee meeting. The Review Panel is comprised of Council Members Steffen, Bowles and Pistilli. The recommendation of the Review Panel will be presented at the Community Development Committee meeting.

Funding

The grant amount, as awarded, is \$974,369.

Known Support / Opposition

As indicated, the City is supporting their proposal. No known opposition.

Applicant: Columbia Heights

Recommended Funding Amount: \$974,369

Project Name: Grand Central Lofts

Project Description in Application:

The objectives of this 15-acre redevelopment of a vacant Kmart store site are to:

1. Provide a diversity housing choices and new commercial development to promote job creation.
2. Support urban housing densities along with performance standards to create long-term value to support neighborhood services and business.
3. Promote an attractive urban neighborhood that includes housing amenities such as decks, open spaces, gathering, recreational amenities, pedestrian ways landscaping and green spaces.
4. Successfully integrate the new neighborhood into the surrounding older established neighborhoods.
5. Require high quality community design standards.
6. Implement strategies to reduce parking requirements, including reducing parking ratios, shared parking, mass transit, structured parking, and trails/sidewalks.

Advisory Committee Comments on Demonstration, Innovation, Catalyst Elements of this Project:

This project demonstrates redevelopment of an aging corridor to maximize commercial development in a small community and connect commercial uses with housing. The funding request is the right catalyst to move the project forward.

Funding Requested/Funding Recommended:

Total Requested: \$974,369

Total Recommended: \$974,369

Amount Requested	Amount Recommended	Use of Funds
\$974,369	\$974,369	Construction of public parking ramp – 230 stalls

Previous LCDA Grants Received For This Or Related Project: None.

Development Timeline:

Task	Start Date	End Date
Construction of public parking ramp	January 2007	June 2008