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West Side Flats

Master Plan and Development Guidelines Update

Thursday, November 7, 2013

West Side Flats Master Plan and Development Guidelines Update Developers Roundtable #2

Attendees:

Developers

Wendy Holmes (Artspace), Karen Reid (NeDA), Mark Fabel (McGough), Ron Mehl (Dominium), Jim Stolpestad (Exeter Realty)

Project Staff/Consultants

Lucy Thompson (PED), Jeff McMenimen (HKGi), Jeff Miller (HKGi), Todd Johnson (Design Workshop)

Guests

Betsy Reveal, Chair, Community Task Force

Jamie Radel, PED

Scott Tempel, PED

Strengths of Draft Master Plan

- Linear park concept is great, particularly since the rail line corridor is unattractive.
- The vision and the master plan seem achievable and marketable, not idealistic.
- The area between the rail line and Robert Street seems ripe for redevelopment.
- Providing a phasing plan is beneficial for developers.
- The flexibility of the master plan's land use guidance is a positive, e.g. not requiring retail uses in specific locations.
- Master plan should keep the area from looking suburban.
- Identifying potential funding sources is an important part of the plan and could be expanded.

Concerns about Land Use & Building Heights Guidance

- Limiting building heights along the riverfront, including stepback requirements for upper floors, will make it harder to recoup development costs and may increase housing prices. In general, riverfront parcels will be the most difficult to develop, so more density and height will be needed there to achieve financial feasibility.
- From a financial perspective, it may be beneficial for the master plan to enable optimizing the potential for stick-built buildings.
- Be careful that the master plan doesn't push 1st floor retail too strongly and too broadly in the WSF. "Active 1st floor uses" may be a better term than 1st floor retail.
- Developers expressed some skepticism about the viability of retail/restaurant businesses along the riverfront esplanade. Since these businesses would not be visible or directly accessible from a street, it may be challenging to attract retail/restaurant businesses. Customer parking strategies was another concern. Keep

in mind that St. Anthony Main and Riverplace on the Minneapolis riverfront were not sustainable retail/restaurant locations, and they have a street in front of them.

Recommendations for Draft Master Plan

- Add a diagram to the master plan that shows proposed streets over existing buildings.
- There is no “there” in the WSF study area today. The Lowertown area has so much activity going on, which will be challenging for the WSF to compete with. It will be important to have catalyst projects identified that will attract private development.
- Try to use existing buildings when feasible to create a varied development feel in the future neighborhood.
- Consider the potential for development of the vacant triangle site (HRA-owned property) west of the rail line and flipping the future park to the east side of the rail line, which would enable additional housing on the west side of the rail line closer to the West Side Flats Apartments project.
- Developers are interested in density bonuses. The City should determine if its current density bonuses are sufficient to be effective.
- To attract housing developers and residents to the WSF, it will be important to understand where services are for this future neighborhood, e.g. schools, grocery stores, etc. Master plan could address this issue.

Development Catalysts

- The WSF linear greenway would be a catalyst for attracting surrounding development.
- Sherman Associates’ WSF Apartments development is seen as being located at “Main & Main” and a catalyst.
- A good example of a catalyst development has been the new Whole Foods store within a mixed-use building in the North Loop neighborhood in downtown Minneapolis.
- The City should talk to U.S. Bank about the WSF Master Plan and find out their potential expansion plans in the WSF study area. Find out if they would be more interested in expanding west along the riverfront, south along Robert Street, or southwest along Fillmore Ave/Livingston Ave. The City may prefer future residential along the riverfront rather than additional office development.
- The FOK Building, which is west of Wabasha Street, is full of artist work spaces and could be a catalyst for art live/work spaces in the WSF study area.
- There is a high demand for artist working spaces. Artspace currently has a waiting list of about 300 artists interested in art space/studios. The WSF master plan could promote the riverfront as a potential place for artists to live and work. Buildings could be designed for artist work spaces, e.g. roll-up doors, or live/work spaces, and adaptable for potential commercial/retail uses in the future.

Green Space

- Housing developers are looking for housing development sites that are near green space. The North Loop neighborhood next to downtown Minneapolis has seen this demand.
- To attract families with kids to the WSF, the area will need parks.
- Green space is also needed for dog parks.

Financing of Public Infrastructure Improvements

- It will be important to set up a taxing district to fund public infrastructure improvements.
- Discussion about whether tax increment financing (TIF) can be used for developing trails. (Yes, but not for developing parks)
- What are the boundaries of the existing TIF districts in the WSF study area? Suggested that putting a TIF map in the implementation chapter of the master plan may be beneficial for developers.
- What is the potential for using TIF for developing structured parking?
- Is there a need to extend the TIF expiration date?
- Consider the possibility and feasibility of the City issuing a bond for purchasing land needed for the linear greenway up front, and then use park dedication fees to pay off the bond over time.
- Developer(s) could build the streets and the park/greenway with public TIF money and then turn the streets and park/greenway over to the City.

Master Developer Approach

- The City should consider soliciting for a master developer through an RFP approach, which would likely involve the City acquiring land and then selling it to the master developer.
- The focus area for a potential master developer should be the area between the rail line and Robert Street and along the riverfront.
- The Upper Landing redevelopment was accomplished using a master developer approach, where the City acquired the land and solicited for a master developer.
- The City needs to explore the potential areas that could be subject to a master developer early on. It could be most of Phase I and Phase II together or a smaller area, e.g. just the HRA-owned property and land along the east side of the linear greenway.
- Potential master developers may include Sherman Associates, Ryan Companies, Opus Development, and others; most likely local developers rather than national.