



City of Minneapolis
City Hall - 350 S. Fifth St.
Minneapolis, MN 55415

www.minneapolismn.gov

House Majority Leader Jamie Long
House Capital Investment Chair Fue Lee

May 16, 2023

Dear Majority Leader Long and Chair Lee,

Since the letters dated May 11, 2023 and May 15, 2023, City staff have continued discussions with you and members of the Minneapolis delegation regarding the sale of the Roof Depot site to a community group. This letter includes updates based on those discussions.

City leadership will support the sale of the Roof Depot site for an East Phillips Indoor Farm vision if the following conditions are met:

- Pay back City of Minneapolis Water Fund for the full \$16.7 M amount already used to purchase and maintain the former Roof Depot site; for development of plans for the Hiawatha Campus Expansion; and for executed construction-related contracts. This includes:
 - \$4.5M grant from the State to the City for predevelopment work at a new site, which would be utilized for other City infrastructure priorities if the community is unable to meet the terms of this agreement
 - \$2.0M 2023 appropriation from the State of Minnesota to the City as a nonrefundable good faith deposit
 - The City will then offer to sell the site for its current assessed value of \$11.4M
 - Half of the \$11.4 million, less the \$2 million deposit, or approximately \$3.7 million in privately raised funds, would be guaranteed through a cash escrow deposit with a title insurance company, letter of credit or personal guaranty acceptable to the City by September 8, 2023.
 - The other half of the current assessed value –\$5.7 million – would be committed by the State to the City in 2024 for the remainder of the purchase price. The State will also commit additional funds, at least enough to fully repay the Water Fund, toward the development of the new site.
- Project management and any further needed environmental remediation work would come from state agencies or private entities, not the City of Minneapolis.

Per our City's legislative agenda, we remain supportive of giving three acres for an urban farm vision free of charge to the community. Any money allocated by the State for this vision would not need to go toward the purchase of the parcel, and instead could go to development costs.

In the May 11 letter, we also noted and want to again stress that the urban farm vision does not take priority over the City's adopted legislative priorities.

Please do not hesitate to reach out to us if you have further questions or would like to discuss the matter further.

Sincerely,

Jacob Frey
Mayor, City of Minneapolis

Andrew Johnson
Chair, IGR Committee, Minneapolis City Council

CC: Representative Samantha Sencer-Mura