



CITY OF SAINT PAUL

Melvin Carter, Mayor

25 West Fourth Street, Ste. 1400 Saint Paul, MN 55102 Telephone: 651-266-6700 Facsimile: 651-266-6549

DATE: August 14, 2020

TO: Comprehensive and Neighborhood Planning Committee

FROM: Menaka Mohan, Jenny Wolfe, PED

RE: Proposed Amendment to the Ford Site Redevelopment Plan (the "Redevelopment Plan") which will expand the Ford Site Redevelopment Project Area (the "Project Area")

BACKGROUND

Community Vision, Master Plan and Master Developer

Planning for redevelopment of the Ford Motor Company site in Highland Park (the "Ford site now known as Highland Bridge") began in 2007, following the company's closure announcement. There was extensive public engagement, numerous targeted studies, and planning and visioning work led by city staff, regional, and state agencies. The Ford Site Planning Task Force, appointed by the Planning Commission, met over more than a decade to review various aspects of the work and to hear from the public and stakeholders. The analyses provided a wide and deep understanding of the site's opportunities and constraints, served as the basis of the *Ford Site Zoning and Public Realm Plan* (Ford MP) adopted by the City in 2017 and amended in 2019 and again in 2020. The City adopted RES 19-630 and Ordinance 19-19 on April 10, 2019, and RES PH 20-105 and Ord 20-17 on May 13, 2020 that supported amendments to the Ford MP. The amendments were proposed by Ryan Companies (Ryan) and refined by stakeholders before the final adoption.

In June of 2018, Ford Land selected Ryan as the Master Developer (the "Developer") for the site and Ryan purchased the property in 2019. The City entered into a public private partnership with Ryan in December of 2019, which details the public and private financing to complete the infrastructure needed to redevelop the site. When fully developed, Highland Bridge will include 3,800 housing units(20% which would be income-restricted), 265,000 gross square feet of office, 150,000 gross square feet of retail, and 50,000 square feet of civic space.

Tax Increment Finance Analysis and Establishing a TIF District

In 2012, the HRA retained the service of Compass Rose Consulting to complete a TIF Eligibility Assessment of the Ford site. This assessment determined that the area met the qualifications of a Redevelopment TIF district including the existence of substandard buildings on the two tax parcels. On February 27, 2013, the HRA adopted RES #13-347, affirming the existence of substandard buildings on the two tax parcels and the intention of the Ford Motor Company to demolish some or all of the substandard buildings, and approved the execution of a Development and Demolition Agreement with the Ford Motor Company. This action by the HRA enabled the establishment of a Redevelopment TIF district in the future, provided that a request for certification of the tax parcels as part of a TIF district is requested within three years from the demolition date. On March 23, 2016, the HRA adopted RES #16-548 approving the adoption of the Redevelopment

Plan and establishment of the Ford Site Redevelopment TIF district and adopting a TIF Plan therefore (the "Ford TIF District"). Minnesota Statutes require that the Planning Commission provide comments on the Redevelopment Plan before the City Council or HRA. On February 19, 2016, the Planning Commission adopted Resolution #16-08, finding that the Redevelopment Plan is consistent with the Saint Paul Comprehensive Plan.

Environmental Review

The Ford Site development required a State-mandated environmental review due to the number of residential units proposed, known as an Alternative Urban Areawide Review (AUAR). As part of this review, a detailed transportation study was conducted to review transportation access to and from, as well as within, the site, as well as identifying tactics to mitigate any potential concerns. The development proposal underwent a full environmental analysis as part of the AUAR.

The AUAR concluded that the surrounding transportation and infrastructure network can support the redevelopment. The AUAR transportation study and analysis also identified certain transportation improvements that may be implemented over time to address future impacts that could occur as a result of redevelopment within the AUAR study area.^a

Role of the Planning Commission

Minnesota state law requires a municipality's planning agency provide a report and written opinion regarding the proposed modification prior to the municipality's approval of the modified redevelopment plan. The proposed modification or amendment is the expansion of the Project Area. In Saint Paul, the Planning Commission provides the determination that the proposed amendment (expanded Project Area) is consistent with the Saint Paul Comprehensive Plan, prior to action taken by the Housing and Redevelopment Authority and the City Council.

DISCUSSION

The AUAR was certified as of November 4, 2019. Mitigation identified for transportation included several protentional improvements that could be implemented over the lifetime of the development which is expected to be completed by 2035. The improvements range from filling in sidewalk gaps to updating traffic signals. Additionally, the Ford AUAR found that both development scenarios — the Ryan proposal and the maximum development allowed — were consistent with the adopted Ford MP and the City's 2030 and 2040 Comprehensive Plans. The proposed parks and trails included in the Ryan Development are compatible with adjacent land uses and make connections to the city and regional trail network. Existing bikeways adjacent to the site include an enhanced shared lane along Ford Parkway and an off-street path and bike lane along Mississippi River Boulevard.

As part of the redevelopment agreement with the City, Ryan is responsible for improving three intersections that were identified for improvement in the AUAR: Ford Parkway and Cleveland Avenue, Ford Parkway and Cretin Avenue, and Montreal and Cleveland Avenue. These intersection improvements are being funded with TIF (approximately \$4 million). An additional \$5 million of TIF was allocated by the City for other transportation improvements identified in the AUAR. These improvements are located outside the current Project Area, which was established prior to the AUAR's completion. In order to ultimately utilize \$5 million of TIF for AUAR-identified transportation improvements, the Project Area needs to be expanded. The proposed expansion of the Project Area is to Randolph Avenue on the north, to Fairview Avenue on the east,

https://www.stpaul.gov/sites/default/files/Media%20Root/Planning%20%26%20Economic%20Development/Ford-Site-Ryan-Redevelopment-Proposal.pdf

^a For more information on environmental review please visit: http://www.stpaul.gov/ford-auar

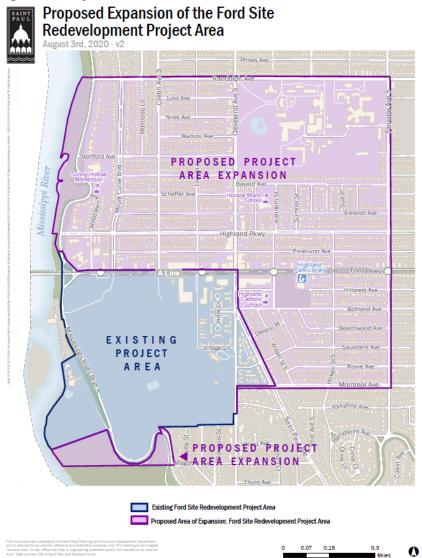
^b For more information on the Redevelopment Agreement visit:

and a slight expansion south to include a stormwater utility installation from the Ford Site (Highland Bridge) to Hidden Falls Regional Park (see exhibit below). Note that not all identified traffic impact mitigation measures in the AUAR will necessarily be implemented, as the development pattern and individual travel patterns may change over time.

Expanding the Project Area to the south allows for funding the connection from the Ford Site (Highland Bridge) to Hidden Falls Regional Park The connection is named in many city-adopted plans including the Ford MP, Hidden Falls Master Plan, and the Great River Passage. Expanding the Project Area south allows eligible funding to be used to build the connection if funds become available.

This action will allow tax increment generated by development of the Highland Bridge site to be utilized for public infrastructure improvements in the surrounding areas. This action will not increase the amount of tax increment generated by the Highland Bridge site or alter property tax assessments of the properties within the larger project area. Since the Highland Bridge site is not yet generating a significant increment of additional tax revenue, these infrastructure investments will be made in several years when both the funding available and infrastructure needs are better understood. The specific infrastructure projects will be selected through standard Public Works prioritization processes. Some level of certainty about infrastructure funding sources is needed for capital budget planning purposes.

Map of proposed expanded Project Area:



The expanded Project Area is in conformance with the Land Use chapter of the 2030 Comprehensive Plan, which identifies the Ford site as part of a mixed-use corridor and an opportunity site, and the proposed improvements are in line with the multi-modal focus of the Comprehensive Plan. While the draft 2040 Comprehensive Plan is not yet adopted, this expanded Project Area is also consistent with the draft 2040 Plan submitted to the Metropolitan Council. The draft 2040 Plan also identifies the site as mixed-use, an opportunity site and a partial contributor to the Highland Village/Ford Site neighborhood node. The proposed project area expansion is also in conformance with the Ford Master Plan and Highland Park District 15 Plan, which references the Ford MP and describes a future site consistent with it in the Land Use chapter.

STAFF RECOMMENDATION

Staff recommends that the Comprehensive and Neighborhood Planning Committee recommend to the Planning Commission that the proposed amendment to the Redevelopment Plan expanding the Project Area be found consistent with the City of Saint Paul Comprehensive Plan.

ATTACHMENTS

- 1. Draft Planning Commission Resolution
- 2. Amendment to the Ford Site Redevelopment Plan

Planning Commission resolution recommending approval of the First Amendment to Redevelopment Plan for the Ford Site Redevelopment Project Area, District 15 Ward 3

WHEREAS, On February 19, 2016, the Saint Paul Planning Commission (the "Commission"), at the request of the Housing and Redevelopment Authority of the City of Saint Paul (the "HRA"), determined that the Redevelopment Plan for the Ford Site Redevelopment Project Area (the "Original Redevelopment Plan") proposed by the HRA for the Ford Site Redevelopment Project Area as set forth therein (the "Project Area") for the purpose of financing redevelopment, housing, and other economic development opportunities at the site of the former Twin Cities Assembly Plant (the "Ford Site"), was consistent with the Saint Paul Comprehensive Plan and the HRA was informed of the Commission's opinion under Commission Resolution No. 16-08; and

WHEREAS, On March 23, 2016, the HRA, having received the Commission's opinion regarding the Original Redevelopment Plan, duly adopted HRA Resolution No. 16-548 to establish the Project Area; and

WHEREAS, in the course of redevelopment of the Ford Site, the number of residential units proposed by the Ford Site's designated developers caused the undertaking of an Alternative Urban Areawide Review (the "AUAR") environmental review which, as a part of the AUAR, included a detailed transportation study of access to, from, within, and beyond the boundaries of the Project Area but within the boundaries of the AUAR's study area in order to identify potential concerns which may require mitigation measures under the AUAR; and

WHEREAS, the AUAR, completed in 2019, determined that although the existing transportation and infrastructure network serving the Project Area was adequate for redevelopment, certain transportation and other infrastructure improvements within the AUAR study area which were beyond the Project Area boundaries, could be implemented over time as a means to address transportation other infrastructure impacts that could occur as a result of redevelopment at the Ford Site; and

WHEREAS, the HRA, in light of the findings of the AUAR, now proposes a modification of the Ford Site redevelopment plan (the "Amended Redevelopment Plan") adopted under HRA Resolution No. 16-548 that, if approved, would expand the Project Area boundaries established in 2016 so that funds of the Ford Site Redevelopment Tax Increment Financing District established by the HRA in the Project Area (the "TIF District") could be used for transportation and infrastructure improvements identified in the 2019 AUAR but located beyond the present Project Area boundaries; and

WHEREAS, the HRA's Amended Redevelopment Plan would expand the Project Area boundaries as follows: to Randolph Avenue on the north, to Fairview Avenue on the east, and a slight expansion south to include a stormwater utility installation from the Ford Site to Hidden Falls Regional Park as more fully described in <u>Exhibit 1</u>; and

Planning Commission resolution recommending approval of the First Amendment to Redevelopment Plan for the Ford Site Redevelopment Project Area, District 15 Ward 3

WHEREAS, Minnesota law requires the municipality in which a modification of an approved redevelopment is proposed to have the municipality's planning agency provide a report and written opinion regarding the proposed modification prior to the municipality's approval of the modified redevelopment plan; and

WHEREAS, the Commission has traditionally acted as the planning agency for such requests and, accordingly, the HRA has transmitted its proposed Amended Redevelopment Plan to the Commission for its report and written opinion; and

WHEREAS, the Commission received a report dated August 19, 2020 from staff in the department of planning and economic development which finds that the HRA's Amended Redevelopment Plan proposal conforms to policies 1.11, 1.12, 1.18, 1.27 in the City's current 2030 Comprehensive Plan's Land Use Chapter as well as policies LU.1, LU.2, LU.8, in the Land Use Chapter and policies and T.23, T.25 of the Transportation Chapter in the City's pending 2040 Comprehensive Plan; and

WHEREAS, for the reasons set forth in the August 19, 2020 staff report, the Commission hereby finds that the HRA's Amended Redevelopment Plan, as proposed, provides an adequate rationale for the expansion of the Project Area boundaries so that TIF District funds could be used for transportation and infrastructure improvements identified in the 2019 AUAR; and

NOW, THEREFORE, BE IT RESOLVED that the Saint Paul Planning Commission hereby finds that the Amended Redevelopment Plan conforms to the general plan for development of the City of Saint Paul as a whole and with the City's current 2030 and pending 2030 Comprehensive Plans and therefore respectfully recommends approval of the Amended Redevelopment Plan by the City Council and the HRA;

AND, BE IT FURTHER RESOLVED, that the Commission incorporates by reference the August 19, 2020 staff report as a statement of its rationale for recommending approval of the HRA's Amended Redevelopment Plan;

AND, BE IT FINALLY RESOLVED, that Commission staff immediately provide the HRA with a copy of this Resolution as the Commission's written report and opinion on the matter.

FIRST AMENDMENT TO REDEVELOPMENT PLAN FOR FORD SITE REDEVELOPMENT PROJECT AREA SAINT PAUL, MINNESOTA

INITIAL ADOPTION BY THE CITY COUNCIL: MARCH 16, 2016
INITIAL ADOPTION BY THE HRA: MARCH 23, 2016
FIRST AMENDMENT BY THE CITY COUNCIL AND
THE HRA: OCTOBER 14, 2020 (scheduled)

FIRST AMENDMENT TO

REDEVELOPMENT PLAN FOR FORD SITE

I. PURPOSE

The Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (the "HRA") proposes to amend the Redevelopment Plan for the Ford Site Redevelopment Project Area, Saint Paul to enlarge the area of the Ford Site Redevelopment Project Area, Saint Paul, Minnesota (the "Project Area"), which enlarged area qualifies as a redevelopment project and will prevent the emergence of blighted and deteriorated areas. The enlargement of the Project Area is being undertaken, in part, in connection with certain public improvements, including without limitation, transportation and infrastructure improvements and corresponds with the area of the alternative urban area wide review for the Ford site redevelopment (the "Ford AUAR").

The purpose of the Redevelopment Plan is to develop or redevelop sites, lands or areas within the Project Area in conformance with the Comprehensive Plan of the City of St. Paul, Minnesota (the "City"), and to implement recommendations of studies completed, in conformance with the City's Comprehensive Plan all as set forth in the Redevelopment Plan as originally adopted. The Ford AUAR found that both development scenarios — i.e. the development proposed by Ryan Companies US, Inc. through its development entity, Project Paul, LLC, and the maximum development allowed — were consistent with the adopted Ford Site Zoning and Public Realm Master Plan and the Comprehensive Plan. The redevelopment activities are expanded by this Amendment to include all development and redevelopment activities occurring within the newly added area of the Project Area.

II. AMENDMENT

The description of the Redevelopment Project Area in Part A of the Redevelopment Plan and the map set forth in Exhibit A of the Redevelopment Plan as originally adopted are amended to add and include the property depicted in **Exhibit A** attached hereto, including all adjacent streets, alleys and public rights of way. The depicted property is hereby and shall be incorporated into any other maps depicting the Redevelopment Project Area.

EXHIBIT A Map of the Ford Site Redevelopment Project Area Including Property to be Added Thereto

