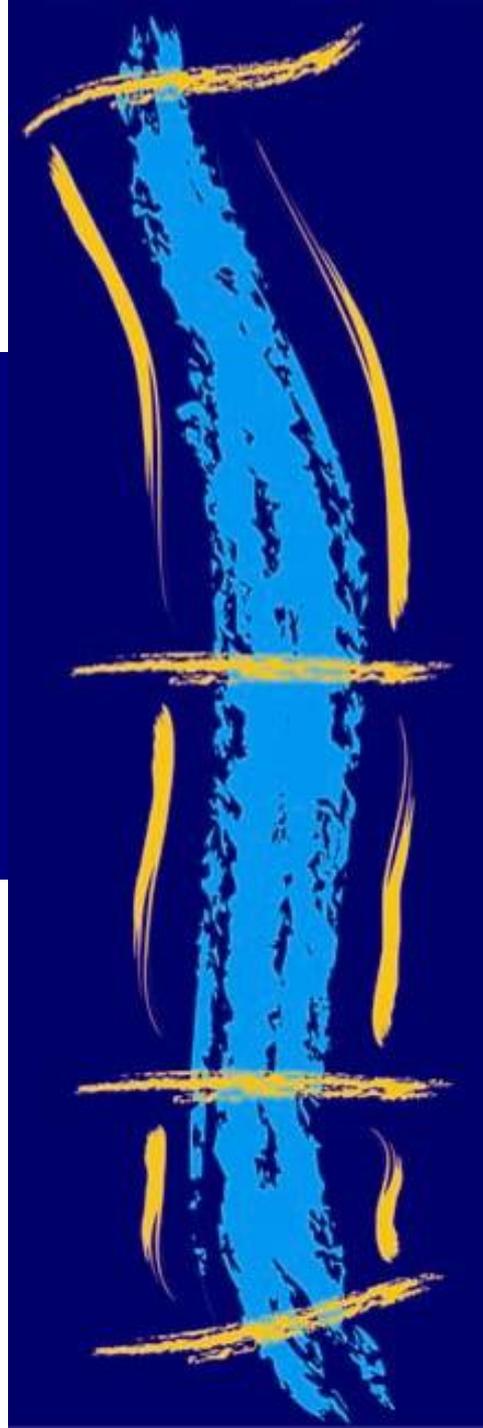
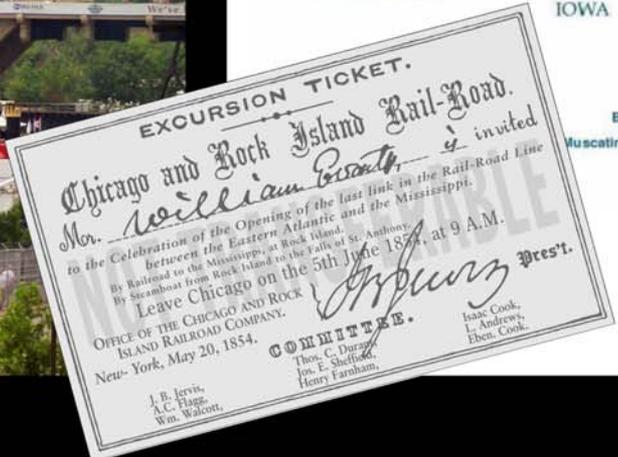
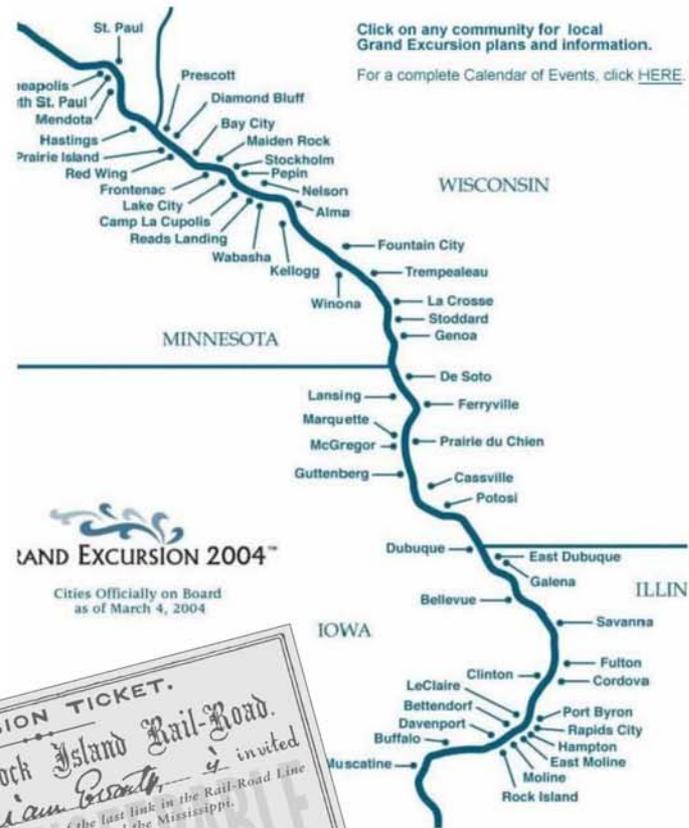
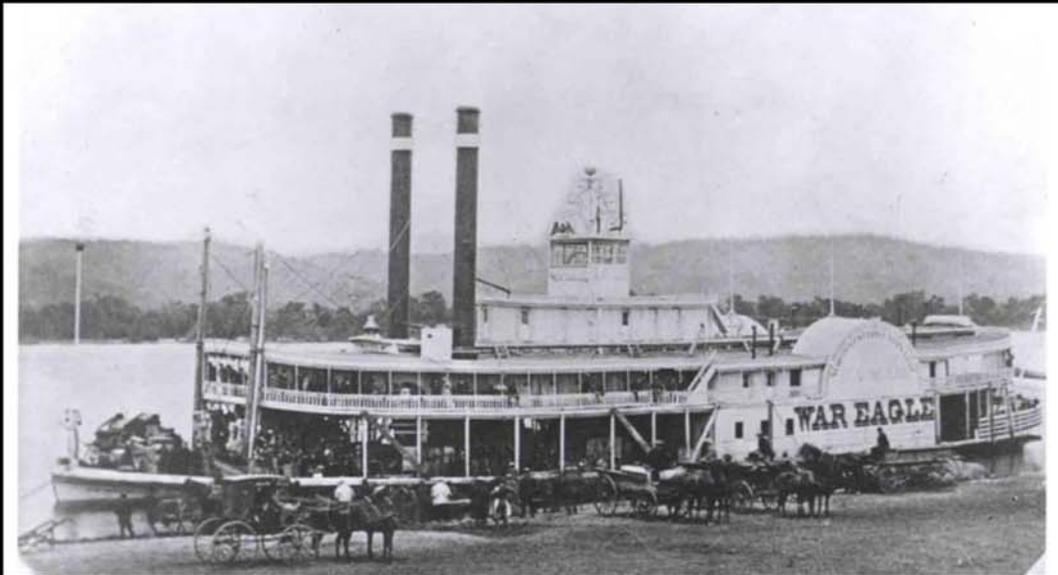


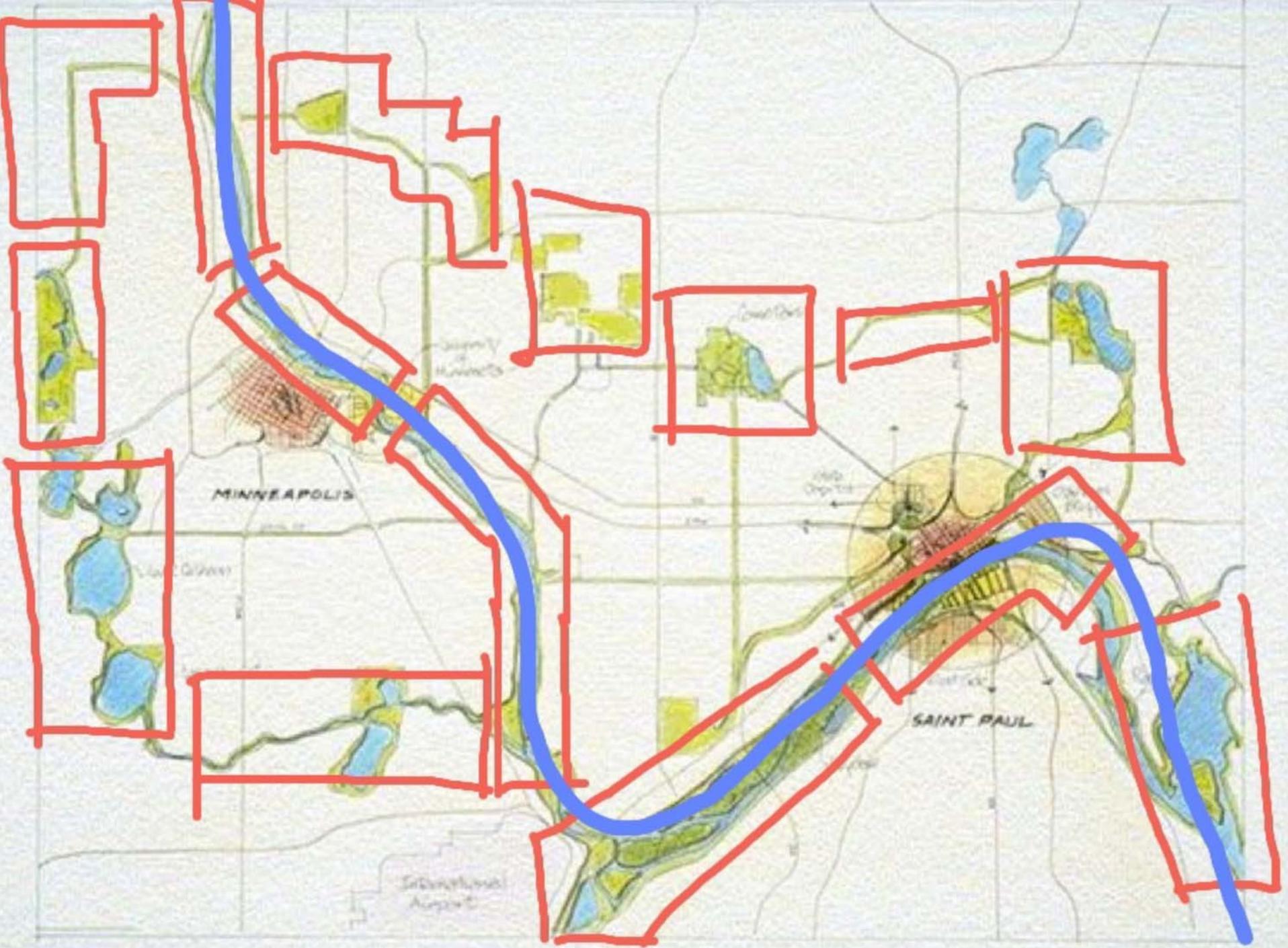


# Upper River Forum: Planning our Development Future

Above the Falls  
Policy Review and Implementation Study  
June 2, 2011







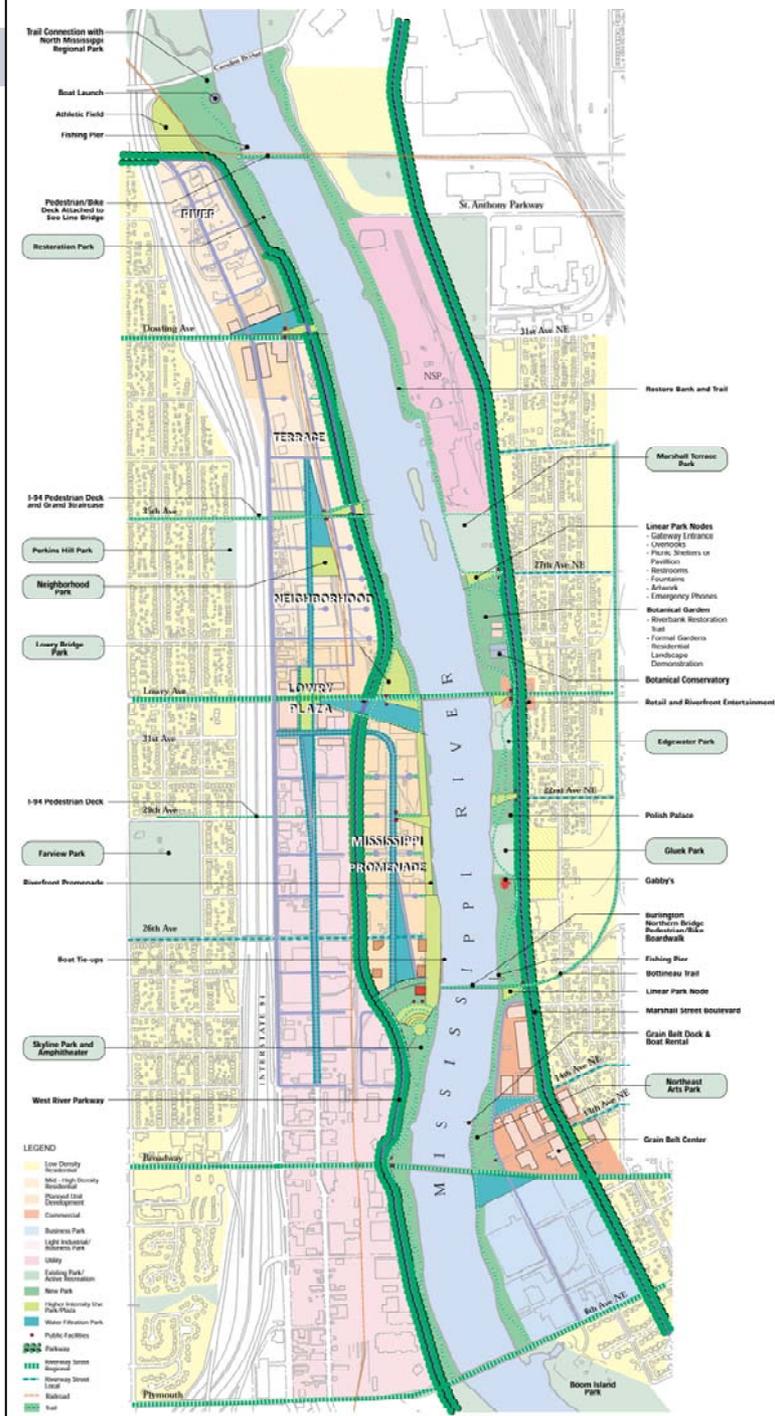
# Above the Falls: A Master Plan for the Upper River in Minneapolis (2000)

## ■ Park recommendations

- Public riverfront frontage
- Continuous bike and pedestrian trails
- Destination parks

## ■ Land use recommendations

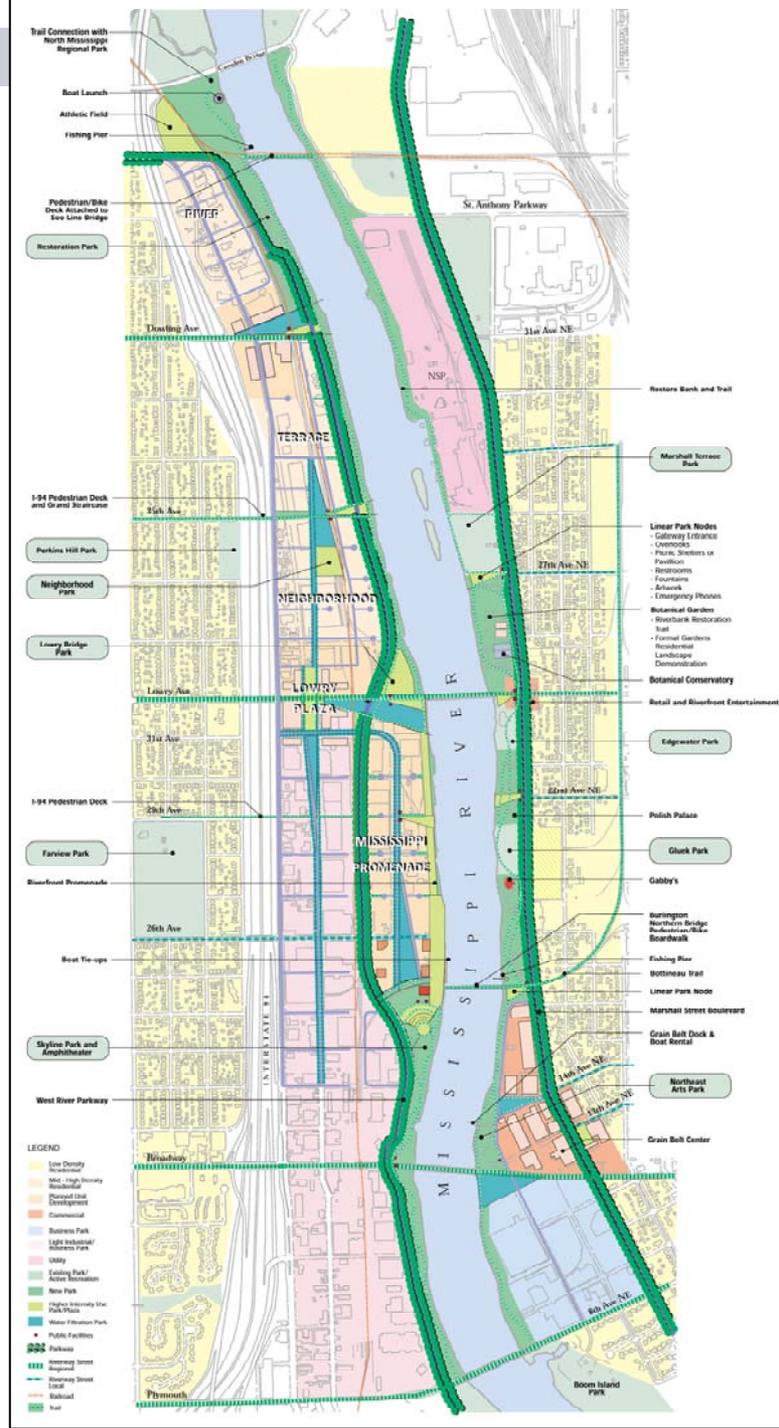
- Intensification of industrial activity and jobs in some industrial areas
- Long-term redevelopment of other industrial areas to residential neighborhoods or riverfront destination areas
- Heavy industry on the river considered a land use conflict



# Above the Falls Policy Review and Implementation Study (ATF-PRIS)

## City Council Direction:

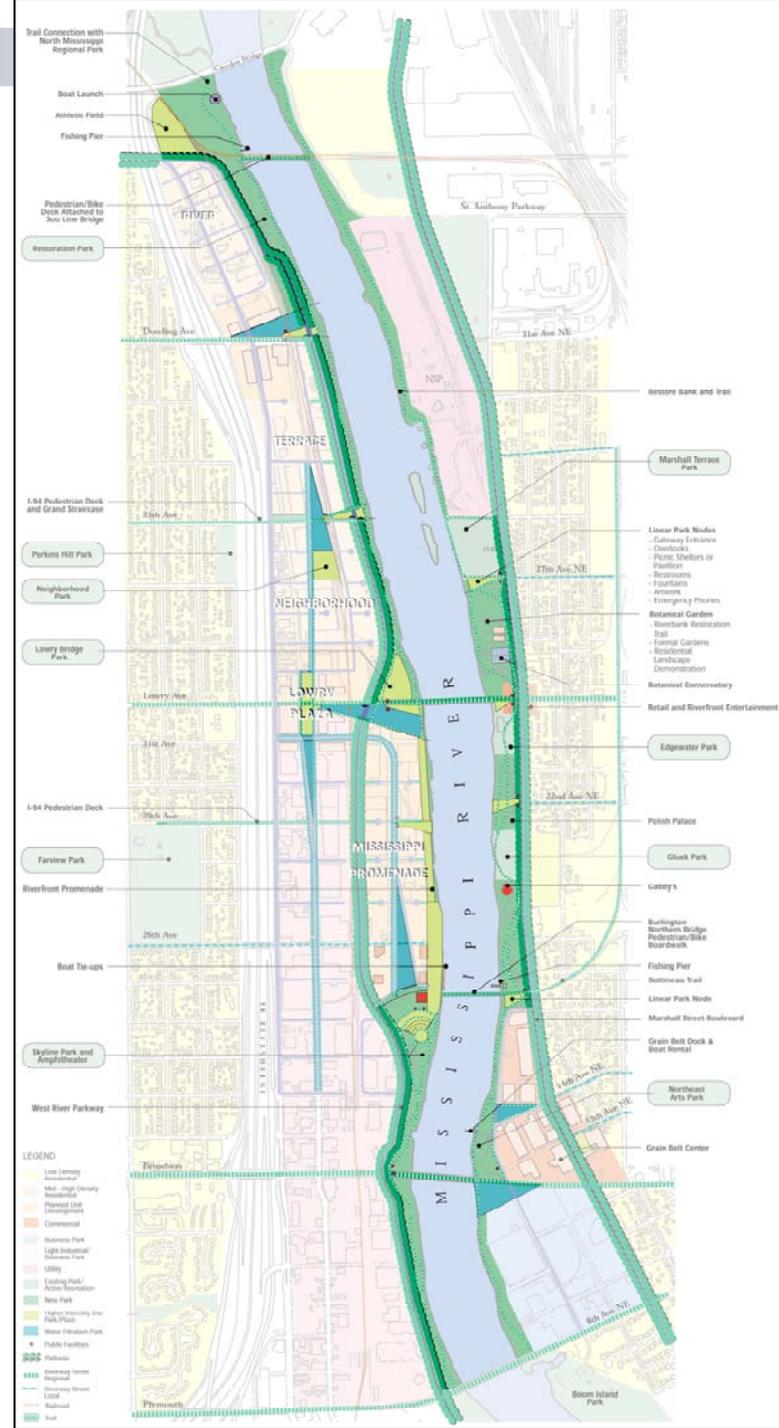
“Your Committee further recommends that staff be directed to include the following considerations as part of the Above the Falls rezoning study to be conducted after adoption of The Minneapolis Plan for Sustainable Growth: (1) Explore policy and regulatory strategies for providing existing property owners clearer expectations about the phasing of long-range land use transitions; and (2) analyze and report back to the Council on the potential impacts of the land use guidance in the Above The Falls study area related to the extent and phasing of the proposed long-range transition from industrial to nonindustrial development.”



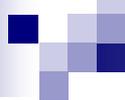


# Above the Falls: Park Features

- Minneapolis Park and Recreation Board has primary responsibility for planning and implementing City parks
- Minneapolis Riverfront Development Initiative (MR|DI) is about an overall parks vision (called RiverFirst) for the riverfront, and designing one or more first parks
- The RiverFirst scenario includes a development concept that is being taken into consideration by the City of Minneapolis

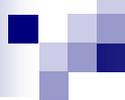






# Continuity of Values

- Development future that has greater value or quality for local area and City as a whole
- Realistic, achievable
- Respect for existing property owners and tenants in transition areas



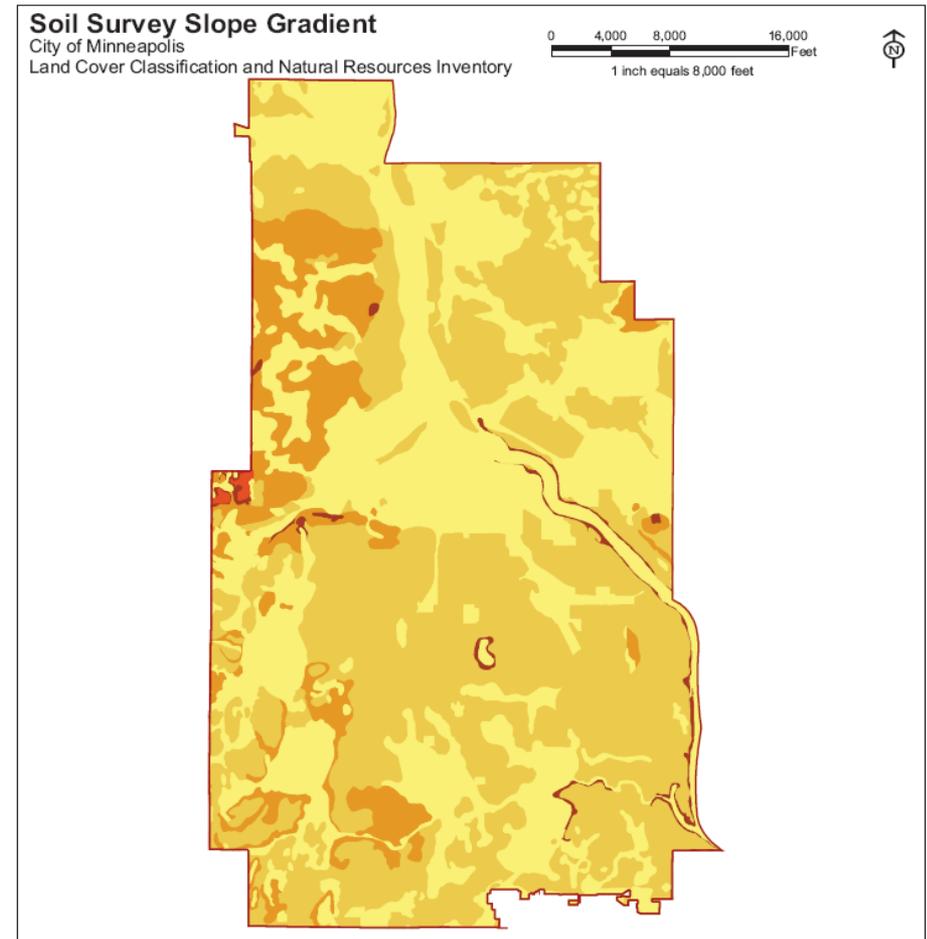
# Higher Value Development Future?

- Embraces the Mississippi
  - Supports public edge, trails, park amenities
  - Strengthen connections to the river
- Employs more people
- Houses more people
- Improves appearance and livability
- Contributes to environmental sustainability

# ATF-PRIS Research Agenda:

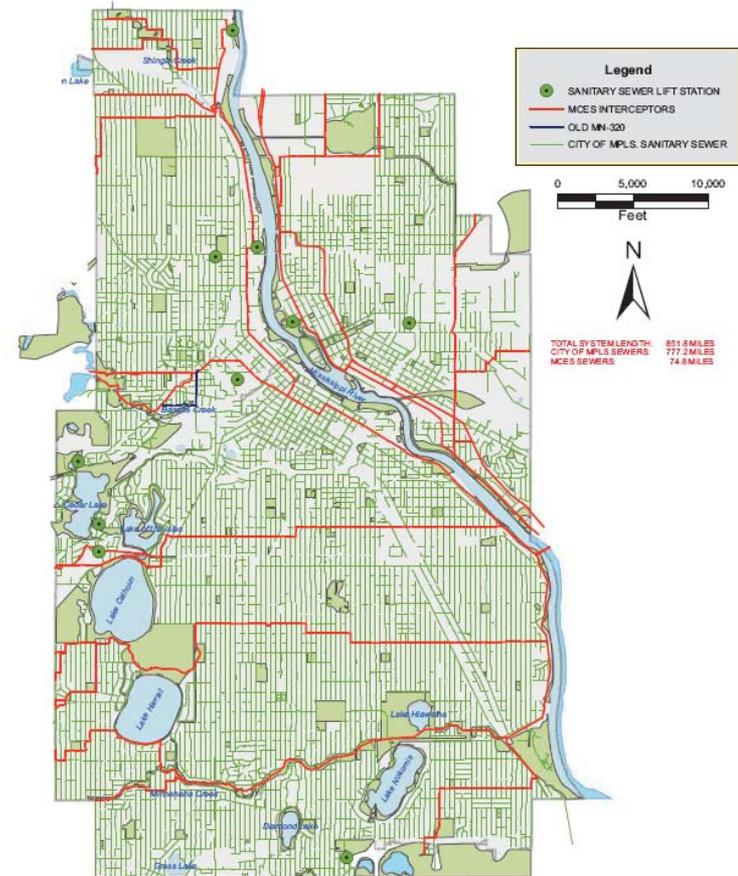
## The Land

- Topography
- Soils
- Contamination
- Suitability for construction



# ATF-PRIS Research Agenda: Utility Infrastructure

- Electricity
- Natural Gas
- Water
- Sanitary Sewer
- Storm Sewer

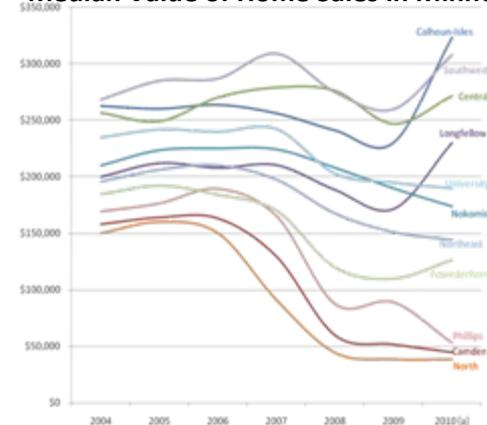


# ATF-PRIS Research Agenda:

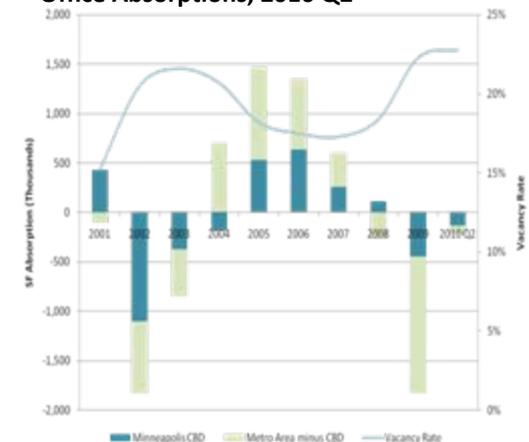
## Economic Analysis

- Market forecasting
- Competitiveness
  - Minneapolis vs. the region
  - Upper riverfront vs. other parts of Minneapolis
- Financial feasibility
- Fiscal impact analysis

Median Value of Home Sales in Minneapolis



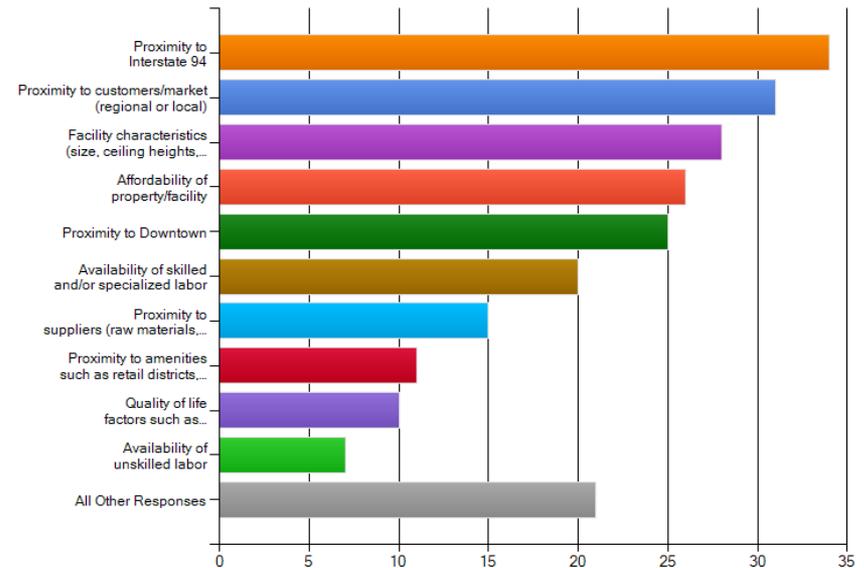
Office Absorptions, 2010 Q2



# ATF-PRIS Research Agenda: Employment and Business

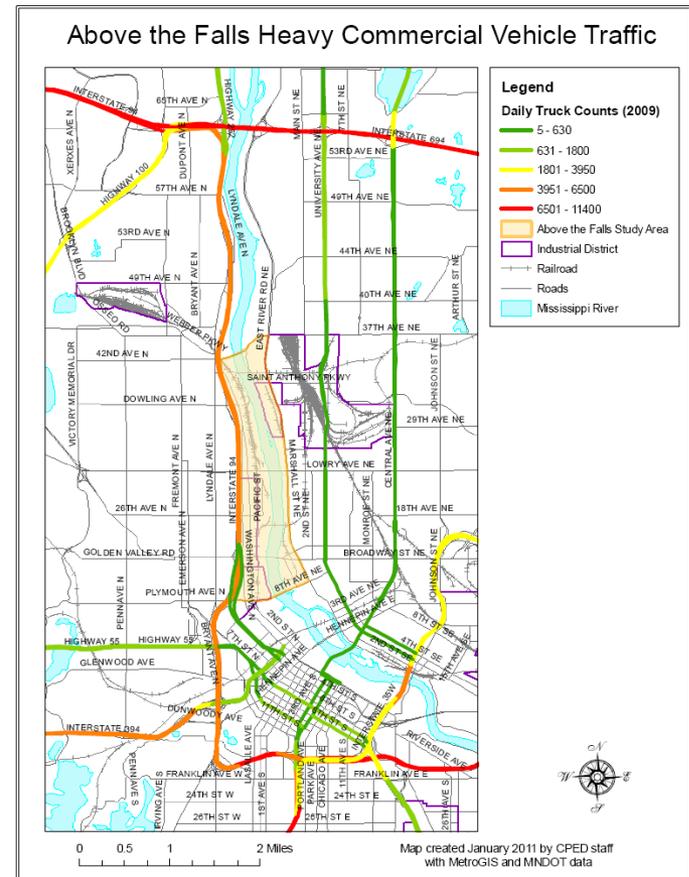
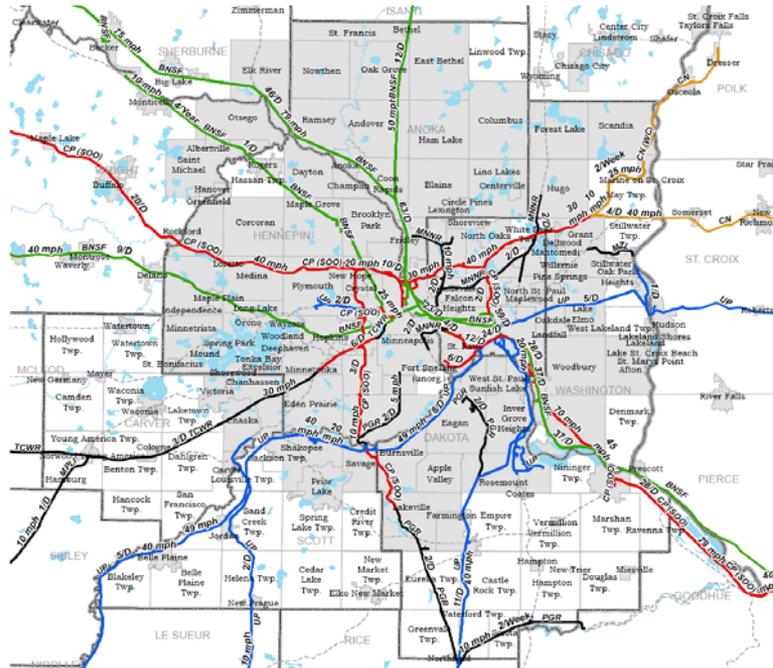
- Sector Analysis
- Employment Geography
- Industrial Land Inventory
- Employee Origins
- Business Survey

Which of the following location factors are critically important to your operations at this site?



# ATF-PRIS Research Agenda: Freight Infrastructure and Economics

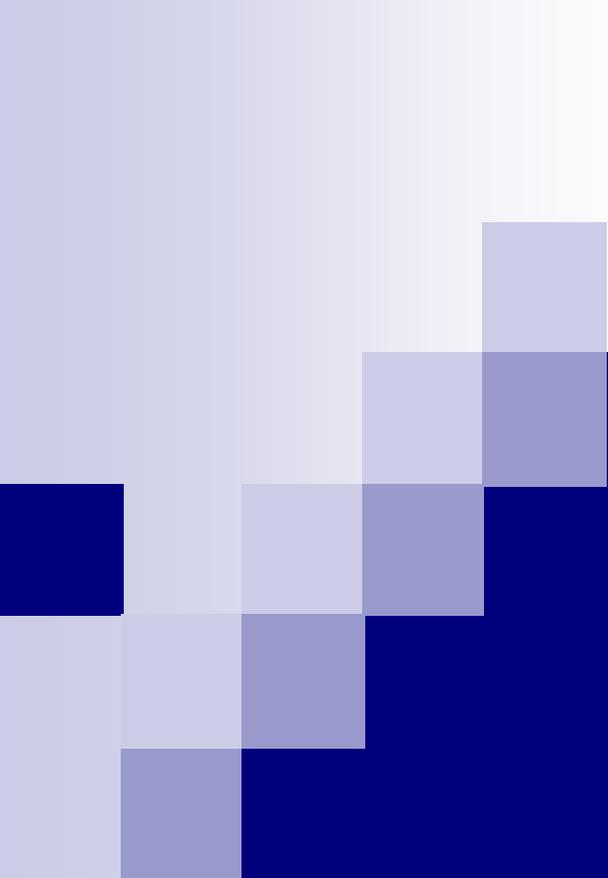
- Barge
- Rail
- Truck



# ATF-PRIS Research Agenda: Comparison Cities

- San Francisco, CA
- Chicago, IL
- St Paul, MN
- Binghamton, NY
- Jefferson, WI
- Pittsburgh, PA
- Cleveland, OH

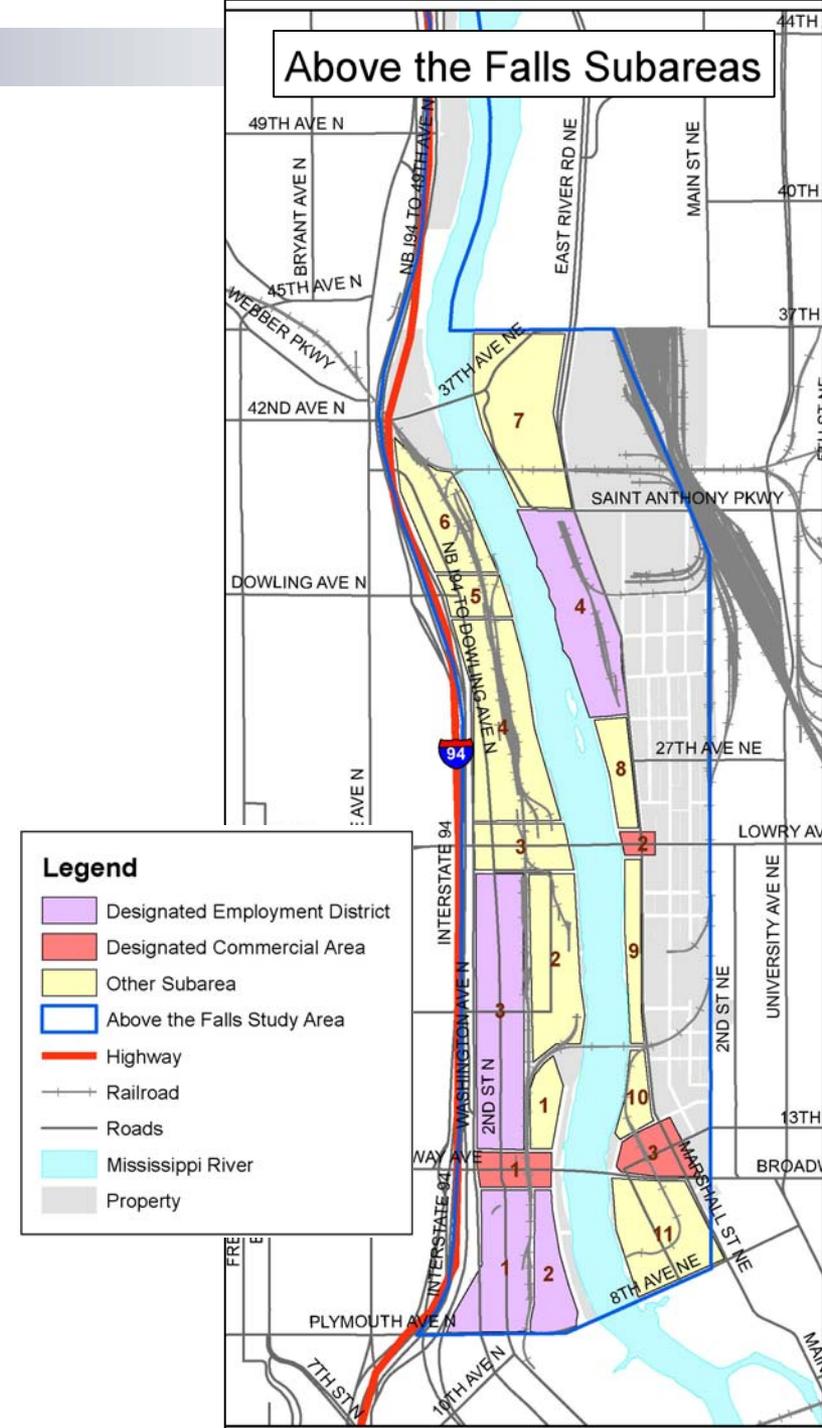




# ATF-PRIS Research Findings

# ATF-PRIS Geography

- Subarea Map
  - Designated Features
  - Other areas are primary focus of study



# Industrial Development: Regional Market & Competitiveness of Area

- Regional Forecast: Weak in next decade, but may strengthen over time
  - 7 million square feet (2%) over next 10 years
- Competitiveness of ATF: Strong, particularly due to:
  - Transportation infrastructure
  - Central location/proximity to downtown
  - Affordable older spaces



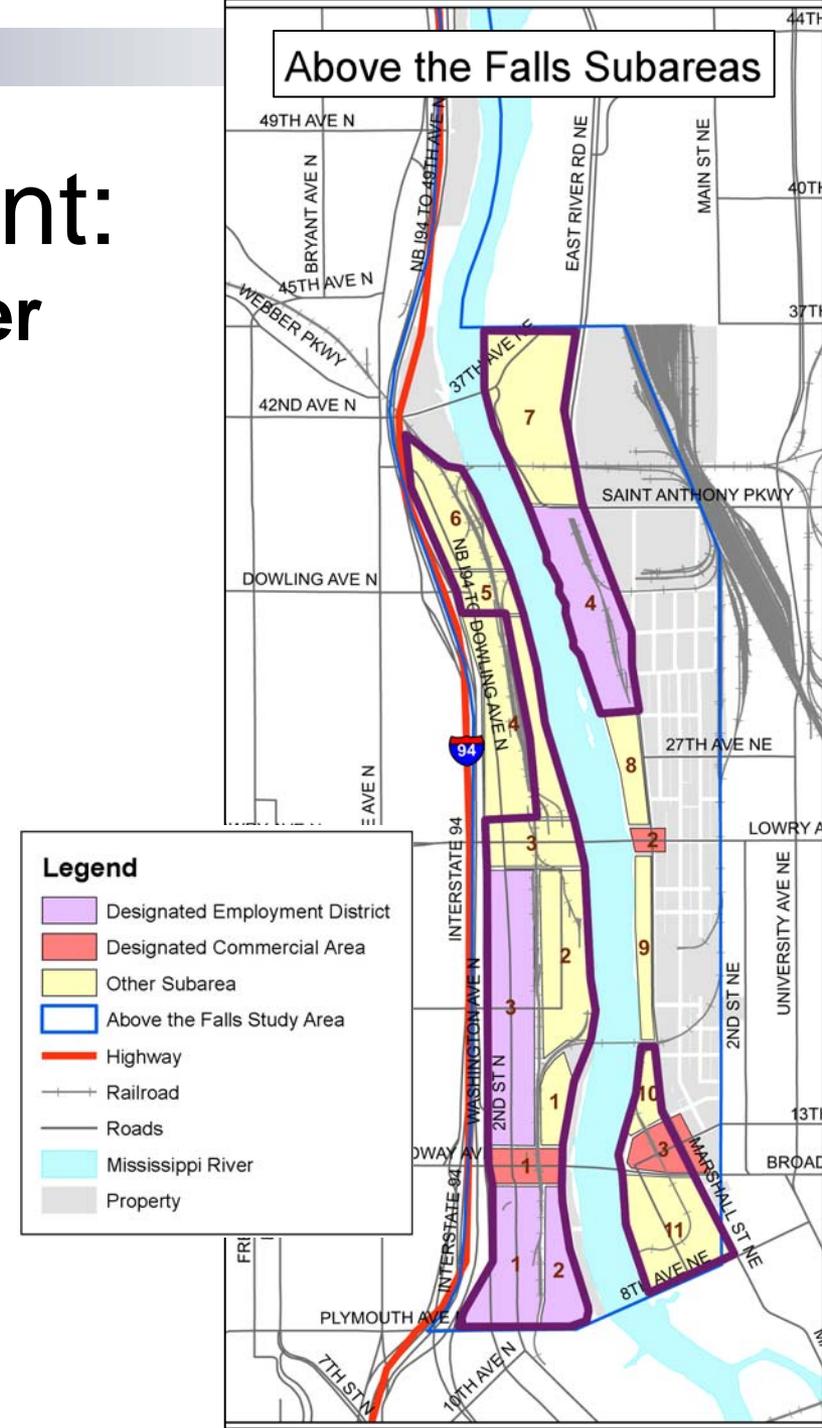
# Industrial Development: Feasibility and Fiscal Impact

- Developer Return: Moderate to large gap in short term for new construction
- Fiscal Impact: Redevelopment does not add to City tax base.
- Public Investment: Comparatively lower costs for cleanup and context setting, more incremental redevelopment possible



# Industrial Development: Strongest Locations in Upper Riverfront

- Key Location Criteria
  - Access to regional highway network
  - Large parcels
  - Buffered from residential uses
  - Flat topography
  - Access to rail
  - Center of region/ proximity to downtown



# Office Development:

## Regional Market & Competitiveness of Area

- Regional Forecast: Moderate, with strong growth in some sectors
  - 27 million sq ft (11%) over next 10 years.
- Competitiveness of ATF: May be competitive with non-CBD office areas, due to:
  - Central location/proximity to downtown
  - River/park amenity
  - Possibility of surface parking



# Office Development: Feasibility and Fiscal Impact

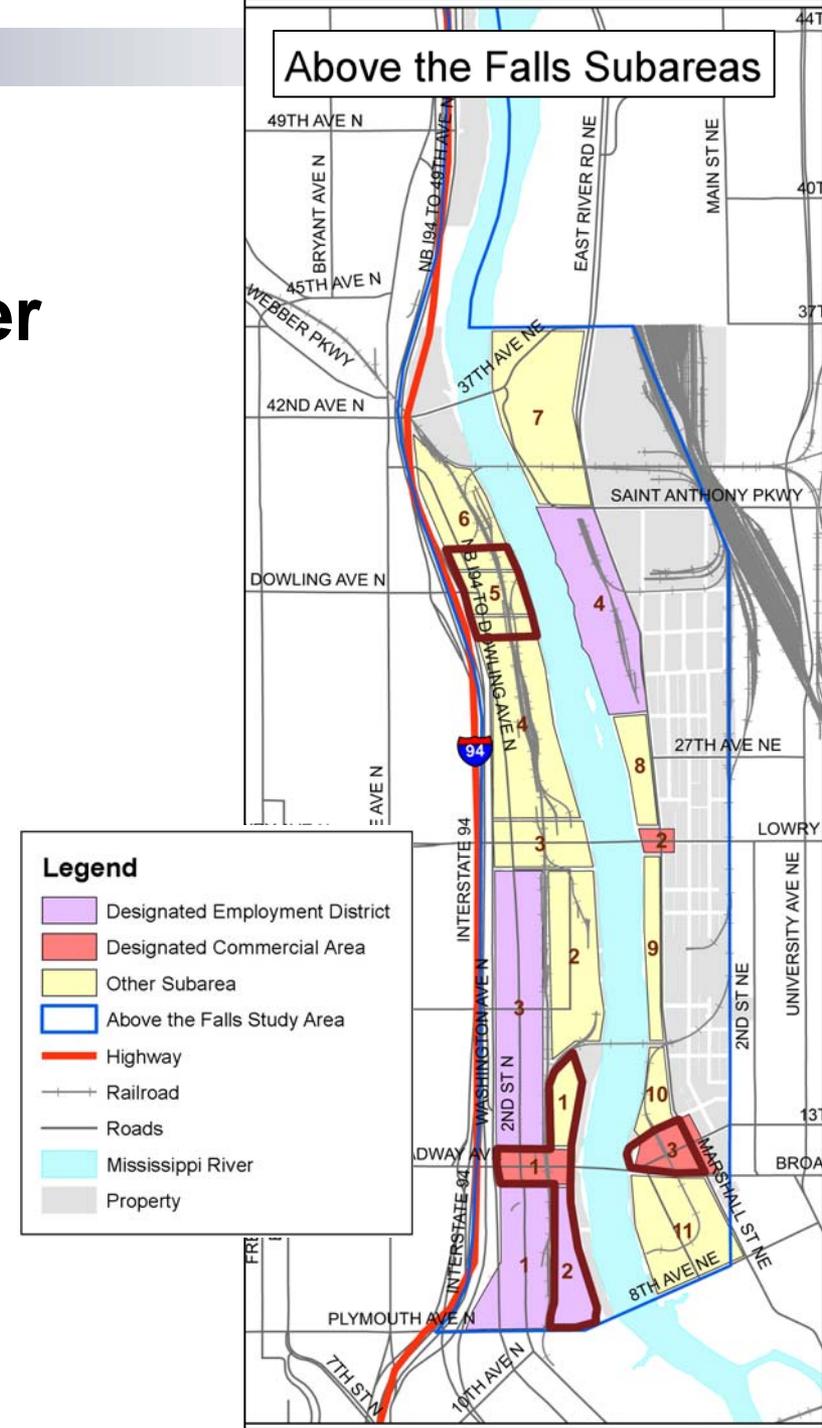
- Developer Return:  
Modest gap in short term  
for new construction
- Fiscal Impact:  
Redevelopment may add  
to City tax base
- Public Investment:  
Moderate costs for  
cleanup and context  
setting



# Office Development: Strongest Locations in Upper Riverfront

## ■ Key Location Criteria

- Access to regional highway network
- Freeway visibility
- Proximity to downtown
- Nearby amenities—  
Commercial, Mississippi  
River, trails
- Transit service



# Residential Development: Regional Market & Competitiveness of Area

- Regional Forecast:  
Moderate, with potential for strong growth
  - 139,000 (14%) over next 10 years
- Competitiveness of ATF:  
Somewhat weak, particularly due to:
  - Competition from higher amenity areas elsewhere
  - Low frequency transit service in some areas
  - Lack of retail, entertainment in some areas



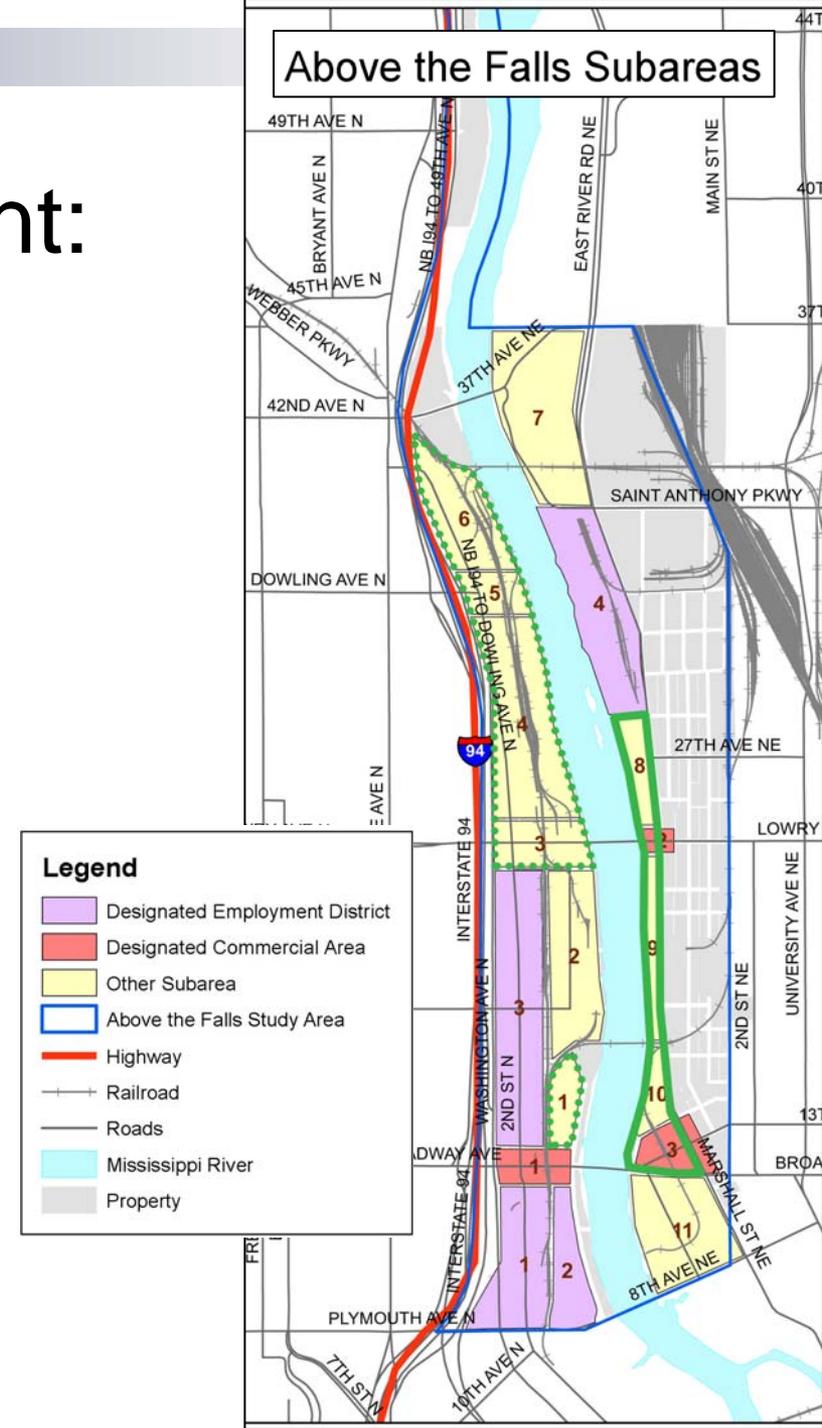
# Residential Development: Feasibility and Fiscal Impact

- Developer Return:  
Modest gap in short term  
for new construction
- Fiscal Impact:  
Redevelopment may add  
to City tax base
- Public Investment: High  
costs for cleanup and  
context setting
  - Schools, safety, retail,  
transit access, critical  
mass of development, etc.



# Residential Development: Strongest Locations in Upper Riverfront

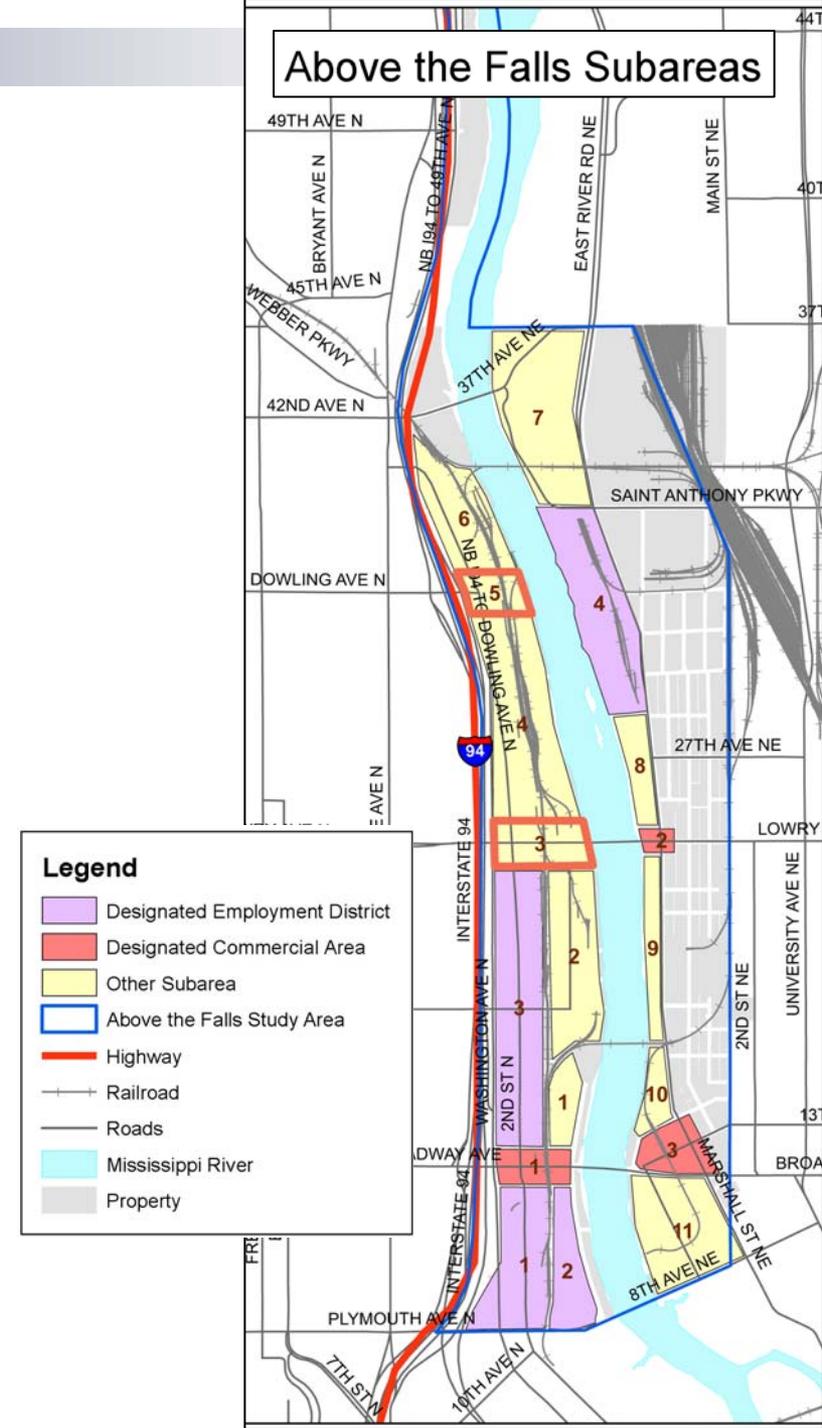
- Key Location Criteria
  - Proximity to downtown
  - Transit service
  - Nearby amenities—Retail, entertainment, Mississippi River, trails
  - Buffer from industrial uses, and other adverse conditions such as freeway, railroad
  - Good schools
  - Sense of safety



# Retail Development: Strongest Locations in Upper Riverfront

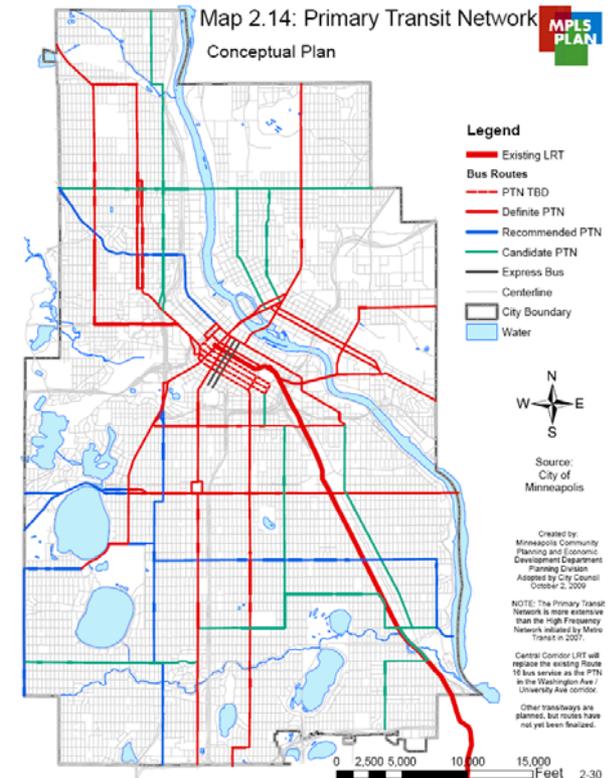
## ■ Key Location Criteria

- Ancillary to other development
- Nearby residential or employment density
- Drive-by customer base



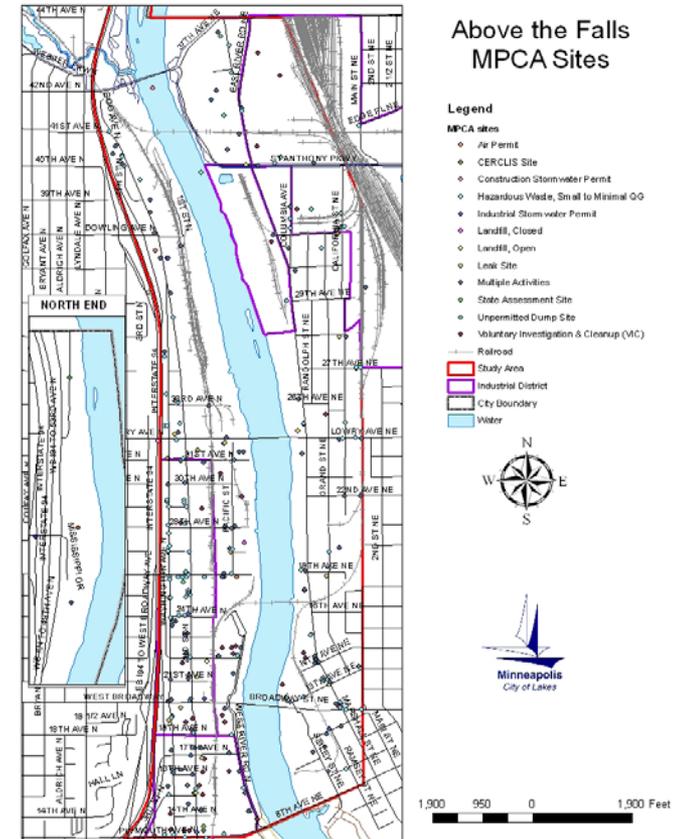
# Other Considerations: Context Setting, Critical mass

- Some development types would require critical mass to attract developer investment and ensure viability
- Critical mass supports:
  - Adequate transit service
  - New commercial goods and services
  - Quality school



# Other Considerations: Up front (public?) costs

- Higher value redevelopment is likely to require significant up-front public investment before it's possible to attract developer investment.
  - Parks and trails
  - Land assembly
  - Environmental cleanup
  - Street and utility infrastructure



# Other Considerations:

## Density

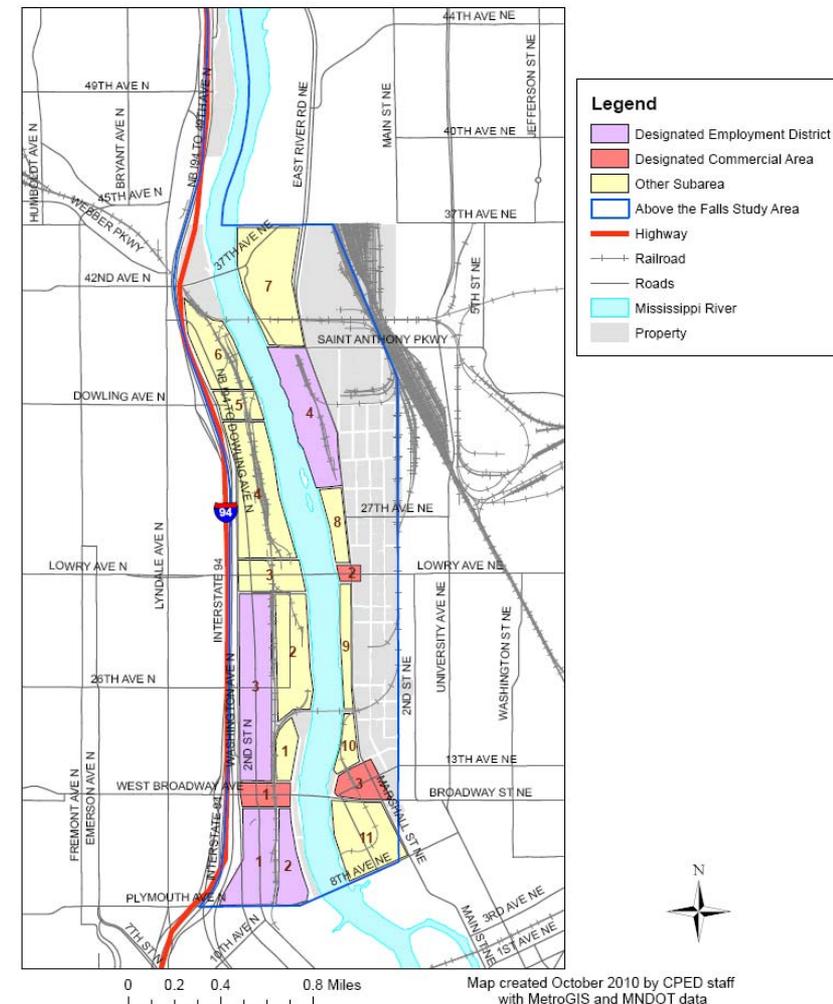
- Density levels may make the difference in:
  - The ability to fund public predevelopment activities
  - Attracting high quality transit service
  - Attracting new commercial amenities
  - The feasibility of development from the perspective of the developer



# Other Considerations: Timeline/Phasing

- More ambitious development futures (both office and residential) have longer timelines.
- Industrial redevelopment can proceed more incrementally, without as much context setting.
- Office headquarters development can be pursued in some areas in short term.

Above the Falls Subareas



# Other Considerations:

## Park Development

- New park development would be a catalyst for private development
- The location of significant park features will affect the viability of different development futures
- Adjacent development can help to populate parks and trails, and contribute to their safety



# Other Considerations: Neighborhood Connections

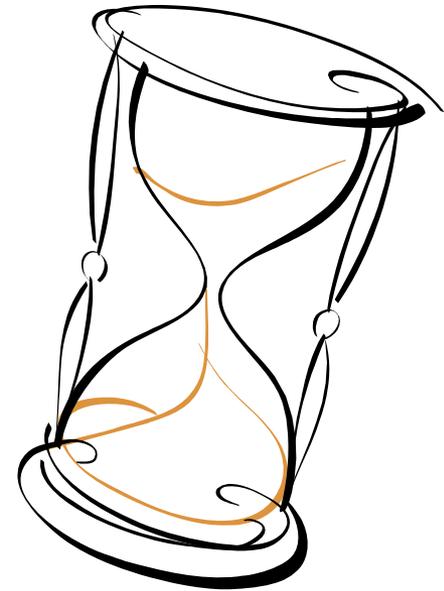
- Industrial development benefits:
  - Living wage jobs
  - Office development benefits:  
Jobs, corporate engagement in community,  
workers support neighborhood businesses
- Residential development benefits:
  - Neighborhood fabric extends to river.  
New households strengthen neighborhood  
businesses, schools, community
- New development can affect the sense of  
neighborhood connectedness to river
- New retail and transit service can benefit  
neighboring communities

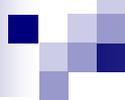


# ATF-PRIS:

## Project Timeline

- May-July: Complete research agenda
  - Including cost of context setting (e.g. land cleanup, infrastructure, site assembly, etc)
- August: Next public meetings.
- September: Recommend to City Council whether to modify ATF Plan, with scope and timeline of that project.





# Questions for Discussion:

- What are biggest priorities for this area in terms of adding new development?
- How do you feel about higher density development if it's necessary to achieve a high value development future?
- What's your comfort level with a longer timeline if that makes your preferred development future possible?
- What are important first steps/first locations/first investments in the direction of your preferred future?

# Thanks!

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612-673-2098  
[haila.maze@ci.minneapolis.mn.us](mailto:haila.maze@ci.minneapolis.mn.us)
- Website:  
[http://www.ci.minneapolis.mn.us/cped/  
above\\_the\\_falls.asp](http://www.ci.minneapolis.mn.us/cped/above_the_falls.asp)

