

MINNEAPOLIS NEAR NORTHSIDE



MASTER PLAN

Submitted to
City of Minneapolis

Prepared by
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NEAR NORTHSIDE MASTER PLAN REPORT

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Sumner Library
611 Emerson Avenue North

Harrison Community Center
503 Irving Avenue North

Municipal Information Library in City Hall
350 South 5th Street

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EXECUTIVE SUMMARY

I. INTRODUCTION

In November 1998 the Near Northside Implementation Committee issued a Request for Proposals (RFP) to select a lead developer to “assist in the creation of a mixed-use, mixed-income, high-amenity community on the near northside of Minneapolis”.

In April 1999, the Near Northside Implementation Committee recommended McCormack Baron & Associates, in partnership with Legacy Management and Development Corporation, as lead developer and in July 1999 City Council approved a Master Planning Agreement. In a separate RFP process, the City of Minneapolis selected a team led by SRF Consulting Group, Inc. for design of open space and infrastructure for the site in August 1999. In September 1999 the two design teams came together to begin a six-month collaborative master planning effort, which included extensive community participation. The results of the master planning process are summarized in the following report. Other supporting documents to the Master Plan such as the Market Study, Minority/Women Business & Employment Participation Plan, Marketing Plan, and Operation and Management Strategy, are available as appendices to the document (*see Appendix*).

II. HISTORY OF THE SITE

The Near Northside Master Plan site, located in the heart of the city and close to major transportation routes is located in the historical floodplain of Bassett Creek (*see Figure 1*). The site has seen many changes – from swampy creek bed, to downtown neighborhood, to the first public housing development in Minnesota.

Much of the site is located in a buried valley that was formed by glacial meltwaters and filled over time with unstable soils, including sands, silts, clays and organic material. At the time Minneapolis was established, Bassett Creek meandered through the area with tributary streams, spring-fed ponds, marshes, floodplain forests and meadows (*see Figure 2*). In the early decades of the 1900’s, the creek was routed underground while housing and commercial buildings were constructed on fill placed over the unstable soils. Many of the early houses were then razed in the 1930’s for multi-family developments that were acquired for public housing.

The Near Northside evolved early in the 1900’s as a relatively compact and cohesive neighborhood on the edge of downtown Minneapolis. The four public housing developments - Sumner Field Homes (constructed 1935), and Olson, Lyndale and Glenwood (all constructed in the late 1950’s) were developed within the traditional fabric of streets and land uses in the community. In the 1960’s, however, the blocks immediately west of Sumner Field were combined into a superblock, which now contains Bethune School and Park, Phyllis Wheatley Community Center, Cecil Newman Plaza apartments, Park View Apartments, Siyeza Corporation, and Fraser Head Start Center (*see Figure 3*).

In 1992, the public housing developments were the target of a 1992 lawsuit, *Hollman vs. Cisneros*. As part of the *Hollman vs. Cisneros* Consent Decree, the work of a community-based focus group in 1996 resulted in a set of recommendations for the site's re-use. These recommendations were developed into an Action Plan, approved by the Minneapolis City Council in 1997 and clarified by the April 1998 *Agreement Regarding Plaintiffs' Objections to Action Plan for Sumner-Glenwood Redevelopment* that guides the newest transformation of this neighborhood. The Development Framework for the Near Northside area immediately surrounding the Action Plan site was approved by the City Council in September 1998.

III. THE PLANNING PROCESS

The 1997 Action Plan set goals for the transformation of the site into a stable, mixed-income neighborhood that would lessen the concentration of poverty, provide incentives for greater self-sufficiency of its low-income residents, and support the viability of this new neighborhood by connecting it in meaningful ways with the surrounding community (*see Figure 29*).

In this spirit, the design team, led by Urban Design Associates and SRF Consulting Group, Inc., using the design principles of the Action Plan, the neighborhood design principles and "New Urbanism", actively engaged the residents of public housing, the Northside community, civic and community leaders, Minneapolis Public Housing Authority (MPHA), Minneapolis Community Development Agency (MCDA), other local agencies and institutions, and local government leaders in the design process. A series of public meetings, individual working sessions with key groups and Implementation Committee meetings were held throughout the design process to ensure that the collected concerns and aspirations of all of these constituencies were addressed in the design process.

These ongoing sessions culminated in an intense, weeklong design workshop hosted by McCormack Baron/Legacy Management, the City of Minneapolis and the design teams that resulted in a preliminary Master Plan. This preliminary Master Plan was presented to over 200 people on December 11, 1999. Based on comments and feedback from the community, the Implementation Committee and the City of Minneapolis, the plan was refined and presented at a community meeting on January 27, 2000 to over 350 people. The Master Plan was presented to the City Council for adoption on March 24, 2000 and was unanimously approved with minor recommendations.

IV. MASTER PLAN CONCEPTS

The Near Northside Master Plan explores the creation of an attractive and sustainable urban neighborhood in the Near Northside, on the doorstep of Minneapolis's downtown area. The goal of the plan is to rebuild a mixed-income, mixed-density, culturally diverse, amenity-rich neighborhood based on some of the best Minneapolis neighborhood traditions. By reconfiguring and reconnecting the streets, creating a network of traditional, residentially scaled blocks and neighborhood parks, the Master Plan connects this once isolated public housing development to the surrounding community and the larger city.

Within the Near Northside Master Plan there are three key design concepts. The first builds on the principles of providing a mix of housing types and designing for social integration. Cleared land on the Near Northside site will be replaced with a mix of garden style buildings, townhouses, duplex units, carriage houses and single-family homes. These units will provide both rental and for sale opportunities to residents at a variety of price points.

The proposed development includes 900 new mixed-income units built in the style of the Minneapolis neighborhood tradition and “New Urbanism”. To be built in four phases, approximately 440 units are rental, 360 units are for home ownership, and 100 units are for elderly public housing residents. 200 of the rental units will be Hollman public housing replacement units. A mixed-income strategy will be used which incorporates the public housing into this revitalized community. The public housing units will be mixed within buildings with other low income and market rate rental households and the units will be indistinguishable from one another.

The second overall design concept is the creation of a street network that complements the park system and links the site to adjacent neighborhoods. Reconfigured streets create a network of traditional, residentially scaled blocks and neighborhood parks. The Master Plan also extends the street grid from the Oak Park area to the west of the site, through the Superblock, to link the site to the adjacent neighborhood. A new frontage road and community green will replace the existing twelve-foot high concrete wall along Lyndale Avenue and will act as a new front door to the Near Northside site. Olson Memorial Highway is also slated to receive a major facelift. The proposed reconfiguration, with design features drawn from Summit Avenue in St. Paul, will widen the median and add curvature to the roadway. The intent is to slow traffic, create a formal green gateway to downtown, and create an address for the neighborhood.

The third design concept creates a strong parks and open space system that provides linkages to adjacent amenities, creates quality housing addresses around an open space network, and designs for sustainability. A new north-south boulevard extends through the heart of the site and provides a focus for community activities. As the centerpiece of the master plan framework, the proposed boulevard creates a picturesque address for hundreds of mixed-income housing units and connects the Master Plan site south through Bassett Creek Valley to the Parade area and south Minneapolis. A pair of feature parks, one north and one south of Olson Highway, build on the boulevard framework and create more intimate neighborhood places. The new parkland will offer residents and visitors a diverse mix of active and passive recreational opportunities, from walking and biking trails to ponds, meadows and lawns.

Finally, amenities must be in place to attract and serve returning and new residents and visitors to the area. Many strong community assets and amenities already exist and can be built on. They include Sumner Library, the city and regional park system, the regional street network, the surrounding Harrison and Near North neighborhoods, proximity to downtown employment centers, International Market Square, neighborhood community centers, and a network of neighborhood schools. Proposed new amenities include new and enhanced parks with cultural and recreational activities, the north-south boulevard with water features and walking and biking trails, a relocated Summit Academy OIC, and a

new multi-cultural center, which will house an interpretive center that captures the rich cultural history of the area. The Master Plan encourages the future development of new neighborhood retail along Glenwood Avenue at the southern edge of the Master Plan site, which would also be a tremendous resource for the entire community.

V. IMPLEMENTATION PROCESS

Initial cost estimates for the proposed redevelopment total approximately \$198 million in current dollars. The two largest items are housing and public improvements. Public improvements, which include streets, sidewalks, utilities, parks and the new north-south boulevard, are estimated at approximately \$48.8 million and will be borne by the City of Minneapolis. The development budget for the 900 housing units is estimated at \$123 million and includes the following sources of funding: private sector funding is estimated at \$75.2 million (61.1%), \$12.0 million will be a mix of public and private funds (9.7%), and the balance of \$35.9 million (29.2%) will be from HUD development funds (Hollman settlement funds) or requested in HUD HOPE VI grant funds.

The Near Northside Revitalization Plan envisions four major phases of development as shown in *Figure 89*. The first two phases are planned to occur north of Olson Highway. The last two phases are planned south of Olson Highway. A six to eight year build-out is anticipated and is contingent upon the timing and availability of funding sources. Infrastructure work for the first phase is anticipated to begin in late 2000 with housing construction beginning in spring 2001.

THE PLANNING PROCESS

I. DOCUMENTATION OF THE PLANNING PROCESS

The Near Northside master planning process was carried out in three phases.

Phase I	Data and Analysis
Phase II	Alternatives
Phase III	Final Plan

A large public meeting was held at the Harrison Community Center during each of the three phases. Between 200 and 350 people from the community attended each of these meetings.

There were two consulting teams who worked in parallel and in coordination: Urban Design Associates (UDA) was responsible for the Master Plan and residential design; a team led by SRF Consulting Group, Inc. (SRF) was responsible for open space and infrastructure design. Design workshops were scheduled in Minneapolis throughout the process where the staffs of both firms and their subconsultants worked side by side.

Phase I: Data and Analysis (October and November 1999)

During Phase I the consultants visited and photographed the site and collected “hard” data, such as land use, zoning, topography, parks, adjacent project plans, historic data, traffic information, demographic and economic data, and geotechnical reports.

One of the most important tasks in Phase I was setting up roundtable discussions with key individuals, and diverse and representative stakeholder groups, such as public housing residents, adjacent neighborhood residents, educational institutions, social service providers, business persons, and others to learn firsthand their perceptions of the issues, the assets and liabilities of the Near Northside site, and their vision for future uses. There were a total of 23 roundtables and 7 interviews. At each roundtable and interview the following three questions were asked: (1) what are the assets of the neighborhood; (2) what are the liabilities of the neighborhood; and (3) what is your vision for the neighborhood when it’s completed.

Over 250 people attended the first public meeting held at the Harrison Community Center on November 17, 1999 (*see Figures 4 and 5*). At this meeting the same three questions outlined above were asked in small breakout groups to gain further input from the public and stakeholders who were unable to attend the roundtable discussions. The comments from the interviews, roundtables and the November 17th breakout groups are summarized later in this section of the report.

The two consultant teams then prepared base drawings, analysis diagrams, technical memorandums, and other urban design and engineering analyses to document and summarize the issues.

Development Strategies, Inc. was engaged to carry out a market study to determine the residential and commercial demand, price structure, absorption rates, and development mix for the Master Plan area. The market study began with Development Strategies visiting the site and the metropolitan area to gather background information and evaluate comparable housing developments. To determine market perceptions of the Master Plan area, a large attitudinal survey of people employed in the downtown area was conducted along with several focus group interviews of downtown workers, as well as city and suburban residents.

The design team consultants met periodically with the Implementation Committee, City staff and the Staff Steering Committee to report on progress to date.

Phase II: Alternatives (December 1999)

The major task in Phase II was a five-day design workshop or design charrette in Minneapolis from December 7, 1999 to December 11, 1999. The design teams set up the workshop at International Market Square on Glenwood Avenue. The workshop involved intense working sessions with the design teams and client group, a second round of meetings with the persons from the twenty-three roundtables, and a second public meeting.

Alternative schemes were developed and tested against the program and also reviewed for financial and market feasibility by the developer, McCormack Baron/Legacy Management, and the City. A 1"=20' scale model of the site was prepared and many alternatives were tested on the model. The workshop was open at two scheduled times for the general public to observe the work in progress. Early in the workshop week, a media briefing was held to help publicize the public meeting.

At the end of the design workshop week, a public meeting was held at the Harrison Community Center on Saturday morning, December 11, 1999. The consultant team presented information on the Phase I Data and Analysis and showed slides of the preliminary Master Plan developed during the design workshop week. After the formal presentation, the two hundred plus attendees broke out into eight smaller groups to discuss what they liked and did not like about the preliminary plan (*see Figures 6 and 7*). A summary of those comments is presented later in this section.

The same presentation was made at the Harrison Community Center on January 12, 2000 to public housing residents who had been unable to attend the December 11, 1999 public meeting. Their likes and dislikes were also recorded and are presented later in this section.

Phase III: Final Plan (January to March 2000)

Based on the direction received from the public meetings, the Near Northside Implementation Committee, and from city staff, the consultant team prepared a final draft of the Near Northside Master Plan. A joint UDA/SRF working session was held to refine the Master Plan's urban design, the open space, and infrastructure plans.

The final draft Master Plan, including a draft housing plan and phasing plan, was presented at a public meeting on January 27, 2000 at the Harrison Community Center. Over 350 persons attended (*see Figures 8 and 9*). Input from this meeting is presented later in this section.

On the day following the public meeting, the consultant team met with the Implementation Committee to review the final draft Master Plan and discuss the results of the public meeting. Based on the input from the public meeting and the Implementation Committee, and ongoing discussions and coordination with city staff, the consulting team prepared the final Master Plan for adoption by the relevant agencies.

The final task was to present the plan for review and/or approval in the month of March 2000 to the following entities:

- Near Northside Implementation Committee
- Minneapolis Planning Commission
- Minneapolis Park & Recreation Board
- Minneapolis Public Housing Authority
- Minneapolis Community Development Agency
- Minneapolis City Council

The Minneapolis Near Northside Master Plan was officially presented for adoption by City Council on March 24, 2000. City Council approved the Master Plan unanimously with minor recommendations.

II. SUMMARY OF INTERVIEWS, ROUND TABLES AND COMMUNITY MEETINGS

Summary of Roundtables and November 17, 1999 Community Meeting

An essential element of the planning process was for the consultant team to become immersed in the issues of the neighborhood and the Hollman Consent Decree process to date. This was accomplished by scheduling interviews and roundtable discussions in October and November with the stakeholders, such as the plaintiffs and defendants of the Hollman case, local residents, businesspersons, social service providers, educators, religious leaders, and city officials. All were asked the same three questions: what are the assets of the neighborhood; what are the liabilities; and what is your vision for the

neighborhood in five or ten years when it is completed? The roundtables were reconvened in December during the design workshop.

The roundtables accomplished three objectives: first, they educated and sensitized the consultant team to the issues; second, they introduced the consultant team to the stakeholders and residents; and third, they actively engaged people from the community in the master planning process.

Below is the summary of the of 23 roundtable meetings and interviews, plus the public meeting held at the Harrison Community Center on November 17, 1999, involving hundreds of individual responses. The summary items are listed in rank order based on the number of responses for each category.

Assets and Good Things

1. *People and the Community*: Resilient, stable, energetic, long-term, real, live here by choice, strong warriors
2. *Location*: Close to downtown, freeways, transit, Walker/Guthrie/Loring, parks, Farmer's Market
3. *Existing Neighborhoods*: Historic housing stock, parks, trees, affordable housing, owner-occupied housing
4. *Social Diversity*: Racial, economic, generational, recent immigrants
5. *Schools*: Public and private schools (K-12), pre-schools/daycare, job training
6. *Institutions*: Sumner Library, Glenwood/Lyndale Community Center, Phyllis Wheatley, KMOJ, churches, others
7. *Rich cultural history and identity*: Scandinavian, Jewish, African American, Native American, recent immigrants
8. *Potential to make something special happen*: Hollman Decree, cleared land, interest by foundations, housing demand, community assets

Liabilities and Bad Things

1. *Negative perception, image*: Portrayal by media, stigma, dumping ground, crime/drugs/gangs reputation, redlining
2. *Isolation*: Freeways as a barrier, industrial land, not connected to the south, poor transit
3. *Lack of retail*: Grocery store, cleaners, gas stations, restaurants, entertainment, hardware, others
4. *Social problems*: Crime, drugs, concentration of poor people, liquor stores, unemployment, transience
5. *Distrust, alienation, and suspicion*: Racism, disinvestment, disengagement, uncertainty, loss of affordable housing
6. *Olson Memorial Highway*: Barrier between neighborhoods, dangerous for children and seniors, loss of trees
7. *Pollution*: Air, soil, water, noise
8. *Missing amenities*: Neighborhood parks and playgrounds, cultural center, water feature, street lighting

Vision: The Neighborhood in Five Years

1. *Mixed-income*: Seamless and invisible inclusion of low income to upper income housing

2. *Multi-cultural*: All are included, welcomed, honored
3. *Mixed- density housing*: Single family, townhouses, condos, rental apartments, affordable, senior housing
4. *Extension and support of adjacent neighborhoods*: Traditional design (porches, alleys, historic styles, children on the sidewalks, urban)
5. *Vibrant retail*: Grocery store, restaurants, services, movie theater, coffee shops, and more
6. *A new image*: The best place to live, family oriented, uniquely diverse, safe, amenity rich, connected
7. *Green*: Boulevard, parks, trees, uncover Bassett Creek, water feature, bikeways, sustainability
8. *Opportunity*: Educational, vocational, entrepreneurial, a “learning campus,” home ownership
9. *Connections*: Boulevard to South Minneapolis, regional park links, better transit, Farmer’s market, “wired”
10. *Community Center*: Multi-cultural, African American heritage, arts, sports, youth programs, social services
11. *Quality*: Good materials for housing and landscaping, aesthetically pleasing, well maintained
12. *Olson Memorial Highway as a boulevard*: Calmed traffic, planted median, safe for pedestrians
13. *A national example*: Diverse cultures preserved and celebrated, public housing knitted into the fabric, a process of inclusion, insistence on quality, heroic story of survival and rebirth

Summary of Community Meetings

Public Meeting held December 11, 1999

On December 11, 1999 over 200 people attended the second community meeting to see the preliminary drawings and site plans. Below is a summary of the comments from the eight breakout groups held after the presentation. Each breakout group numbered between 20 and 30 persons. The summary items are listed in rank order based on the number of responses.

What did you like about the presentation?

1. *The entire design*: Cohesive, calming, gateway to the Northside, urban, traditional design
2. *North-south boulevard*: Connections to north neighborhoods, Guthrie/Walker/Parade, downtown
3. *Parks and green areas*: Parks, playgrounds, trees, Sumner Field, fingers of green, trails
4. *Olson Memorial Highway*: Reduced lanes, safe for pedestrians, trees in median, light rail transit, curve or “wobble”
5. *Water features*: Bassett Creek opened, ponds
6. *Amenities*: Gathering places, schools, arts, retail
7. *Traditional design*: Small lots, porches, Minneapolis architecture, street grid
8. *Mixed- income, density*: Housing for all incomes and life styles
9. *Glenwood retail*: “Main street”, mixed- use, grocery store

10. *Lyndale Avenue redesign*: Neighborhood scaled street, new residential address, buffer from expressway
11. *Sensitivity to adjacent areas*: Neighborhoods, Bassett Creek

What did you not like about the presentation?

There were two overwhelming concerns about the presentation:

1. *North-south boulevard stops short of Plymouth:* New boulevard must connect to neighborhoods to the north
2. *Not enough information provided on housing:* Number of units, unit mix and density, rental rates, and purchase prices

The following concerns were also voiced, but with less frequency and intensity:

1. *No pedestrian bridge over Olson Highway*
2. *Housing for displaced public housing tenants not sufficiently addressed*
3. *Not enough single family housing shown*
4. *Need better connections to the south*
5. *Individual miscellaneous concerns not addressed: Transit, lighting, dislocation of residents and businesses, east/west connections, Olson still a busy highway, crime prevention design, intergenerational housing*

What would you change: what ideas to explore?

1. *Housing detail needed:* Number of units, unit mix and density, rental rates, and purchase prices
2. *Extend north-south boulevard to Plymouth*
3. *More focus on adjacent neighborhoods:* Opportunities for infill, rehabilitation, parks, trails
4. *Consider West Broadway a resource:* Retail, service, jobs
5. *More emphasis on transit:* Connections to jobs, education, culture
6. *Strengthen east/west connections:* To neighborhoods, Wirth Park, farmer's market, Mississippi River
7. *Other ideas:* More single family housing, sustainable design, include minority contractors, alleys, intergenerational housing, crime prevention design, grocery store, new church

Meeting with Public Housing Residents January 12, 2000

Some public housing residents were unable to attend the December 11, 1999 public meeting so a separate meeting was scheduled for January 12, 2000 at Harrison Community Center. McCormack Baron and UDA presented the same slide show that had been shown at the community meeting, explained the preliminary master plan and asked the same three questions.

What did you like about the presentation?

1. *The whole plan looks beautiful*
2. *Stores on Glenwood Avenue with housing above*
3. *New senior housing*
4. *Low-income housing*

5. *Home ownership*
6. *New boulevard*
7. *Parks*
8. *Ponds*
9. *Welcoming, friendly design*
10. *Style of housing (traditional, familiar)*
11. *Olson Highway redesign*
12. *Bassett Creek uncovered*

What did you not like about the presentation?

1. *Nothing*
2. *Lack of specifics about jobs*
3. *Lack of specifics about housing: type, number, location, price*
4. *Would like more single family houses rather than duplexes and townhomes*
5. *Not enough retail*
6. *Curving Olson Highway*
7. *Ponds and creek will attract children -- danger of drowning*

What other ideas do you have?

1. *Neighborhood police station*
2. *Community center with a gym – activities for adults and children; place that understands and accepts different cultures; place where elders can observe rituals and ceremonies*
3. *Employment center*
4. *More and better schools for children and adults*
5. *Include variety of religious institutions; mosque for Muslims, etc.*
6. *Include fishing in the ponds*
7. *Water related recreation*
8. *Benches in the parks*
9. *Art in the parks*
10. *Many designated community gardens*
11. *St. Mary's type housing (small back yard with privacy fence, safety for elders)*
12. *Balconies for senior housing*
13. *Include flowers*
14. *More TV cable capacity*
15. *Keep it clean -- no litter permitted*

Public Meeting held January 27, 2000

Over 350 people attended the third community meeting at which the final draft Master Plan was presented. Below is a summary of the comments from the six breakout groups, which met after the Master Plan presentation on January 27, 2000:

What did you like about the presentation?

1. *The housing plan:* diversity of incomes, spread of price points, mix of rental and ownership, number of affordable units.
2. *The layout and scale of the houses.*
3. *The location of senior housing:* near Olson Highway and Lyndale Avenue
4. *The overall neighborhood design and character.*
5. *Recognition of the need for a community/cultural center:* including incorporation with Sumner Library expansion.
6. *Community garden plots.*
7. *Open space plan:* water features, pedestrian and bike paths, connections to park system.
8. *Connecting the north-south boulevard to Plymouth Avenue.*

What did you not like about the presentation?

1. *Relocation of Church and community center:* relocating Prince of Glory Church and the services in the Glenwood Lyndale Community Center, including the clinic and KMOJ.
2. *The boulevard connection to Plymouth:* does not adequately connect the redevelopment to the rest of the Northside.
3. *Housing:* mix is too heavily weighted toward rental, more ownership is needed.
4. *Five bedrooms:* no specifics on the number of dwelling units with five bedrooms.
5. *The number of units:* should increase to 900.
6. *Need more than 200 public housing units:* the plan does not adequately address housing needs for people displaced.
7. *The income levels are too high:* working low-income people will not be able to live in the development.
8. *No plan for retail development.*
9. *Need more clarity on employment opportunities for minority businesses.*
10. *Location of garden plots:* not shown on the plans.

MASTER PLAN

I. PRINCIPLES FOR NEIGHBORHOOD DESIGN

Action Plan Summary Principles

The *Action Plan for Redevelopment of the Sumner Field, Glenwood, Lyndale, and Olson Public Housing Developments and Adjacent Land* was adopted December 12, 1997. The planning process involved two Focus Groups, one for the Sumner Field area and one for the Glenwood/Lyndale/Olson area. The Focus Groups were diverse, including public housing residents, adjacent neighborhood residents, Hollman Consent Decree plaintiffs, and others. Staffing for the Focus Groups was by various city agencies, the University of Minnesota Design Center for American Urban Landscape, and Legal Aid.

The Action Plan was based on the recommendations of the Focus Groups and a planning framework developed by city and county departments and other agencies that have a stake in the redevelopment of the area. There were also two other advisory groups, one on housing development issues, and one on commercial development issues.

From the Action Plan planning process five guiding principles were adopted:

Connections: There is a need for connections from the Near Northside to other neighborhoods, especially to the west and south.

Housing Design and Types: Housing should be built on the better soils on the site. It must be mixed-income housing. Design must emphasize defensible space and safety. Buffers should be provided between housing and non-compatible land uses.

Open Space: Open space should be created on the worst soils in the area. There should be links between the open space and Bethune School.

Commercial Uses: Commercial and retail uses should be explored for the Olson/Lyndale area, including the idea of an ethnic/cultural marketplace.

Institutional and Social Services Uses: Institutional uses should be encouraged as well as similar educational, job training, and social services.

Urban Design Principles

Prior to the design workshop in December 1999, the consultant team developed urban design principles, which built on the Action Plan principles and observations from the physical analysis and roundtable discussions. These urban design principles had deep resonance from within the community and were largely derived through the open planning process. The principles were further refined and validated in the public meetings of December 11, 1999, January 12, 2000, and January 27, 2000. These principles then become the standard by which the physical designs and the development program are evaluated.

The Master Plan goal was to rebuild a mixed-income, mixed-density, culturally diverse, amenity-rich neighborhood based on Minneapolis traditions. The urban design principles to obtain the goal were:

1. Provide sites for a mix of housing types: single family houses, townhouses, low-rise apartments, senior citizen housing
2. Design for social integration: mix market, affordable, and public housing units seamlessly throughout the neighborhood and design to the same quality for all housing types such that income distinctions are invisible
3. Create a new neighborhood image and quality housing addresses around an open space network that includes: neighborhood parks and playgrounds, water features, and landscaped boulevards in the Minneapolis Grand Rounds tradition
4. Encourage new and support existing essential neighborhood amenities: retail and services, education and training, multi-cultural community center, social services centers, and public art
5. Build a supportive, pedestrian friendly street framework: incorporate a modified street grid network that includes curvilinear streets, construct a north-south boulevard, change the character of and reduce excessive speeds on Olson Memorial Highway, and reconnect Lyndale Avenue to the neighborhood; provide opportunities for alternative modes of transportation;
6. Provide linkages: to downtown, to the Walker/Guthrie/Parade area, to the regional park system, to adjacent neighborhoods, and to employment
7. Design for safety: provide defensible space, and design for “eyes on the street”
8. Design within the historic context: to Minneapolis traditions, to Near Northside traditions and to ethnic traditions
9. Design for sustainability: clean up the site and its soil, design environmentally “green” buildings, treat and retain storm water on site, daylight a portion of Bassett Creek, and provide life cycle housing for all family styles, ages, and incomes
10. Integrate storm water management: into the urban fabric and “harvest” storm water to create high quality neighborhood amenities.

II. URBAN DESIGN ANALYSIS

The UDA design team prepared a series of analytical drawings focusing on the Near Northside neighborhood and its surrounding context. These drawings are referred to as “X-rays” because they describe specific layers of information. These drawings graphically represent the site in the context of both the city at large and the more intimate neighborhood scale.

Figure 10: City Scale Highways and Arterials: While the neighborhood is in a strategic location and has access to adjacent freeways and arterials, it is bisected by heavily-traveled Olson Memorial Highway and cut off from downtown by interstate I-94.

Figure 11: City Scale Streets: The street grid diagram shows the north/south street grids of the neighborhoods in the City. Unique to the neighborhood is the intersection of both the strong north-south grid, typical of the adjacent neighborhoods to the north and west, and the rotated grid of downtown

(oriented to the Mississippi River). This feature results in unique intersections, such as Seventh Street North, and Plymouth and Lyndale Avenues. The street grid in the project area appears fragmented by highways, large industrial and institutional uses and superblocks. Serious deterioration of the grid is evident as it nears the site.

Figure 12: City Scale Parks and Open Space: The Near Northside neighborhood is tantalizingly close to Minneapolis' unparalleled Grand Rounds open space network, which includes the Chain of Lakes, Minnehaha Parkway, Wirth Park and the Mississippi River, but there are no bikeway or trail connections as elsewhere in the city.

Figure 13: City Scale Residential: The project area is located on the southern edge of the Near North neighborhood (almost like an island) surrounded by highways and industrial uses on three sides; its edges are eroded and vulnerable to further decline. The site is close to downtown Minneapolis, but is perceived to be far away.

Figure 14: City Scale Industrial Uses and Rail Lines: As industry followed the rail/highway corridor, it continued to erode the residential fabric of the neighborhood from nearly all sides.

Figure 15: Neighborhood Scale Topography: The neighborhood occupies the lowlands and wetlands of historic Bassett Creek Valley.

Figure 16: Neighborhood Scale Parks and Open Space: Richly endowed with local parks and recreation services, the site also enjoys reasonable proximity to the Mississippi River, cultural amenities, and the Grand Rounds park system, yet it is not connected locally.

Figure 17: Neighborhood Scale Highways and Arterials: Cut off from south Minneapolis and downtown Minneapolis by the interstate system, the site is sculpted, confined and divided by the network of highways.

Figure 18: Neighborhood Scale Streets: On closer examination, the broken street grid is more apparent. Before the public housing was built (pre-1937) the traditional street grid extended east to Lyndale Avenue and beyond. The construction of I-94 to the east, the development of the superblock, and suburban style cul-de-sac developments to the north all contribute to a discontinuous urban fabric, a loss of pedestrian scale streets and a loss of traditional Minneapolis neighborhood scale blocks. Elegant curvilinear streets in the neighborhood grid fabric created by topography are still apparent in the adjacent Oak Park area of the Near North neighborhood.

Figure 19: Neighborhood Scale Figure Ground: The building coverage analysis shows the stark contrast between the fine grain houses in the adjacent neighborhoods and the large-scale industrial buildings to the east, north, and south. The superblock and its large institutional and industrial buildings separate the project site from the historic Oak Park area of the Near North neighborhood, while the Plymouth Avenue light industrial redevelopment separates the project site from the neighborhood to the

north. The rail yards and the interstate sever routes, which would otherwise provide connections to the eastern and southern quadrants of the city.

Figure 20: Neighborhood Scale Industry and Railroads: The industrial land and building x-ray further emphasizes the formidable edge problem of the neighborhood caused by large-scale industrial uses butting up against potential housing sites.

Figure 21: Neighborhood Scale Commercial Uses: Since West Broadway is not within convenient walking distance, the Near Northside is practically devoid of retail, with the exception of isolated retail establishments along Glenwood Avenue and Plymouth Avenue.

Figure 22: Neighborhood Scale Residential Patterns: While this analysis underscores the central location of the project site to the neighborhoods of Bryn Mawr, Harrison, Near North, and Willard Hay, it also illustrates the separation of the neighborhood due to industrial uses, the superblock and cul-de-sac developments within and adjacent to the site.

Figure 23: Existing Streets: The lack of street connections between the site and the surrounding area is quite evident, especially in the east-west direction in which most streets are cut-off or end in cul-de-sacs.

Figure 24: Existing Parks and Open Space: Although close to Bethune Park and Sumner Field, the site has no open space network to link these amenities.

Figure 25: Existing Building Coverage: Located between residential fabric to the north and west and large scale uses to the east and south, the action plan site is vacant except for a few institutional uses.

Figure 26: Proposed Streets: A new interconnected network of streets creates residential scale blocks and links the site to adjoining neighborhoods.

Figure 27: Proposed Parks and Open Space: New landscaped boulevard links existing amenities with the two new feature parks, water elements, and smaller scale parklets and greens.

Figure 28: Proposed Building Coverage: By restoring the traditional block pattern which once existed in this neighborhood, the new neighborhood becomes an extension of adjacent neighborhoods.

III. DESCRIPTION OF MASTER PLAN

Master Plan Overview

The Near Northside Master Plan envisions the creation of an attractive and sustainable urban neighborhood in the Near Northside, on the doorstep of Minneapolis's downtown area. The Master Plan grew out of the extensive public input, the principles for neighborhood design and the urban design

analysis described in the first two sections of this report. The thrust of the plan is to build on strengths while eliminating weaknesses. This approach focuses on existing neighborhood assets, such as Bethune School, Sumner Library and the strengths of the surrounding neighborhoods, as the starting point for neighborhood revitalization.

By reconfiguring the streets, creating a network of traditional, residentially scaled blocks and neighborhood parks, this plan builds on these assets and connects this once isolated public housing development to the surrounding community and larger city. The plan also provides an overall framework for development that will help link and support the separate revitalization efforts currently underway. If the various efforts can begin to coalesce around areas of common interest and need, the available resources will then be able to leverage far more than any one or two projects now competing for the same resources could achieve.

On *Figures 29 – 36*, a series of perspective and Master Plan drawings are shown along with a detailed explanation of the proposed housing, street framework, park and open space network, and other key elements of the plan. The proposed Master Plan seizes the opportunity to create a new landmark Northside neighborhood. The site boundaries are Humboldt Avenue to the west, Plymouth Avenue to the north, Lyndale Avenue to the east, and Glenwood Avenue to the south. Revitalization activities outside this boundary also include infill and renovated housing in the neighborhoods to the west of the Master Plan site (Harrison and Near North), and encouragement of retail and commercial development along Glenwood Avenue.

The framework for new development is based on the principles for neighborhood design presented earlier in this section of the report. The goal is to rebuild a mixed-income, mixed-density, culturally diverse, amenity-rich neighborhood based on the best Minneapolis neighborhood traditions.

Within the Near Northside Master Plan there are three key design concepts. The first builds on the principles of providing a mix of housing types and designing for social integration. Cleared land on the Near Northside site will be replaced with a variety of housing types, increasing security and defensible space as well as bringing the area into context with its surrounding neighborhoods.

The Master Plan calls for 900 new mixed-income units built in the style of the traditional Minneapolis neighborhood and “New Urbanism”. To be built in four phases, approximately 440 units are rental, 360 units are for home ownership, and 100 units are for elderly public housing residents. 200 of the rental units will be Hollman public housing replacement units. A mixed-income strategy will be used which incorporates the public housing into this revitalized community. The public housing units will be mixed within buildings with other low income and market rate rental households and the units will be indistinguishable from one another.

Efficiently and simply designed, the new units will be combined in a mix of garden style buildings, townhouses, duplex units, carriage houses and single-family homes. These units will provide both rental and home ownership opportunities at a variety of price points. The Master Plan will also provide options in terms of desirable addresses for the new housing from the new north-south boulevard, feature parks and intimate townhouse squares, to Bethune School and Sumner Library. The new units will

include front porches and windows facing the street that promote safety through more “eyes on the street”. In response to residents’ requests, community gardens and tot lots will be included on each rental block.

Participants in the public process asked that new buildings be designed to fit in with the existing neighborhood context. By building on the area’s historic architectural heritage, such as the homes found in the Near North, Harrison, and Bryn Mawr neighborhoods, the image and character of the Near Northside Master Plan will remain unique and contextual. New buildings will be constructed to Pattern Book guidelines, which control among other things, style, massing, composition, and key details and design elements. These controls will ensure that the heritage of the area will be respected and celebrated.

The second overall design concept that is key to the Master Plan is the creation of a street network that links the site to adjacent neighborhoods and complements the park system. With the master planning effort it is possible to reconfigure the streets and create a network of traditional, residentially scaled blocks and neighborhood parks. The Master Plan extends the Oak Park area’s street grid through the Superblock to link the site to the adjacent context.

A new frontage road and community green will replace the existing twelve-foot high concrete wall along Lyndale Avenue. Essential to the viability of the new community, this linear community green will act as both a new front door to the Near Northside and a buffer between

I-94 and the new development. Olson Memorial Highway is also slated to receive a major facelift. The proposed reconfiguration, with design features drawn from Summit Avenue in St. Paul, will widen the median and add curvature to the roadway. The intent is to slow traffic and create a formal green gateway to downtown while maintaining existing and projected vehicular capacity.

The new street pattern will slow neighborhood traffic and discourage cut-through commuter traffic. Streets will be fronted by residential front doors and outdoor space will be defined as either public or private to discourage loitering. Pedestrian traffic will thus be channeled along public streets, which in combination with front porches and a connected street network will encourage residents to know their neighbors.

All proposed streets will feature street trees, sidewalks and pedestrian scale street lighting. On-site parking will be supplemented by on-street parking. Street infrastructure improvements will include repair and resurfacing of adjacent and perimeter sidewalks and streets in poor condition. Additional street trees, utility replacement and/or repairs and street lighting will also be added to these streets as appropriate.

The third design concept creates a strong parks and open space system that provides linkages to adjacent amenities, creates quality housing addresses around an open space network, and designs for sustainability. A new north-south boulevard that includes water features, sitting areas, and walking and biking trails will extend through the heart of the site and provide a focus for community activities. As the centerpiece of the master plan framework, the proposed north-south boulevard creates a picturesque

address for hundreds of mixed-income housing units and connects the site south through Bassett Creek Valley to the Parade area and south Minneapolis.

A pair of feature parks, one north and one south of Olson Highway, build on the boulevard framework by creating more intimate neighborhood places. Most parks will be wrapped by perimeter streets to allow unobstructed views into and through the space. Together, the north-south boulevard and feature parks will act as an extension of Minneapolis open space network into and through the site. The new parkland will offer residents and visitors a diverse mix of active and passive recreational opportunities, from walking and biking trails to ponds, meadows and lawns.

The form of the open space design is also linked to the idea of daylighting Bassett Creek and building parkland on the worst soils. The daylighted creek will run north within the boulevard median supplemented with stormwater runoff after the runoff has been naturally treated to remove critical pollutants. The creek will divert east at Sumner field and rejoin the Bassett Creek tunnel. Sumner Field marks the location of some of the worst soils and will be redeveloped as the north feature park.

Finally, amenities must be in place to attract and serve returning and new residents and visitors to the area. Many strong community assets and amenities already exist and can be built on, such as: Sumner Library, the park system, the surrounding Harrison and Near North neighborhoods, the site's proximity to downtown employment centers, International Market Square, neighborhood community centers, and a network of neighborhood schools. Proposed new amenities will include the new and enhanced parks with cultural and recreational activities, the north-south boulevard with water features, a relocated Summit Academy OIC, and a new multi-cultural center, which will house an interpretive center that captures the rich cultural history of the area. The Master Plan encourages future development of new neighborhood retail along Glenwood Avenue and support of existing retail, which would be a tremendous resource for the entire community.

Housing

Houses similar to those in the adjacent Northside neighborhoods will be constructed within the street framework, replacing the public housing site's former barracks-style buildings. The new units will be a combination of garden style buildings, two, three, four and five bedroom townhouses, duplex units, and carriage and single-family houses—all with the look of modest single-family homes. These unit types will be interspersed throughout the site. The architecture of these buildings will include a number of traditional styles. Overall, the character of the houses will be comparable regardless of whether the units are rental or ownership, subsidized or market rate. The result will be a diversity in style and size of houses comparable to those in Minneapolis's best traditional neighborhoods, even though the units themselves will be compact and cost-efficient (*see Figures 37-53*).

Off-street parking will be accommodated at grade, below buildings and in detached garages. The rule of thumb is that each block must support at a minimum its own resident parking requirements of 1.25 spaces per unit. Most units will have at least one enclosed parking space and access to adjacent on-site surface spaces.

New units will be equipped with washer/dryer hookups, plenty of closet space and first floor bathrooms. In general, both rental and for sale unit interiors will be designed and built to be at the same standard of quality as market rate units elsewhere in Minneapolis.

“Homebuilder” techniques will be used to maximize livability within tight cost constraints. While providing cost-effective unit construction, this approach creates an architectural means that will overcome the historic isolation of the area and create the kind of neighborhood image essential to attracting people who have housing choices available to them.

Accessibility and Visitability

The Master Plan is designed to be in compliance with The Architectural Barriers Act (1968), Section 504 of the Rehabilitation Act (1973), The Fair Housing Act of 1968 (as Amended), The Americans with Disabilities Act (1990), ANSI and UFAS, and all applicable district and local codes. When national standards differ from each other or from the local codes, the more stringent requirement will be followed.

Throughout the site a minimum of 5% of the rental units will be designed to be accessible to mobility-impaired individuals and an additional 2% will be designed to be accessible to the visual and hearing-impaired. All first floor rental units will be Fair Housing accessible. To promote greater housing choice, 5% of all one-story for-sale units (or 5% of approximately one fourth of the total for-sale units) will also be offered as accessible to mobility-impaired individuals. Another 2% of these one-story for-sale units will also be adaptable to visual and hearing-impaired individuals.

Great care has been taken to eliminate physical barriers at the site such as slopes and their associated site steps. The property will be partially re-graded to eliminate abrupt grade changes, and to provide accessible pathways to buildings and units. Additionally, exterior tot lots and public play areas will be designed to allow mobility-impaired individuals to utilize these amenities and each will be on an accessible route within the block. Public buildings will be entered at grade and will be characterized by barrier-free design.

Achieving a visitability standard across the site is a further goal of this plan. In all of the above units, at least one entrance to the units will be at grade and approachable by a paved accessible route. Where possible, accessible front entrances will be provided. All unit entry and interior passage doors (rental or for-sale) on the first floor of the above units will be a minimum of 2 feet 10 inches wide.

Soil Considerations

Soil considerations contributed strongly to planning decisions for both land use and building type. During the master planning process, pre-existing soils information was supplemented with additional testing and analysis. The areas most problematic for construction and structural integrity will primarily be used for park and open space areas (*see Figure 54*). Where necessary, alternative foundation

systems such as raft/basement foundations, piers or piles will be used for a minimal number of structures in problematic or marginal soils.

For nearly all the redevelopment area, former land uses that warranted environmental testing resulted in a minimal amount of contamination. Two sites north of Olson Memorial Highway were determined to have fuel oil contamination as shown in *Figure 55*. Ground-disturbing activities such as grading or foundations will necessitate remediation, and a number of on-site or off-site methods are possible. There are potential former dry cleaner and service station sites south of Olson Memorial Highway that still warrant further testing, and this will be accomplished later during the spring of 2000.

Street Framework

One of the defining elements of this new neighborhood is a strengthened street network that supports housing, institutions, parks and re-establishes strong connections to the surrounding street network (*see Figure 56*). The street framework utilizes a modified grid network and forms blocks, comparable in size to traditional Minneapolis blocks that respond to topographic changes, water features, parks and other open spaces. The plan also prescribes the use of alleys that allows vehicular access to the interiors of the blocks. Parking will be allowed along most streets and in the interior of the blocks. Several of the key components of the proposed street network are described in more detail below (*see Figures 57-58*).

Streets Framework and Linkages

The Near Northside site was a series of large blocks characterized by unclaimed and unsafe open space and on-street parking. This layout, in marked contrast to the adjacent neighborhood's street grid and alley network, isolated public housing residents and deprived them of both convenience and safety. The superblock between Humboldt and Emerson Avenues further isolated the site.

North-South Boulevard

A new boulevard will link north and south Minneapolis, strengthening connections and access to employment centers and recreational, cultural and educational resources. The boulevard will pass through the Bassett Creek Valley area and connect to Dunwoody Boulevard in the Parade area. There will be one travel lane in each direction with the possibility of protected parking bays. The greenway character of the boulevard will create a variety of linear parkway-style experiences for all its users, including motorists, bicyclists, pedestrians, residents, and visitors. Within the Near Northside area, the user focus will be automobiles, bicyclists and pedestrians. South of Glenwood it will be configured to also facilitate truck movement between Interstate 394 and area businesses and industries (*see Figures 59 - 61*). The boulevard will be "transit ready". Although only a revised bus route occurs minimally on the north-south boulevard between 8th Avenue North and Olson Memorial Highway, more specific service could be added in the future.

A six-foot sidewalk will run along one side and a 10-foot multi-use trail will run along the other side of the boulevard. It will be lined with street trees and pedestrian scale ornamental lights. The boulevard

will have a median island through a large portion of the project. The median width and features will vary from segment to segment. Features of the boulevard median within the Near Northside redevelopment area include wet and dry meadows, tree plantings, seating areas, strolling paths, and a series of footbridges crossing a reconstructed creek channel between the north and south park areas. North of Olson Memorial Highway the median island will include a reconstructed creek channel, stormwater infiltration areas, plantings, trails and rest areas. South of Olson Memorial Highway the median spreads out to create a neighborhood park and pond. For students of the five schools located within one block of it, the north-south boulevard's water features will create outdoor learning opportunities and bike trails and walking paths will provide easy access. South of Glenwood Avenue it is anticipated that the boulevard will have a median island except when the boulevard bridges rail tracks. For the segment between Glenwood Avenue and Dunwoody Boulevard, three general alignment alternatives are under consideration with an alignment decision anticipated in late spring, 2000 (*see Figure 62*).

One north-south boulevard alignment has been incorporated into the Near Northside Master Plan, which connects to 7th Street North at its northernmost point. This alignment directs the boulevard into 7th Street. 7th Street would remain as is for vehicular flows. There is another alternative concept, which is also under consideration, which presents the boulevard as a north-south spine that redirects 7th Street into the boulevard. Both concepts serve to create a link between south Minneapolis and the neighborhoods and commercial areas north of the project area (*see Figure 63*). Refinement and testing are continuing.

Olson Memorial Highway

Olson Memorial Highway, passing in an east/west direction through the center of the Master Plan area, is being redesigned to create a formalized green gateway to downtown Minneapolis. As it exists today, the highway creates a barrier to pedestrian movement and encourages drivers to travel at speeds in excess of the posted 35 MPH speed limit. The proposed redesign, drawing on the gracious features of St. Paul's Summit Avenue, incorporates some curvature into the road to reduce excessive speeds. It also eliminates excessive pavement (travel lane widths, shoulders and frontage roads) that is not needed to accommodate current and projected traffic volumes. The design intent incorporates new alignments to slow traffic, reduced pavement widths, trees within the median and along both sides of the road, pedestrian scale lights lining the north and south sides of the highway, and sidewalks. The redesigned roadway will contribute to a safer, enhanced pedestrian environment and will redefine this corridor as not just a space for vehicles but also as an address for the community. The redesign of this corridor will also permit future implementation of a light rail transit (LRT) line within the median island. *Figures 64 – 69* illustrate Olson Memorial Highway, as it exists today and how it will look after reconstruction.

Lyndale Avenue

Existing Lyndale Avenue on the west side of Interstate 94 is oversized in relation to the current traffic volume that it carries. This segment of road accommodates only southbound traffic and essentially acts as a frontage road for the interstate. To better utilize Lyndale Avenue, the Master Plan splits Lyndale into two components, "local" Lyndale and "through" Lyndale. Between 7th Street and Olson Memorial Highway and again between Olson Memorial Highway and 4th Avenue North, a portion of

Lyndale Avenue (local Lyndale) will split off to the west and enter the neighborhood. Local Lyndale will consist of one southbound travel lane and parking on one side of the street. It will function, as a residential street for new housing that will be facing onto it. Typically, local Lyndale South will be separated from through Lyndale South by a landscaped median island that may also moderate noise levels from the interstate. The Master Plan also shows the removal of an existing sound wall located immediately east of Lyndale Avenue. A portion of the wall that contains the valued Celebration of Life mural will be relocated, either on or off-site. *Figures 70 – 72* illustrate Lyndale Avenue, as it exists today and how it will look after reconstruction.

Pedestrian and Bicycle Circulation

An important component of the Master Plan is the emphasis placed on pedestrian and bicycle circulation. All of the blocks have five-foot sidewalks separated from the streets by landscaped boulevards. Pedestrian paths will also be incorporated into the parks and open spaces. These paths will create strong linkages between neighborhood housing, parks and schools. A ten-foot bituminous trail will run parallel to the north-south boulevard separated from the road by a landscaped boulevard. This trail will make connections to existing trail systems adjacent to the neighborhood, such as the Cedar Lake Trail and the future Bassett Creek Trail. The interconnected trails will provide neighborhood residents the opportunity to use the broader metropolitan bicycle network for both transportation and recreational purposes.

Bus Service

Currently, Metro Transit service is provided along Plymouth Avenue, 7th Street North, Olson Memorial Highway and Glenwood Avenue. In addition, limited service is provided through the area along Emerson Avenue North and Bryant Avenue. This is the only route that will need to be adjusted to the new street network. Additional service may be added if the new residents increase the demand for public transportation. Enhancements for existing transit waiting areas along 7th Street and Olson Memorial Highway are recommended (*see Figures 73 - 74*).

Parks and Open Space

Parks will provide a rich mix of recreational opportunities, ranging from active, programmed uses to more passive, natural spaces. Both winter and summer uses will be developed. Playgrounds and park spaces were always part of the Near Northside neighborhood, but lacked connection to the larger historic Minneapolis park system. The Near Northside Master Plan offers the unique opportunity not only to add and enhance neighborhood open space amenities but to connect this previously underserved section of the city to the wider park system.

The Master Plan responds to both the physical and cultural dynamics of the Near Northside. Parks, located on the poor soil lobes, will augment and enrich recreational and cultural opportunities present in the neighborhood. Residential areas will surround the parks and line the north-south boulevard. A strong focus on the open space system water features and water treatment will strengthen the sense of place and create a distinct identity for the community. New open space elements will enliven the

neighborhood with space and facilities for cultural festivals, community gatherings, performances, informal recreational activities, water activities such as fishing, canoeing and skating, ecologically-rich natural areas and special garden areas, and recreational trails and trail connections to the larger system (see Figures 75 - 76).

North Park Area (Sumner Field)

Sumner Field was developed in the 1920's as a public space in a low, poorly drained area of the neighborhood. The north park area, about a city block in size (300' x 600'), will consist of a manicured 'greensward' (approximately 300' square) centrally located between 'natural' areas on north and south. The natural spaces will be set off from the greensward by low stone seat walls, which allow visitor seating. Water features and soft trails within the natural areas will provide beauty and educational opportunities. A playground within the north park area will be custom-designed of natural materials and will be complementary to site interpretation. The greensward will provide ample space for informal athletic activities, and will also accommodate large group events. A structure is proposed for the east side of the green that will house a 'bandshell' for performances as well as restroom facilities and maintenance equipment storage. Hard surfaced walks will provide access to and around the greensward, and the park will be lighted both along the perimeter and in the interior (see Figures 77 - 78).

South Park Area

The north-south boulevard will enframe the south park area, which will combine a range of uses and will have as the central focal point a large pond. On the northwest edge of the pond, stormwater will be treated in a unique "natural" landscape of small earthen hillocks and wetlands. A compacted aggregate trail and footbridges will traverse the treatment area for educational interpretation and recreational use. On the south edge of the pond, a "promenade" will approach the water's edge, with features that recall the Lake Calhoun Confectionery. Steps will provide access to the water in summer, and ice skating in winter.

The south park will also feature a fishing pier, traditional play equipment, sites for outdoor cooking and picnicking, small picnic pavilions, paths around the perimeter of the park and open space for casual recreation, a footbridge crossing the reconstructed creek channel, and perimeter and internal lighting (see Figures 79 - 80).

Bethune Park

Bethune Park will continue to provide important active recreational facilities, including baseball, softball, soccer, tennis, basketball, volleyball and playground equipment. Parking arrangements and athletic fields will be enhanced as part of the re-establishment of the east-west street connections to the surrounding neighborhood and the re-establishment of the historic block pattern, both of which are critical to stitching the new development back into the existing neighborhood (see Figure 81).

Water System Overview and Goals

The parks and open space network of the Near Northside Community is organized on a ‘spine’ of water features. The series of waterways recreates a system of meadows, infiltration areas, wetlands and ponds in a valley across the site, through which Bassett Creek once flowed in a northeasterly direction. The water system design draws on Focus Group directives and conclusions expressed in the Action Plan, work by the University of Minnesota’s Design Center for American Urban Landscape and by the Friends of Bassett Creek Valley, and engineering and design feasibility studies during the master-planning phase.

This system will function in multiple ways: provide a stream corridor with walking trails and wildlife habitat; create a distinct character for the surrounding neighborhood; treat storm flows for non point source pollutants; and provide for a visible system that allows people to understand the water system functioning on the landscape surface. The design criteria will allow storm water management and water quality to meet or exceed current city, state and Federal regulatory guidelines and to support specific plant and animal communities.

This surface system is to extend beyond the open space areas into the street rights-of-way, boulevard median and development blocks of the entire project area. The system must be easily maintained over time. It is hoped that this project will stand as a local and national model for integrating storm water management into the urban fabric and ‘harvesting’ storm water to create high quality neighborhood amenities (*see Figures 82 - 86*).

Other Revitalization Activities

The new neighborhood will act as a catalyst for, and be supported by, the ongoing revitalization efforts in the broader community. Current initiatives in the Near Northside area include: the Bassett Creek Valley Master Plan, construction of new homes and restoration of older homes in both the Near North and Harrison neighborhoods, and the proposed expansion of the Sumner Library. Other revitalization efforts proposed within the context of this Master Plan include: connection of the proposed north-south boulevard to the Parade/Walker/Dunwoody area, reconfiguration and landscape enhancement along Olson Memorial Highway, construction of affordable houses on vacant lots west of Humboldt Avenue and potential future neighborhood retail shopping area along Glenwood Avenue (*see Figures 87 - 88*).

These community-wide activities, coupled with the redevelopment of the Near Northside Master Plan site, will create a synergistic effect, further decreasing the isolation and enriching the lives of public housing residents. These impacts will include the advantages associated with high quality neighborhood-based education, increased home ownership, nearby community-oriented shopping, and new job opportunities in construction and retail. Possibly the greatest benefit of these initiatives is the stability that will be brought by encouraging people with a mix of income levels and housing choices to return to the community.

Other Residential

As part of the master planning process, the design team worked with the adjacent neighborhoods to the west of the Master Plan site, Harrison and Near North, to identify vacant parcels of land for infill

housing. Approximately 80 sites were identified as opportunities for new single-family houses to be constructed. As a supplement to the Master Plan report, Urban Design Associates will develop a Pattern Book, which can be used as a framework for these new homes to help link the Master Plan site to the adjacent neighborhoods. These units will need to be complemented by the rehabilitation of homes in poor condition and new streetscapes, which will further connect these units to the Master Plan site (see Figure 29).

In order to make a strong connection of the north-south boulevard to the neighborhoods to the north, both Smith and Rawlins Circles need to be addressed. The master proposes acquisition, demolition and relocation of the privately owned homes on Rawlins Circle. The eleven (11) MPHA-owned Smith Circle homes would either be moved to a new site or demolished and replaced in the first or second phase of the development.

The Master Plan also proposes that the Cecil Newman apartments be upgraded. Design ideas can be explored later with the development of the Pattern Book.

Non-dwelling Space

The Near Northside site has a number of nonresidential uses throughout the redevelopment area. A few of these facilities immediately south of Olson Highway, such as Summit Academy OIC, the Glenwood-Lyndale Community Center, which houses both KMOJ radio and the Glenwood-Lyndale Community Clinic, the Prince of Glory church, and the MPHA office and maintenance facility, block critical neighborhood street connections. Although not part of the Action and Implementation Plan, acquisition and redevelopment of these sites is proposed in the current Master Plan.

Some of these facilities will be relocated on-site. A replacement building for Summit Academy OIC is planned at the southwest corner of Olson Memorial Highway and the proposed north-south boulevard. The Celebration of Life mural, which must be relocated for the Lyndale Avenue improvements, could also be a part of this redevelopment. KMOJ radio and the Glenwood-Lyndale Community Clinic will be relocated within the development area. Further discussions and analysis is required to determine the most appropriate locations for these programs. Based on initial conversations with representatives from the Prince of Glory church, the Master Plan shows the relocated Prince of Glory church in the linear park along Lyndale Avenue. Refinements to this idea are continuing.

The MPHA maintenance facility will be relocated off site. Potential sites have been identified by MPHA.

There are two new non-dwelling spaces proposed as part of the revitalization. The first is the multi-cultural center, which may be included with the Sumner Library expansion. The second is the construction of a management and leasing office at the southwest corner of 8th Avenue and the proposed new north-south boulevard. Rental management and leasing functions for the rental community will be housed here. A community room will be available for the rental community's use as well as other community meetings and activities.

Public Safety

An important feature of Near Northside Master Plan is incorporation of public safety strategies, including crime prevention through environmental design (CPTED), natural surveillance, natural access control, territorial reinforcement, effective lighting, pedestrian and bicyclist safety, careful attention to safety in design of all plan elements, community-oriented policing, and the fostering of community stewardship and mutual accountability.

A number of design strategies will be implemented to promote community safety. The new units will include front porches and windows facing the street that promote safety through more “eyes on the street”. The new street patterns will slow neighborhood traffic and discourage cut-through traffic. Streets will be fronted by residential front doors and outdoor space will be defined as either public or private to discourage loitering. Neighborhood parks, such as the new parks adjacent to the proposed boulevard, will be wrapped by perimeter streets to allow unobstructed views into and through the space. Pedestrian traffic will thus be channeled along public streets, which, in concert with front porches and a connected street network, will encourage residents to know their neighbors. An appropriate level of street lighting and upgrades on current street lighting will also be utilized on new as well as existing streets.

Public Art Strategy

Whereas the overall Near Northside design approach is one that is artful and environmentally sensitive, the revitalization plan also recommends a public art strategy that will utilize local artists and arts organizations and will engage significant numbers of area residents, particularly student populations. Public art can contribute significantly to creating a sense of identity and character that is unique to the area. In addition, it can strengthen sense of community, build lasting neighborhood bonds, foster ongoing stewardship, respect the area’s rich heritage, empower neighborhood residents, and educate residents and visitors. There are many rich historical, environmental, and cultural factors to inform, inspire, and contribute to a diverse array of potential public art outcomes.

IMPLEMENTATION PROCESS

I. PHASING AND SEQUENCING

The Near Northside Revitalization Plan envisions four major phases of development as shown in *Figure 89*. The first two phases are planned to occur north of Olson Highway. The last two phases are planned south of Olson Highway. A six to eight year build-out is anticipated and is contingent upon the timing and availability of funding sources. Within each phase there will be public realm improvements including utilities, streets, the north-south boulevard, open space and parks of all sizes. Other improvements such as Olson Memorial Highway, Lyndale Avenue, and other non-dwelling uses will start and end in a specific phase or continue in future multiple phases.

Each phase of housing will require the completion of minimal infrastructure such as utilities, boulevards and streets to secure occupancy approval from code authorities. Completion of other public realm improvements such as designated parks, water features and open spaces will be needed to market the housing and provide the type of community life envisioned for the mixed-income community.

Phase I is located north of Olson Highway and west of Lyndale Avenue and includes approximately 270 rental and for-sale units. The time period for design, development and construction is estimated to occur from spring 2000 to spring 2003. Within this phase preliminary development of the North Park area/Sumner Field will need to be completed by fall 2002 in anticipation of marketing efforts for the for-sale housing component.

Phase II is located north and west of Phase I and includes approximately 150 rental and for-sale units. Its design, development and construction could occur, if funding remains available, between fall 2001 and fall 2004. Relocation or replacement housing for Smith Circle and acquisition of Rawlins Circles will need to occur before that portion of Phase II development can begin. Completion of the northern extension of the north-south boulevard may require further right-of-way acquisition to finalize its northern connection.

Marketing opportunities for Phase I and II housing will be dependent on the final completion of the North Park, the north-south boulevard, and the Lyndale Avenue reconfiguration.

During Phase II development a number of steps must be taken in order to begin Phase III development. A replacement facility for Summit Academy/OIC must be constructed. Sites must be located for services currently located in the Glenwood-Lyndale Community Center such as Glenwood Lyndale Health Clinic and KMOJ radio. If the Master Plan proceeds with Prince of Glory church as shown, a replacement facility for that church will need to be secured. The coordinated relocation of the MPHA Maintenance Facility will also be a prerequisite for this phase.

Phase III is located just south of Olson Highway and west of Lyndale Avenue. Approximately 250 rental and for-sale units are planned in this phase. Continuing with prior momentum from previous phases, design and development could begin by spring 2003 and completion of construction could occur by spring 2006. Improvements to Olson Memorial Highway will be paramount to bringing the

north and south areas of this future neighborhood together. Its improvements, along with development of related intersections, including the new north-south boulevard with its open space and water/recreation features, must begin and be realized in this phase. Without this significant infrastructure development, the proposed revitalized community will end up with isolated north and south areas.

Phase IV will occur south and west of Phase III and extend to Girard Avenue along its western edge. Approximately 130 rental and for-sale units are planned for this phase. If continued funding remains available, design, development and construction efforts are estimated to occur from fall 2004 to fall 2007. Full realization of the north-south boulevard to Glenwood Avenue and the south park and waterway amenities must occur to finalize the remaining marketing needs of the proposed community. These elements will complete the implementation and crown the overall Master Plan effort.

II. FINANCING PLAN

Purpose

The purpose of this Financing Plan is twofold: 1) to permit evaluation of the financial feasibility of the development proposed in the Master Plan; and 2) to indicate to all of the participants in this project the approximate magnitude of the funding requirements and to suggest likely sources of these funds. The numbers in this plan are preliminary for a variety of reasons. The costs shown are reasonable, but are preliminary estimates and are not based on bids. Many fee amounts and other elements of the plan will be the subject of further negotiations leading to development contracts. Some proposed sources of funds may not materialize and alternatives will need to be pursued. To some extent, the scope or cost of certain project elements may need to be adjusted in light of the availability of funds.

Overview

The Near Northside Master Plan envisions the creation of 900 units of new rental and for sale housing (including replacement of 100 elderly Bryants units), a multi-cultural center, two feature parks, a new north-south boulevard, and new and reconfigured streets which reconnect the site to the surrounding community and the larger city. Given the large scope of the project, development will occur in several phases over the next 6 to 8 years.

The goal of the Near Northside Development is to transform four public housing developments into a stable, mixed- income, culturally diverse community. The onsite plan will include 900 units of new rental and for sale housing as follows:

- 440 family rental units
- 360 for sale homes
- 100 elderly units of public housing (Bryants replacements)

A mixed- income strategy will be used which incorporates the 200 Hollman public housing replacement units into this revitalized community. There will be a mix of rental and homeownership housing within the

development. Within the 440 units of rental housing the public housing, tax credit and market rate rental households will be mixed within buildings and the units will be indistinguishable from one another.

The off-site plan has identified approximately 80 lots in the surrounding neighborhoods where there are opportunities for single-family in-fill housing. It has also identified Glenwood Avenue as an opportunity for commercial development.

This development is an exciting collaborative effort among the City of Minneapolis, the Minneapolis Community Development Agency (MCDA), the Minneapolis Public Housing Authority (MPHA) and the private developer. The MPHA owns the vast majority of the site. MPHA has relocated residents from the public housing developments, is demolishing the existing buildings, will undertake environmental remediation, and is otherwise making the site ready for development. The City of Minneapolis will cooperate in undertaking the necessary public improvements including streets, utilities and the new parks for the implementation of the plan. In addition, MCDA has acquired two remaining parcels adjacent to the development, has relocated tenants and will demolish the structures.

MPHA will prepare buildable sites for both the rental and for sale components of the plan. MPHA will retain ownership of the rental portion of the site and lease it to rental development partnerships for development of a mixture of public housing, other low income, and market rate units. For the home ownership portions of the site MPHA will sell the land. The apartments, townhouses, condominiums and detached homes will be built to a high quality standard, which will apply to all units.

Mix of Unit Types

Rental

Within the 440 units of rental housing the mix will be 45.5% public housing, 20.4% other tax credit households affordable to households at or below 60% area median income (AMI), and 34.1% market rate. The unit mix is summarized in the table below:

<u>Type of Unit</u>	<u>Number of Units</u>	<u>% of Total</u>
Public Housing Units	200	45.5%
Other Tax Credit Units	90	20.4%
Market Rate Rental Units	150	34.1%

The proposed first phase of the rental development will include 231 units: 105 Hollman replacement units (public housing), 48 tax credit units, and 78 market rate units.

Home Ownership

The homeownership component will consist of 360 units, of which 55 will be targeted to families with incomes less than or equal to 60% of area median income (AMI), and 55 targeted to families with incomes between 60% and 80% of AMI. The remaining 250 units would be unrestricted.

Elderly

The plan also anticipates a 100-unit elderly development (Bryant replacement units), which presently is contemplated to house public housing eligible households who would pay 30% of adjusted income as rent, less a utility allowance.

Development Budget

The Development Budget is summarized below.

On-site Development

Family Rental Units - Construction costs, including architectural and engineering costs, have been estimated at \$46.7 million (\$106,300 per unit). Soft costs, including financing costs, developer fees, and lease up and other reserves, total \$12.6 million (\$28,600 per unit). These costs and fees reflect the quality project envisioned, and result in a total cost of development of **\$59.2 million, or \$134,500** per unit.

For Sale Units

Based on conversation with builders and developers in Minneapolis, we have estimated a development cost of **\$55.8 million**, or \$155,000 per unit, to develop these quality units.

Elderly Units

Construction costs, including architectural and engineering costs, have been estimated at \$6.6 million. Soft costs, including professional and developer fees, and lease up and other reserves, total \$1.5 million. These costs and fees reflect the quality project envisioned, and result in a total cost of development of **\$8.1 million, or \$81,000** per unit.

MPHA Activity

Site Acquisition, Demolition, Relocation, and Site Preparation - These costs have been largely incurred and are estimated at **\$8.925 million**. They were provided by MPHA.

Administration - MPHA has budgeted \$450,000 for program administration.

City of Minneapolis

Public Improvements - These costs have been estimated at \$48.8 million, and are to be borne by the City. They include streets, sidewalks and streetscapes, right-of-way utility services and connections, parks and the north-south boulevard. Part of this funding will come from Tax Increment bonds. Most of the rest will need to come from a variety of grant sources.

Other Activities

Acquisition, Relocation, Demolition and Replacement of Other Onsite Properties - Several peripheral properties, which are part of the area covered by the Master Plan, require inclusion in the development budget. These include the following:

- Acquisition, demolition, and replacement of the Summit Academy OIC building
- Construction of a multi-cultural center
- Acquisition, demolition and relocation of the privately-owned homes on Rawlins Circle
- Demolition or relocation of the 11 MPHA-owned Smith Circle homes. These 11 units would either be moved to a new site or demolished and replaced in the first phase of the development
- Demolition and replacement of MPHA's maintenance building
- Acquisition, demolition, and relocation of the Prince of Glory church now owned by the Lutheran Church and leased to a Laotian congregation
- Upgrade of Cecil Newman apartments.

Financing

The Onsite Development Budget for 900 units is \$123.1 million; in addition, \$8.9 million has been expended from MPHA's Comp Grant funds for the costs of relocation, environmental remediation, demolition and site preparation. The plan assumes that the City of Minneapolis will contribute the cost of the public improvements estimated at \$48.8 million. Of the \$123.1 million required for the onsite housing, private sector funding is estimated at \$75.2 million (61.1%); \$12.0 million will be mix of public and private funds; and the balance, \$35.9 million (29.2%) will be from HUD development funds (Hollman funds) or requested in HUD HOPE VI grant funds.

Family Rental Units

The rental units would be developed by a number of private sector limited partnerships, which would be formed for each phase of the overall development. These partnerships will lease the sites from MPHA under a long-term agreement. MPHA will continue to own the underlying fee to the land, and will act as a lender of subsidy funds in each phase. The partnerships will construct, own and operate the apartments. The management control of each limited partnership's affairs will be in the hands of its managing general partner, which will guarantee to the investors completion of construction and lease-up, and which will assume the day-to-day responsibilities of the owner of an apartment complex.

The Low Income Housing Tax Credit (LIHTC) program will be utilized to raise \$14.1 million in LIHTC equity. The LIHTC program was created in 1986 to encourage affordable housing using federal income tax credits. "Tax Credit Equity" is supplied by national funds and syndicators whose ultimate investors

are corporations. The pricing of "tax credit equity" is currently in the \$0.77-0.82 range. Typically 30-40% of the committed equity is paid at the initial closing, 40-60% upon completion of construction, and the balance (10-20%) upon achieving sustaining occupancy.

The LIHTC is calculated based on the "eligible costs" of rental units in a given project, and the percentage of units that are "qualified" as low income. For the Near Northside family rental development, we have estimated these eligible costs at \$55.8 million. Based on the qualified low-income units (66.2%) and the 30% bonus for being in a Qualified Low Income Census Tract, the qualified basis is \$48.1 million. Taking into consideration the tax-exempt bonds, the family rental development qualifies for low income tax credits of \$17.54 million (spread evenly over ten years). These tax credits should support \$14.1 million in equity based on current market pricing of \$0.82 for each dollar of credit.

The private sector will also be a source for mortgage funds. We have sized the first mortgage at \$10.8 million based on the projected rental income and expenses. The projected rental income is based on the following unit mix:

*NEAR NORTHSIDE
OVERALL UNIT CONFIGURATION*

TYPE OF UNIT	PUBLIC HOUSING	OTHER LIHTC	MARKET RATE
1 BEDROOM	0	51	33
2 BEDROOM	90	34	96
3 BEDROOM	76	5	21
4 BEDROOM	24	0	0
5 BEDROOM	<u>10</u>	<u>0</u>	<u>0</u>
TOTAL	200	90	150

The market study, prepared by Development Strategies, Inc., provided the basis for setting the rents for the market rate and tax credit units. Tax credit rents are 20-50% below market rate rents for the very same unit. The tax credit units' rents represent 85-90% of the maximum rents permitted by the tax credit regulations. Tax credit units are set-aside for households with incomes at or below 60% of Area Median Income. The rents for the Public Housing Assisted units are based on a pro rata share of the operating expenses for the rental project. Public Housing Assisted tenants will contribute 30% of adjusted household income to utilities and rent, and MPHA will cover the difference between those contributions and a pro rate share of the operating expenses. These Public Housing units are in the aggregate "break-even" units – i.e., they create zero net operating income and consequently support no mortgage.

*NEAR NORTHSIDE
OVERALL RENT STRUCTURE*

TYPE OF UNIT	PUBLIC HOUSING	OTHER LIHTC	MARKET RATE
1 BEDROOM	(Based on Expenses per Unit:	\$550	\$650
2 BEDROOM	Rents are 30% of AGI)	655	975
3 BEDROOM		775	1,200
4 BEDROOM		N/A	N/A

Operating expenses are based on Minneapolis comparables. The real estate management fee is budgeted at \$534 per unit per year. Other operating expenses are estimated at \$2,176 per unit per year, including cleaning, repairs and maintenance, administrative costs, utilities, and other miscellaneous costs. In addition, the budget provides for insurance at \$90 per unit per year, security costs at \$200 per unit per year and real estate taxes. Annual real estate taxes of \$0.31 million (\$1,283 for each non-Public Housing unit) have been estimated based on the net operating income of the property. Public Housing Assisted units (i) have zero net operating income and (ii) they are currently and will continue to be exempt from real estate taxes. In addition to these taxes, an annual street improvements surcharge will be assessed. The family rental development's pro rata share of this assessment is estimated at \$190,000, a proportional share of which is represented by the public housing units. Finally, there is provision for a replacement reserve of \$411 per unit, which has been sized using standard formulas.

The operating expenses are projected at \$2.00 million. The projected net rental income is \$3.08 million. The projected net operating income of \$1.08 million should support \$10.8 million in tax-exempt first mortgages, based on a 7.0% rate for interest and any credit enhancements, with an amortization period of 30 years and a 1.25 debt coverage ratio. Cash flow after first mortgage debt service is projected at \$0.22 million annually, which will be allocated among the soft loans and the partnerships.

Additional soft financing of \$5.86 million has been incorporated into the model for the Near Northside site. This could come from any of the following sources:

- soft loans from the Minnesota Housing Finance Agency
- soft loans from the MCDA
- contributions from local corporations and banks
- soft loans from foundations.

Elderly Development

The plan also calls for a 100-unit elderly development. At present, the plan calls for these units to be 100% public housing eligible. The Minnesota Qualified Allocation Plan specifically excludes elderly development from participation in either the state per capita allocation of LIHTC or in the volume cap bond program. At this time there is not a significant source of funds available to support a non-Public Housing component of the elderly housing. Because of the high cost of relocation and demolition of the

previous Bryant Elderly development, the remainder of funds, which can be allocated under the Total Development Cost (TDC) ceiling set by HUD, is somewhat less than the estimated total development cost. The total development cost for this project is estimated at \$8.13 million. The remaining public housing funds can support \$7.48 million of this cost, leaving \$0.65 million in “gap” funding to be raised in the community.

For Sale Development

The plan contemplates the development of 360 for sale housing units. Fifty-five (55) of these units will be sold to households at or below 60% of AMI. One program, which may be pursued, is the Section 8 Homeowner program. Other programs will also be pursued to cover the difference between the first mortgage and the total development cost of the unit. Another 55 units will be targeted to households between 60% and 80% of AMI. For these 110 households, subsidies similar to those available at other Minneapolis single family affordable developments will be available to underwrite the sale of these homes. Based on current interest rates and other factors which may change over the next several years, we have estimated that approximately \$5.466 million in “soft” funding will be needed to support the 110 units of affordable home owner housing. The other 250 units to be developed will be sold without income restrictions. We have assumed that these 250 units can be sold at cost without subsidy. We hope that in fact they may be a source of profits to help underwrite the shortfall on the 110 affordable homeownership units.

Public Sector Financing

The City of Minneapolis will be asked to contribute a portion of the cost of the public improvements, which are estimated at \$48.8 million. Part of the proceeds will be raised through the sale of bonds supported by the Tax Increment Financing district, which is to be created for the entire Near Northside development area. Another portion will be supported by bonds supported by the surcharge paid by the individual property owners in the development district, including any public or institutional entities who may not otherwise be subject to real estate taxes.

Protecting the Public Interest

The public sector is being asked to make a substantial investment in this development. It should rightfully demand that safeguards be put in place to ensure that the public interest is served over the course of this investment's future. Several safeguards have been incorporated into the plan. The first is that MPHA will retain ownership of the land on which rental development will take place. The second is that the HUD HOPE VI and development funds used to finance the rental housing will be advanced by the Authority as a soft, subordinated loan to the project so that MPHA will have the rights of a junior lender. The third safeguard will be the Regulatory and Operating Subsidy agreement, which ensures that the Public Housing Assisted units will continue to be operated for the benefit of low-income public housing tenants.

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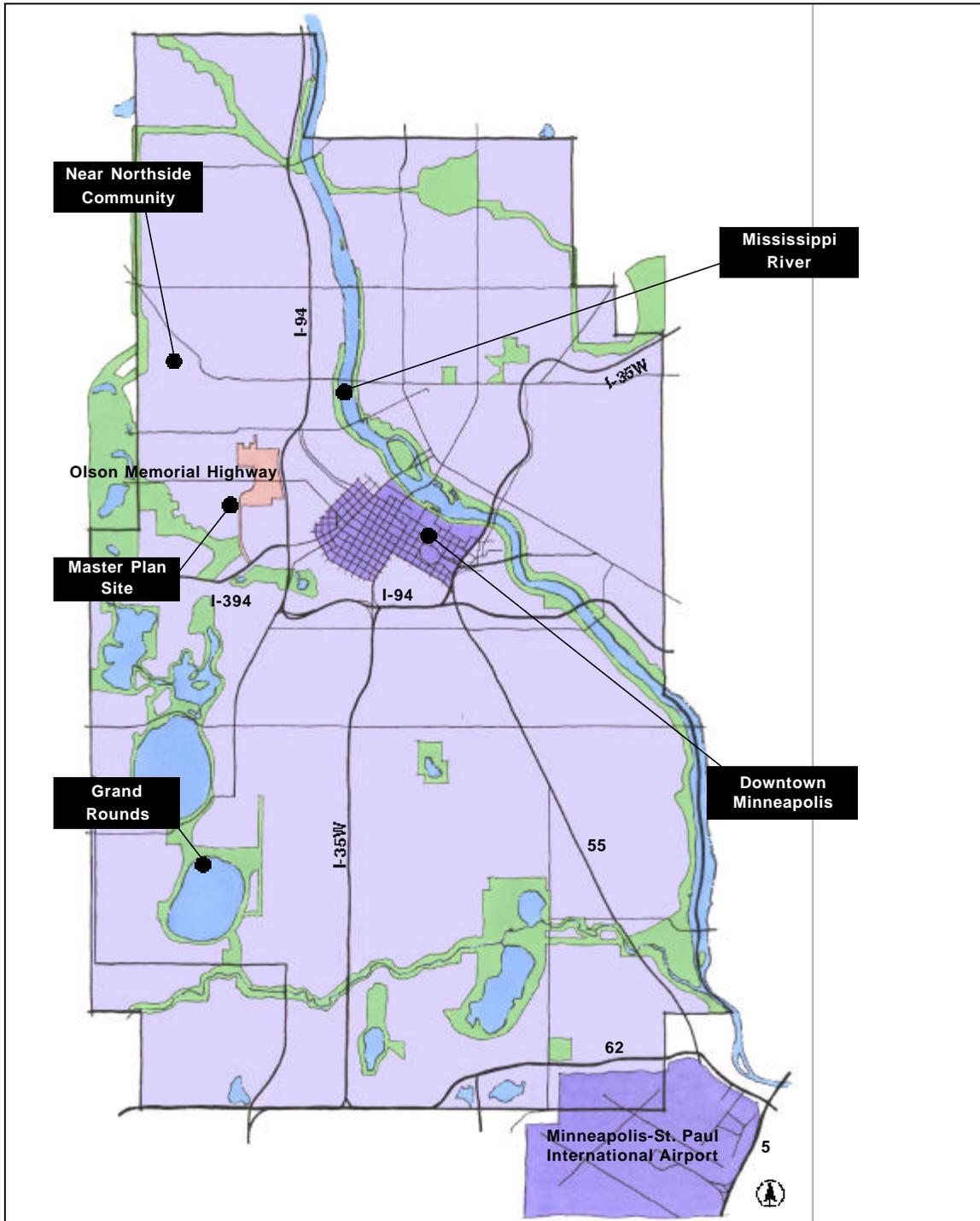
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Fig. 1 City of Minneapolis Map

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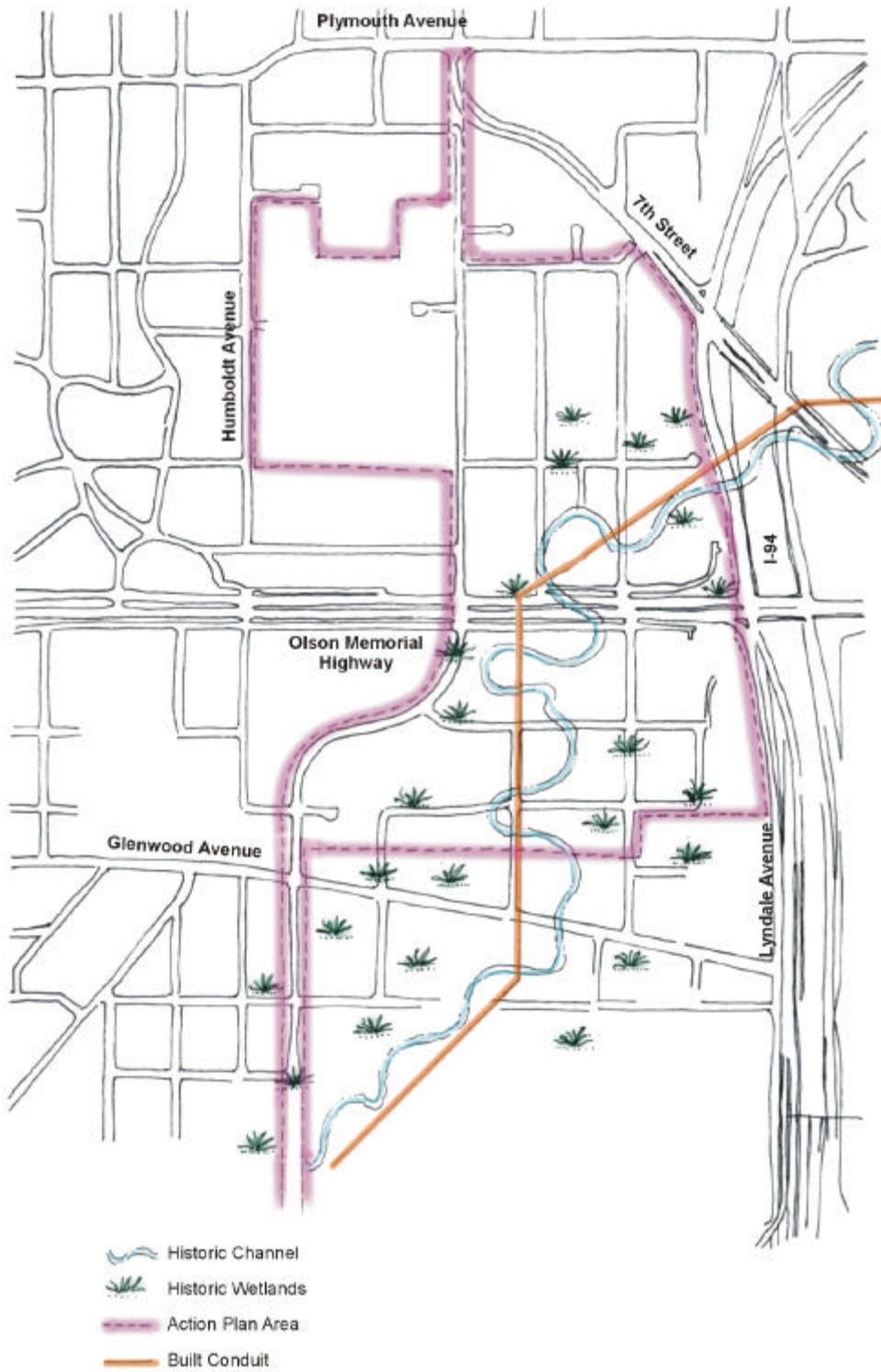


Fig. 2 Historic Bassett Creek and Wetland Locations

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Fig. 3 Existing Conditions Plan

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Fig. 4 Over 250 people attend the first community meeting on November 17, 1999

Design Illustrations



Fig. 5 Smaller break out groups discuss assets, liabilities, and their vision for the neighborhood at the November 17, 1999 meeting

Design Illustrations



Fig. 6 Design Workshop Week, December 1999 : Residents review work in progress

Design Illustrations



Smaller break out groups discuss plan



Fig. 7 Plan presented at the December 11, 1999 community meeting

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The Master Plan is presented to over 350 people at the January community meeting



Fig. 8 The community reviews the model at the January 2000 meeting

Design Illustrations



Fig. 9 Smaller break out groups discuss the plan at January 2000 meeting

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Fig. 10 City Scale Highways and Arterials

Although accessible to freeways, the site is bisected by Olson Memorial Highway, one of the most heavily travelled surface corridors in the area.



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Fig. 11 City Scale Streets

Unique to the site is its location at the intersection of the strong north-south grid of the adjacent northern neighborhoods and the rotated grid of downtown.



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Fig. 12 City Scale Parks and Open Space

Although the site is close to regional open space amenities such as the Grand Rounds park system and the Mississippi River, it is not yet linked to these resources.



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Fig. 13 City Scale Residential Uses

Located on the edge of the city's northern neighborhoods, the site is virtually an island bordered by highway and industrial uses.

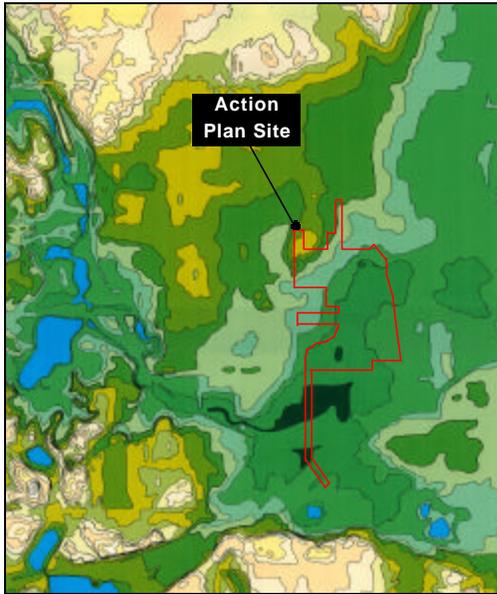


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Fig. 14 City Scale Industrial Uses and Rail Lines

The site is surrounded by regional industrial uses which follow the rail and highway corridors.

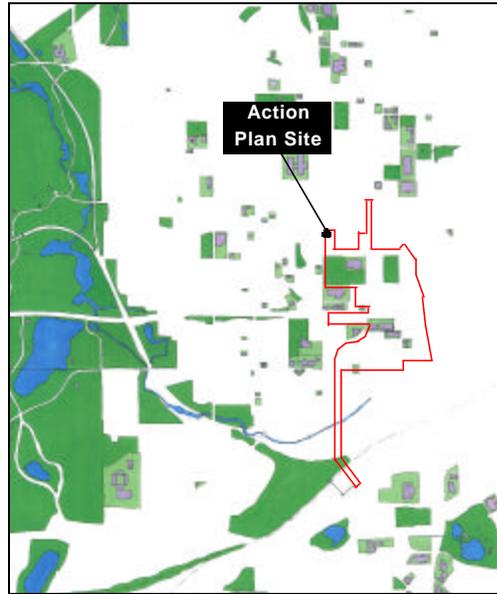
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Fig. 15 Neighborhood Scale Topography

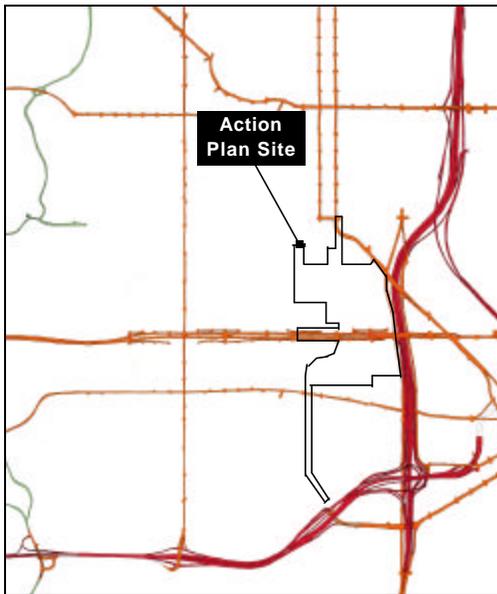
The neighborhood occupies the lowlands and wetlands of historic Bassett Creek Valley.



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Fig. 16 Neighborhood Scale Parks and Open Space

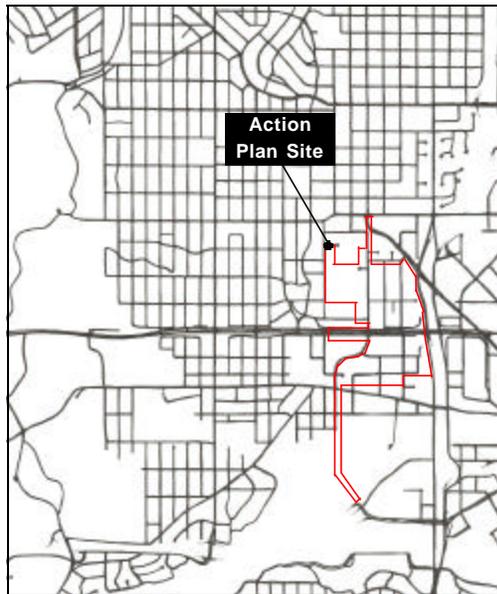
Even though the area is richly endowed with local parks and open space, and enjoys proximity to the Mississippi River, cultural amenities, and the Grand Rounds open space system, the site itself is not yet connected to these amenities.



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Fig. 17 Neighborhood Scale Highways and Arterials

The site is bordered, confined, and divided by a network of highways that discourages connections to downtown and southern Minneapolis.

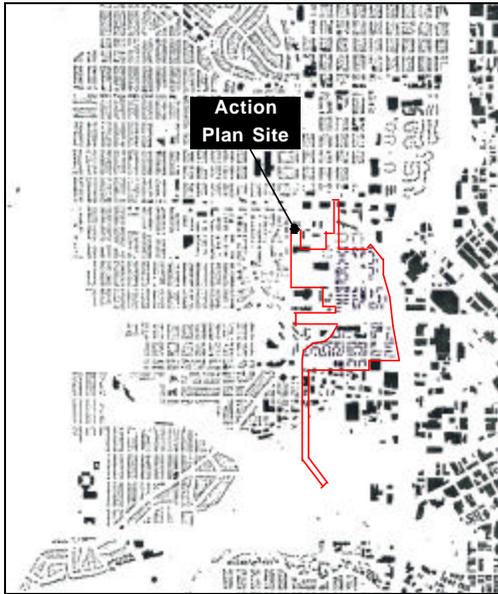


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Fig. 18 Neighborhood Scale Streets

Interstate 94 to the east, the superblock development to the west, and suburban type cul-de-sacs to the north all contribute to a discontinuous urban fabric and the loss of pedestrian scale streets and traditional Minneapolis neighborhood scale blocks.

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Fig. 19 Neighborhood Scale Figure Ground Diagram

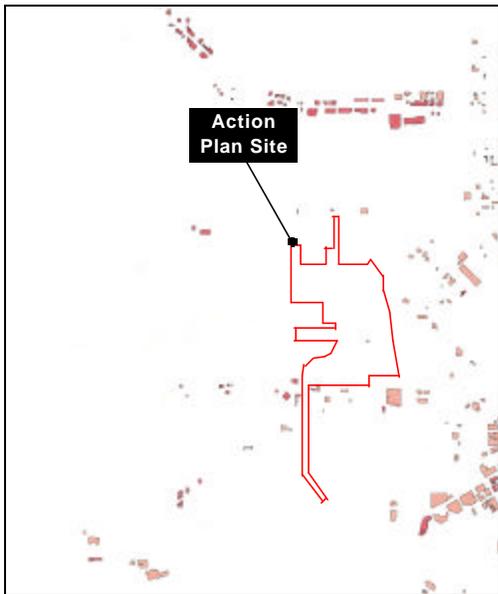
A stark contrast is evident between the site and large institutional and industrial uses bordering the site which separate the site from the fine grain residential fabric in the adjacent northern and western neighborhoods.



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Fig. 20 Neighborhood Scale Industry and Railroads

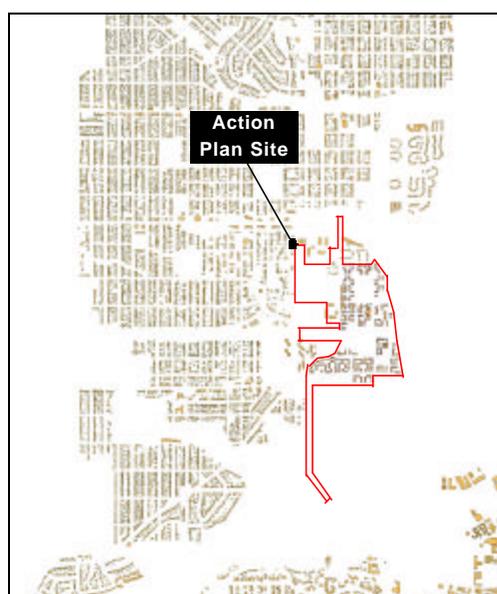
The residential fabric has been continually eroded by industrial uses which nearly engulf the site and separate it from the downtown.



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Fig. 21 Neighborhood Scale Commercial Uses

Since the commercial uses on West Broadway are not within walking distance, the site is practically devoid of retail uses with the exception of a few bits and pieces along Glenwood and Plymouth Avenues.



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Fig. 22 Neighborhood Scale Residential Patterns

The proximity of the site to the neighborhoods of Bryn Mawr, Harrison, Near North, and Willard Hay is quite apparent as is the gap and deterioration of housing surrounding the site.

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Fig. 23 Existing Streets

The lack of local streets connections between the site and surrounding area is quite evident, especially in the east-west direction in which most streets are cut-off or end in cul-de-sacs.

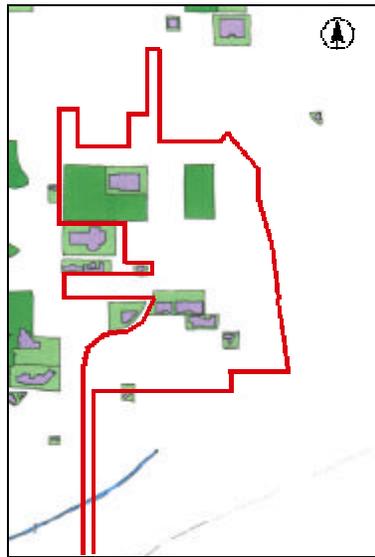


Fig. 24 Existing Parks and Open Space

Although close to Bethune Park and Sumner Field, the site has no open space network to link these amenities.



Fig. 25 Existing Building Coverage

Located between residential fabric to the north and west and large scale uses to the east and south, the action plan site is vacant except for a few institutional uses.

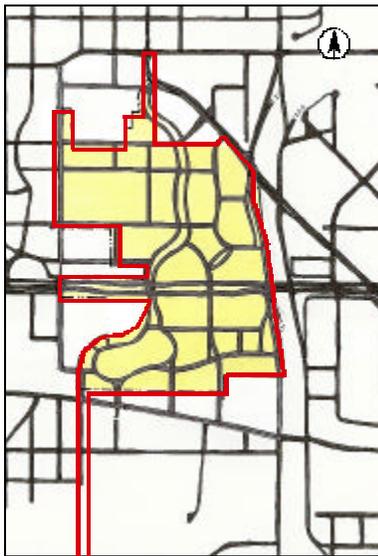


Fig. 26 Proposed Streets

A new interconnected network of streets creates residential scale blocks and links the site to adjoining neighborhoods



Fig. 27 Proposed Parks and Open Space

New landscaped boulevards link existing amenities with the two new feature parks, water elements, and smaller scale parklets and greens.

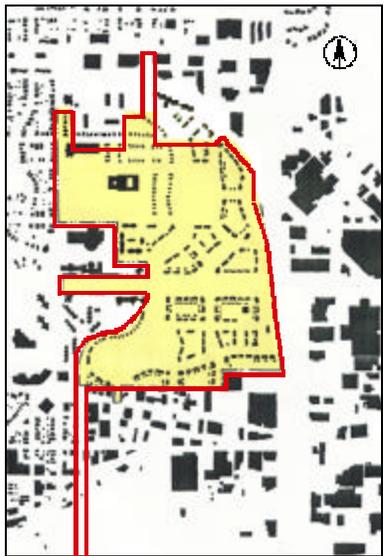
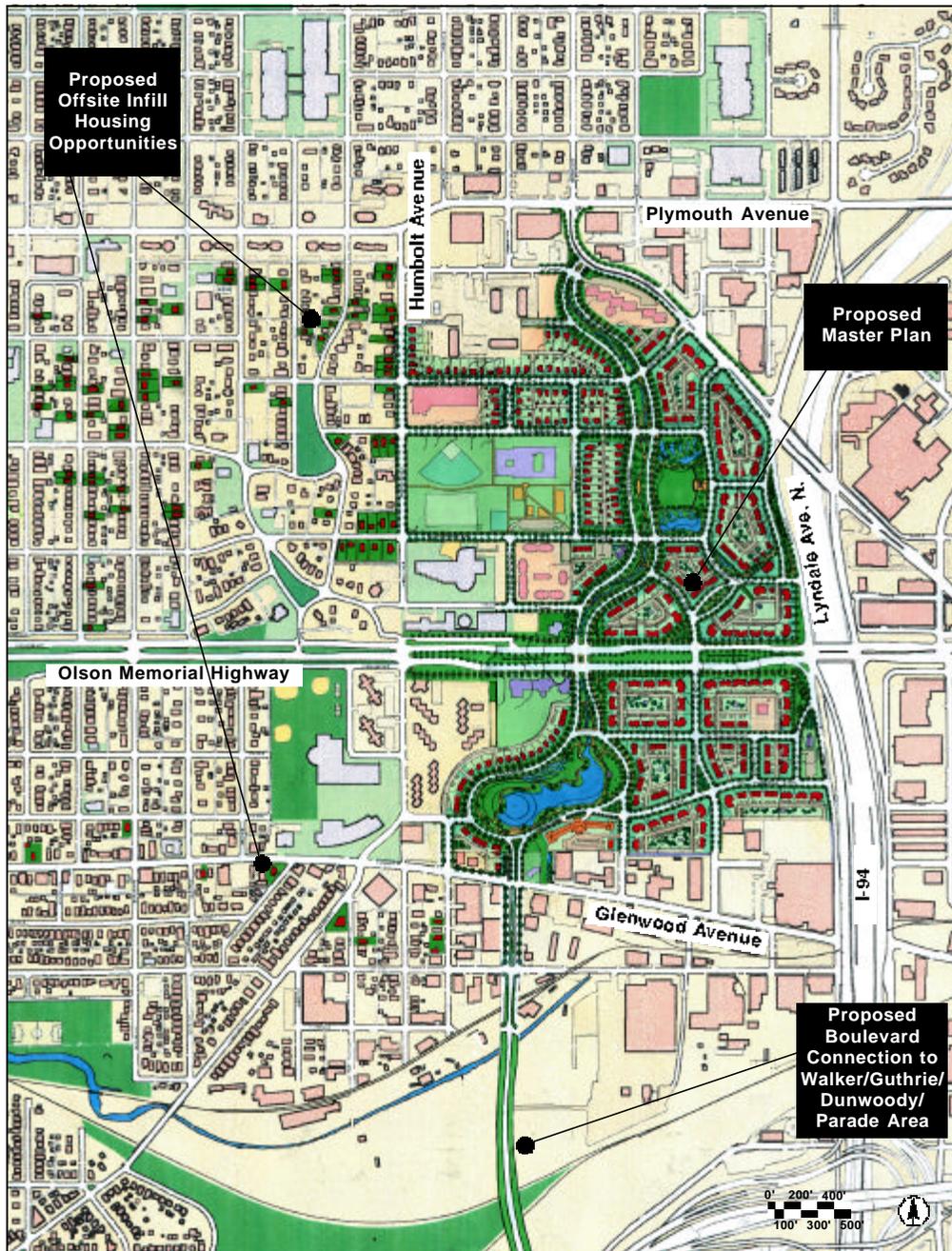


Fig. 28 Proposed Building Coverage

By restoring the traditional block pattern which once existed in this neighborhood, the new neighborhood becomes an extension of adjacent neighborhoods.

Design Illustrations



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Fig. 29 Proposed Master Plan in Context

Design Illustrations



Fig. 30 Aerial View of Existing Conditions



Fig. 31 Aerial View of Master Plan

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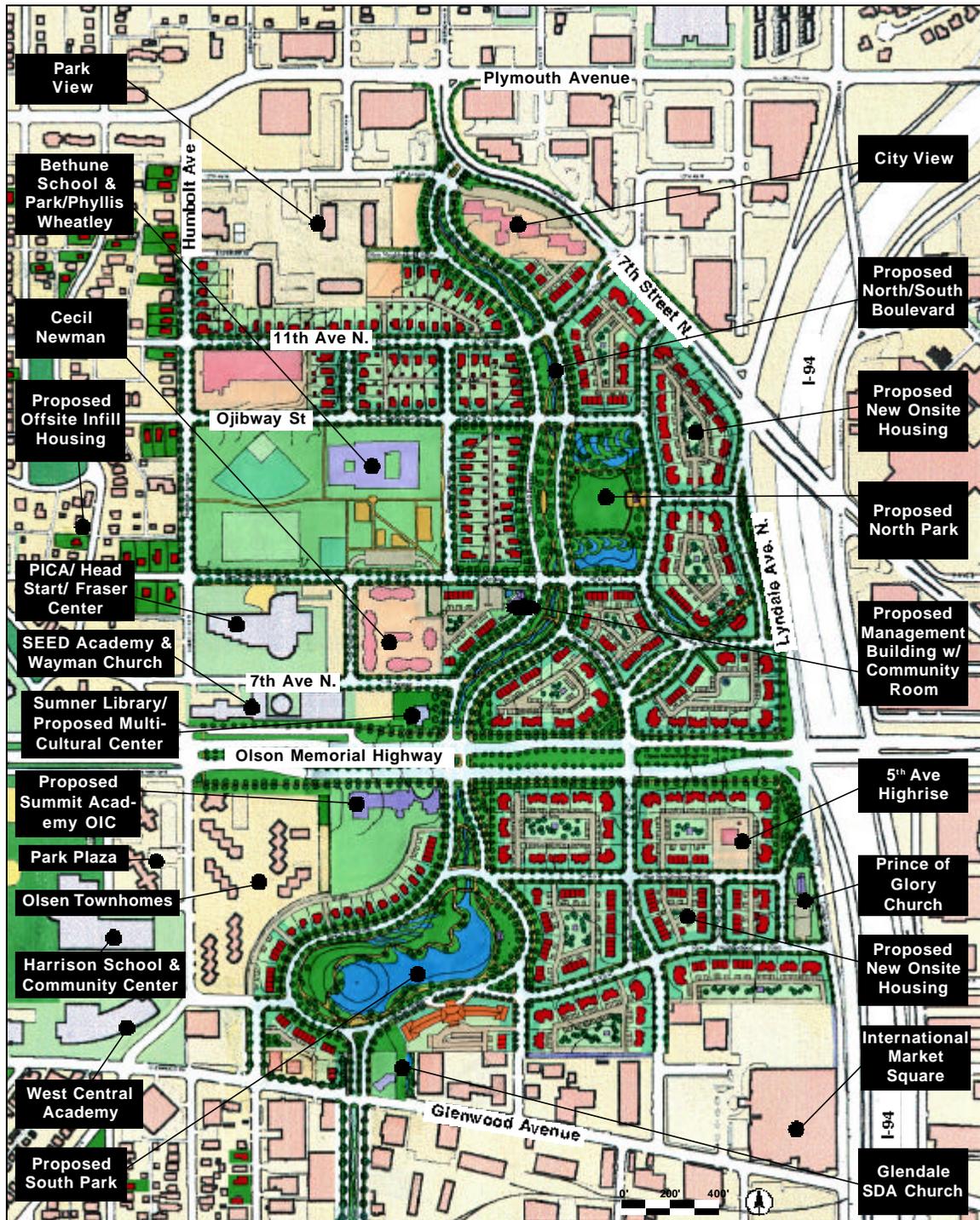


Fig. 32 Master Plan: Build on Strengths and Eliminate Weaknesses

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Fig. 33 Action Plan Area Today: Physically isolated from the greenway network, neighborhood amenities, jobs and downtown



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Fig. 34 Master Plan Tomorrow: A reconnected neighborhood with a mix of house types and styles

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Fig.35 Action Plan Area Today: Awaiting revitalization

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Fig. 36 Master Plan Tomorrow: A new park in the neighborhood provides a focus for residential life

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**9 Unit Garden Front Elevation
(G1A, G1B, G1C, G1D)**

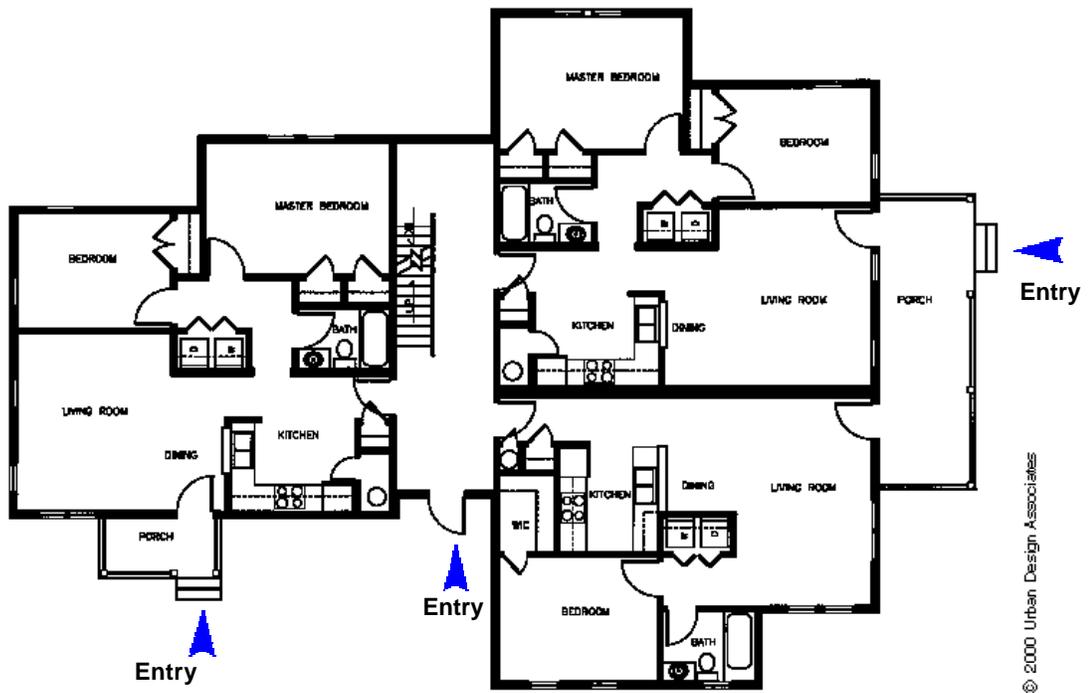


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**9 Unit Garden Side Elevation
(G1A, G1B, G1C, G1D)**

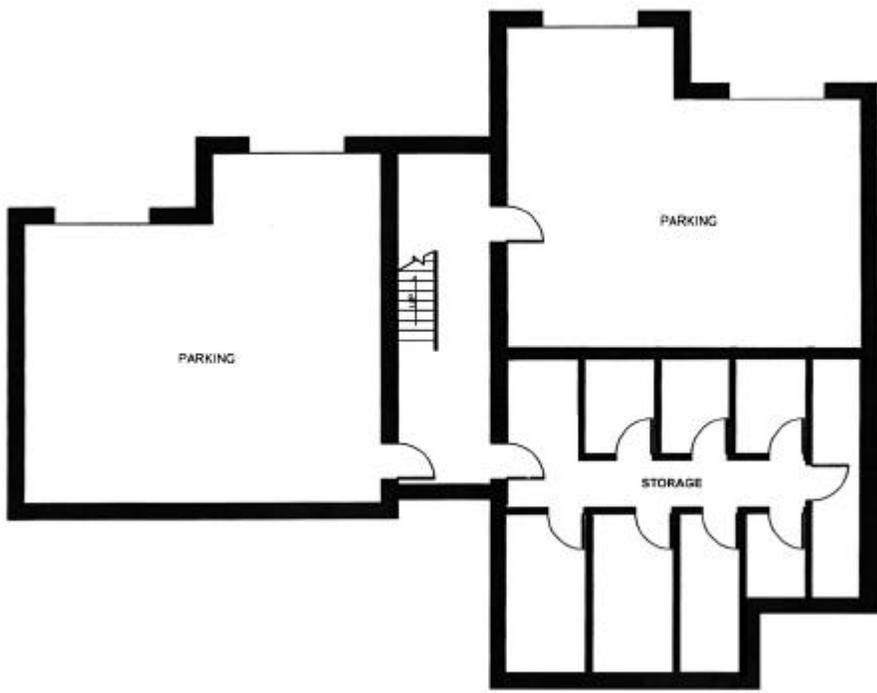
Fig. 37 Sample Elevations

Design Illustrations



9 Unit Garden Typical Floor Plan (G1A)
(G1B, G1C, and G1D similar)

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9 Unit Garden Optional Basement Plan (G1A)
(G1B, G1C, and G1D similar)

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Fig. 38 Sample Floor Plans

Design Illustrations



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**6 Unit Garden Elevation
(G3A)**

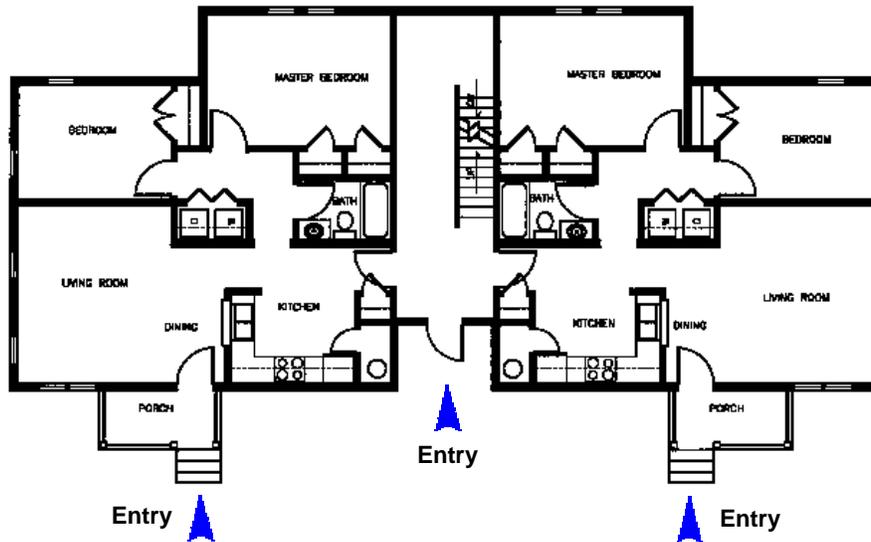


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**6 Unit Garden Elevation
(G3B)**

Fig. 39 Sample Elevations

Design Illustrations



6 Unit Garden Typical Floor Plan (G3A)
(G3B similar)



6 Unit Garden Optional Basement Plan (G3A)
(G3B similar)

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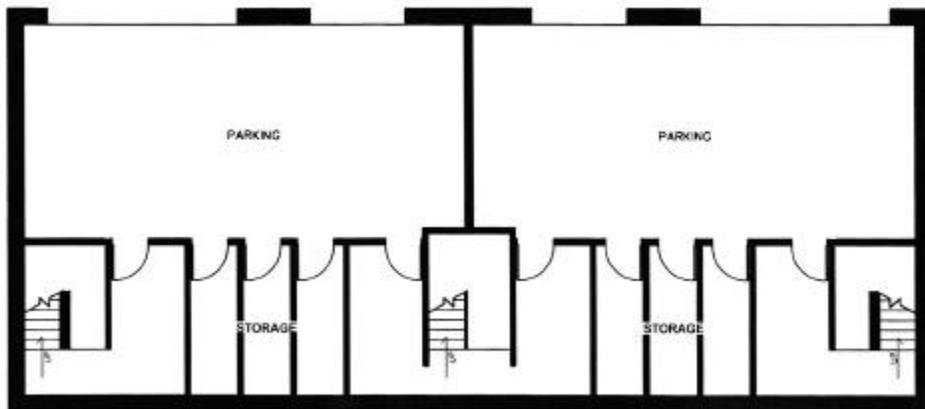
Fig. 40 Sample Floor Plans

Design Illustrations



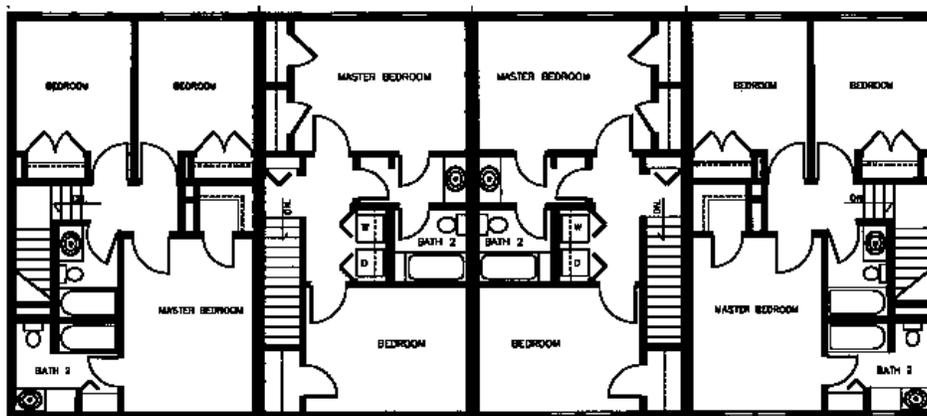
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4 Townhouses over 2 Garden Flats Elevation (G5)



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4 Townhouses over 2 Garden Flats Optional Basement Plan (G5)

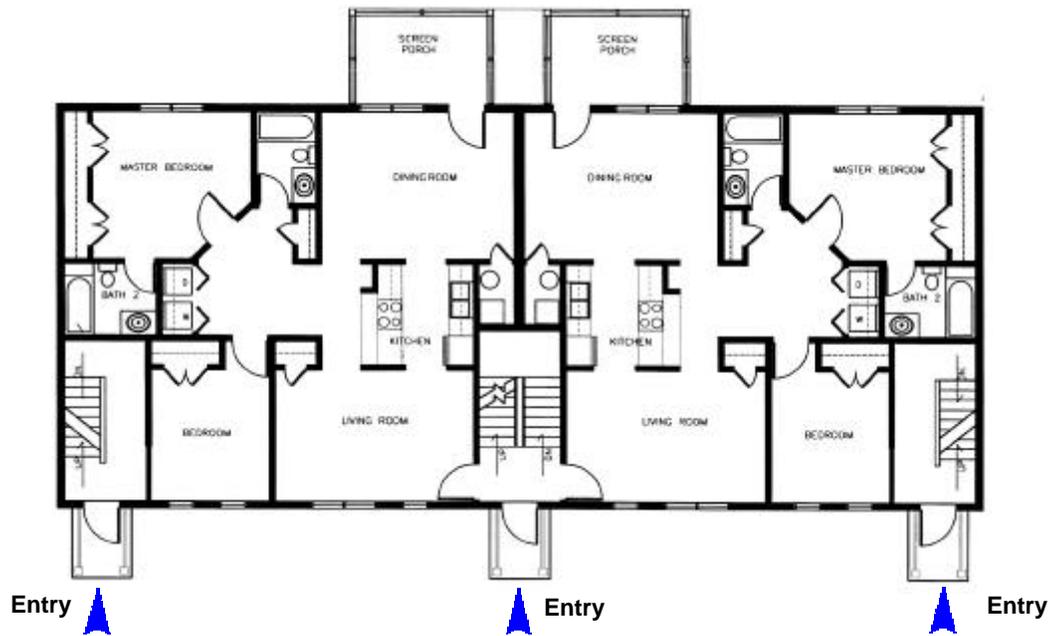


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4 Townhouses over 2 Garden Flats Third Floor Plan (G5)

Fig. 41 Sample Floor Plans and Elevation

Design Illustrations



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4 Townhouses over 2 Garden Flats First Floor Plan (G5)



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4 Townhouses over 2 Garden Flats Second Floor Plan (G5)

Fig. 42 Sample Floor Plans

Design Illustrations

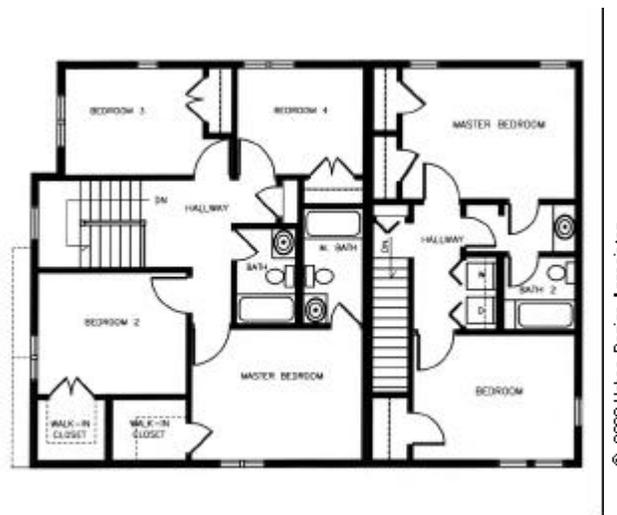


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4 br/ 2 br Duplex Elevation (D1)



Duplex (D1) First Floor Plan



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Duplex (D1) Second Floor Plan

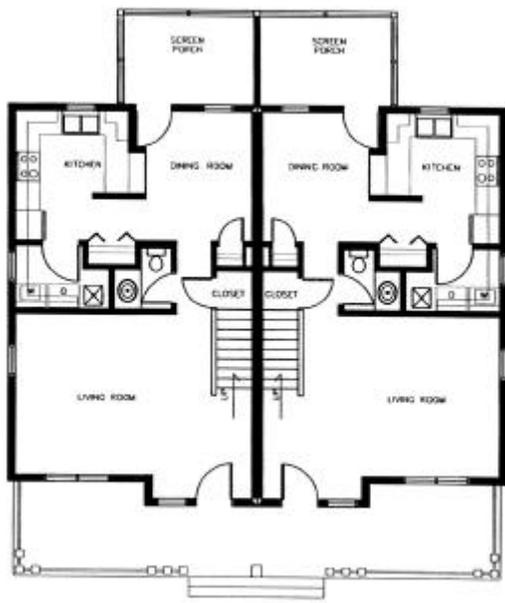
Fig. 43 Sample Floor Plans and Elevation

Design Illustrations

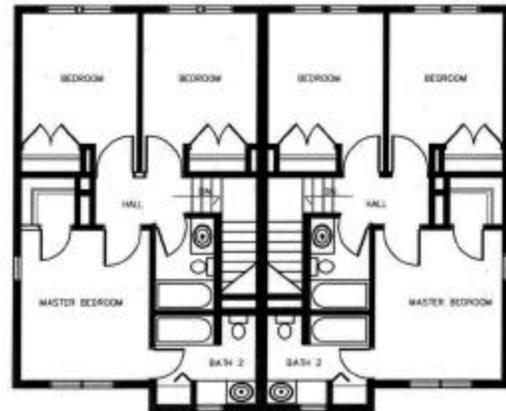


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3 br / 3 br Duplex Elevation (D2)



Duplex (D2) First Floor Plan



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Duplex (D2) Second Floor Plan

Fig. 44 Sample Floor Plans and Elevation

Design Illustrations



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**Two and Three Bedroom Townhouse Elevation (T2 & T3)
(showing both T2 and T3 Elevations)**

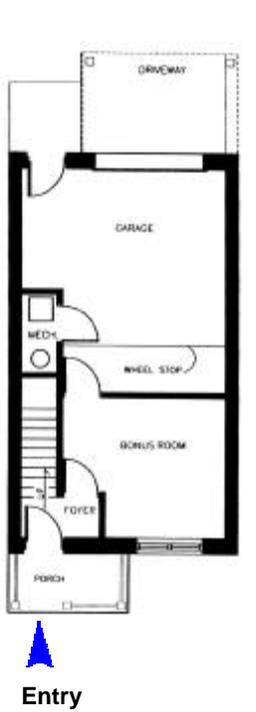


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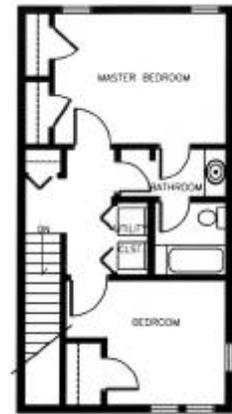
**Four and Five Bedroom Townhouse Elevation (T4 & T5)
(Showing both T4 and T5 Elevations)**

Fig. 45 Sample Elevations

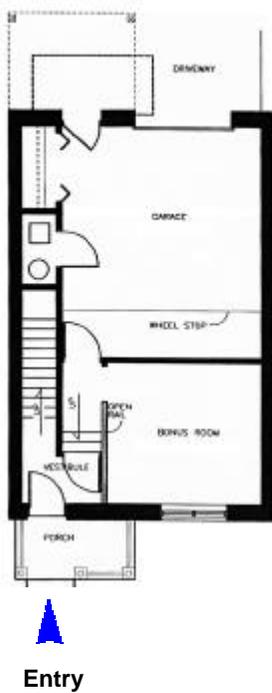
Design Illustrations



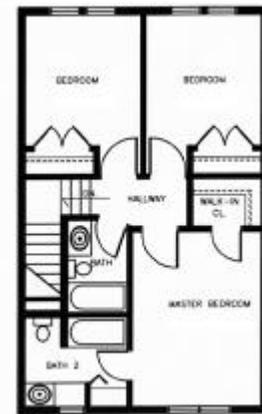
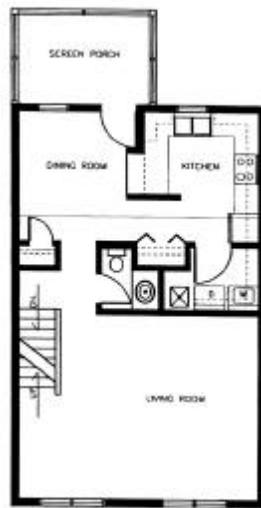
**Two Bedroom Townhouse (T2)
First, Second and Third Floor Plans**



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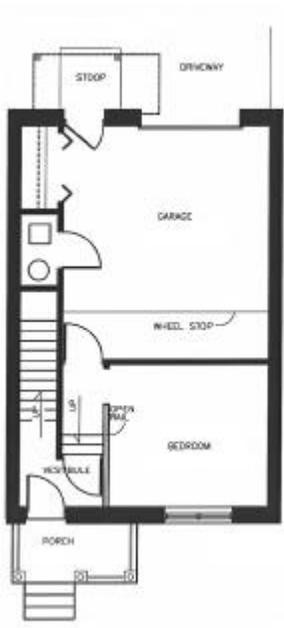
**Three Bedroom Townhouse (T3)
First, Second and Third Floor Plans**



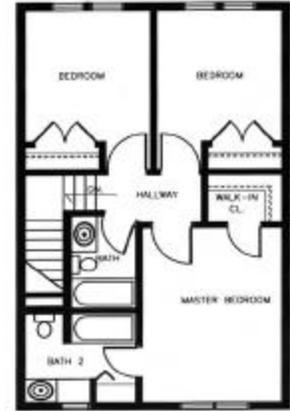
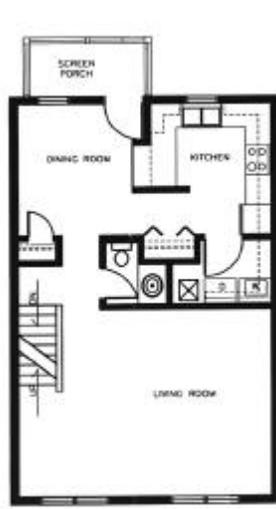
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Fig. 46 Sample Floor Plans

Design Illustrations



Entry

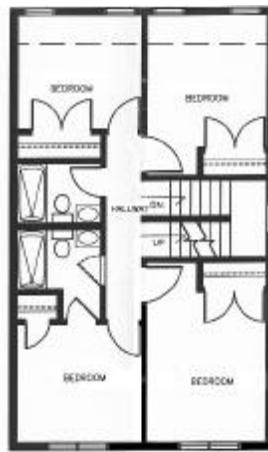


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**Four Bedroom Townhouse (T4)
First, Second and Third Floor Plans**



Entry



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**Five Bedroom Townhouse (T5)
First, Second and Third Floor Plans**

Fig. 47 Sample Floor Plans

Design Illustrations



Single Family Elevation (SF1)



Single Family Elevation (SF1)

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**Single Family (SF1)
First Floor Plan**

Fig. 48 Sample Floor Plan and Elevations

Design Illustrations



Single Family Elevation (SF3)



Single Family Elevation (SF3)

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**Single Family (SF3)
First Floor Plan**



**Single Family (SF3)
Second Floor Plan**

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Fig. 49 Sample Floor Plans and Elevations

Design Illustrations



Single Family Elevation (SF2)



Single Family Elevation (SF2)

© 2000 Urban Design Associates



**Single Family (SF2)
First Floor Plan**



**Single Family (SF2)
Second Floor Plan**

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Fig. 50 Sample Floor Plans and Elevations

Design Illustrations



Single Family Elevation (SF4)

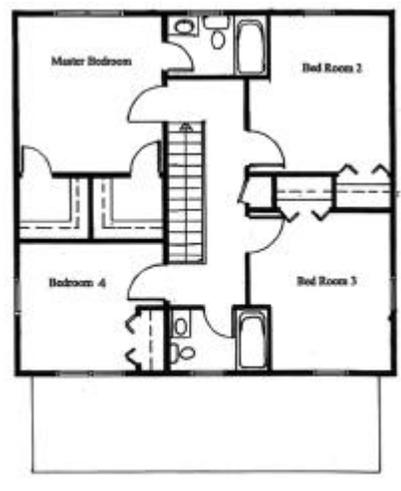


Single Family Elevation (SF4)

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**Single Family (SF4)
First Floor Plan**



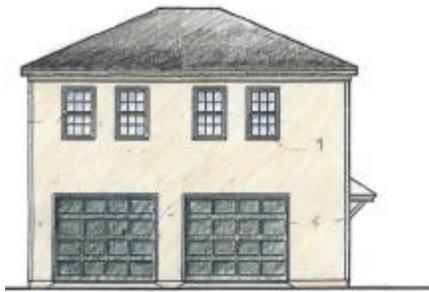
**Single Family (SF4)
Second Floor Plan**

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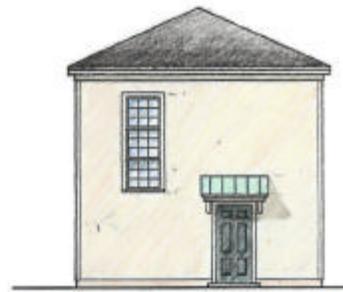


Fig. 51 Sample Floor Plans and Elevations

Design Illustrations



Carriage House Front Elevation (C1)



Carriage House Side Elevation (C1)

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**Carriage House (C1)
First Floor Plan**



**Carriage House (C1)
Second Floor Plan**

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Fig. 52 Sample Floor Plans and Elevations

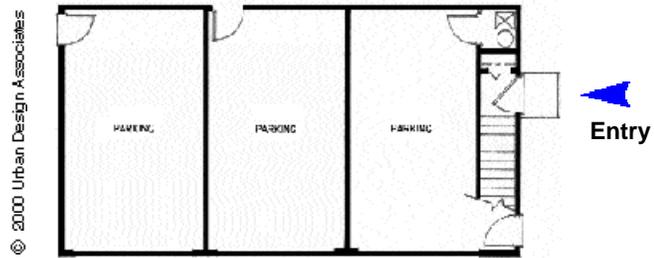
Design Illustrations



Carriage House Front Elevation (C2)

Carriage House Side Elevation (C2)

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**Carriage House (C2)
First Floor Plan**



**Carriage House (C2)
Second Floor Plan**

Fig. 53 Sample Floor Plans and Elevations

Design Illustrations

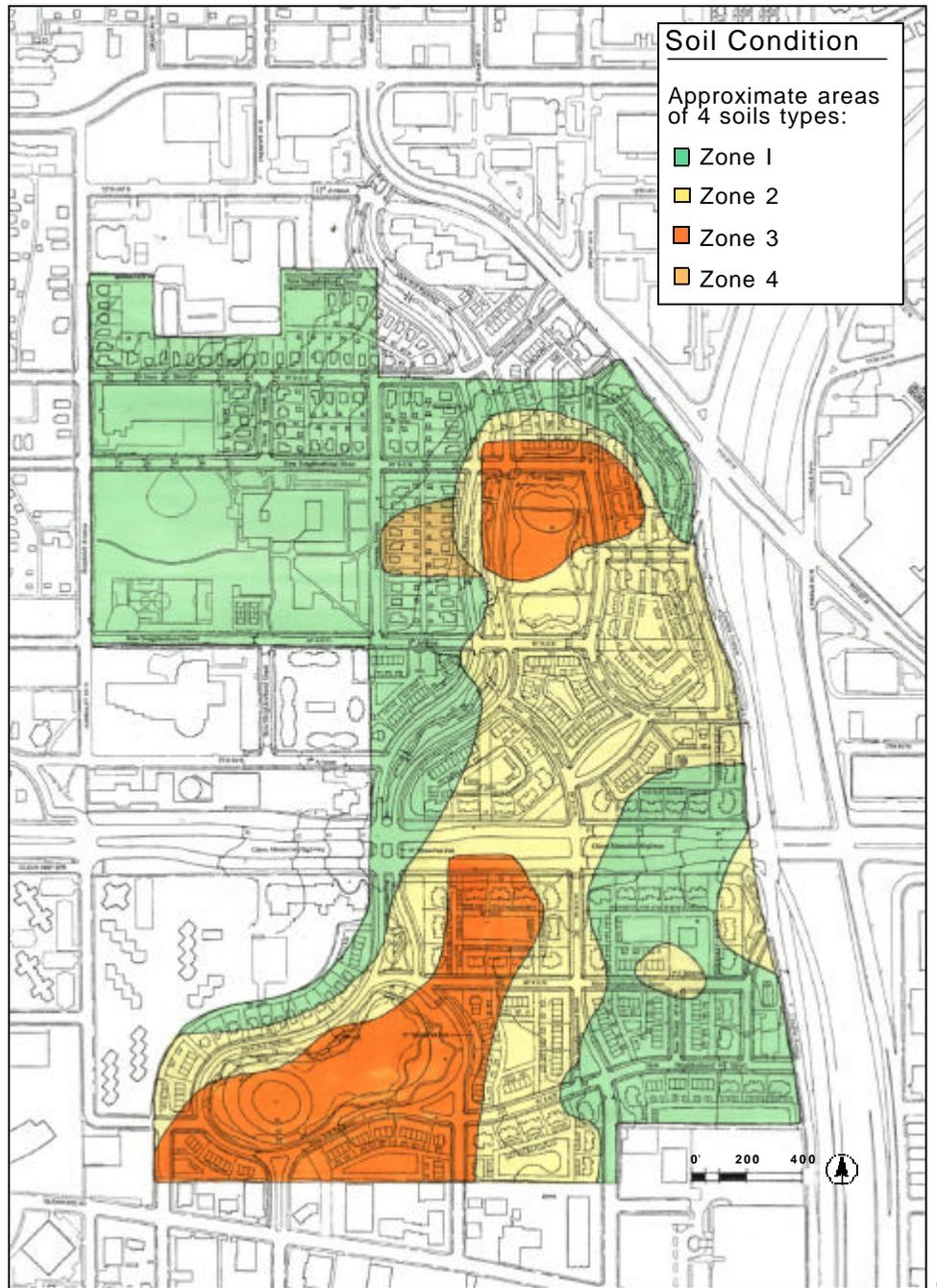


Fig. 54 Soils Plan

Design Illustrations

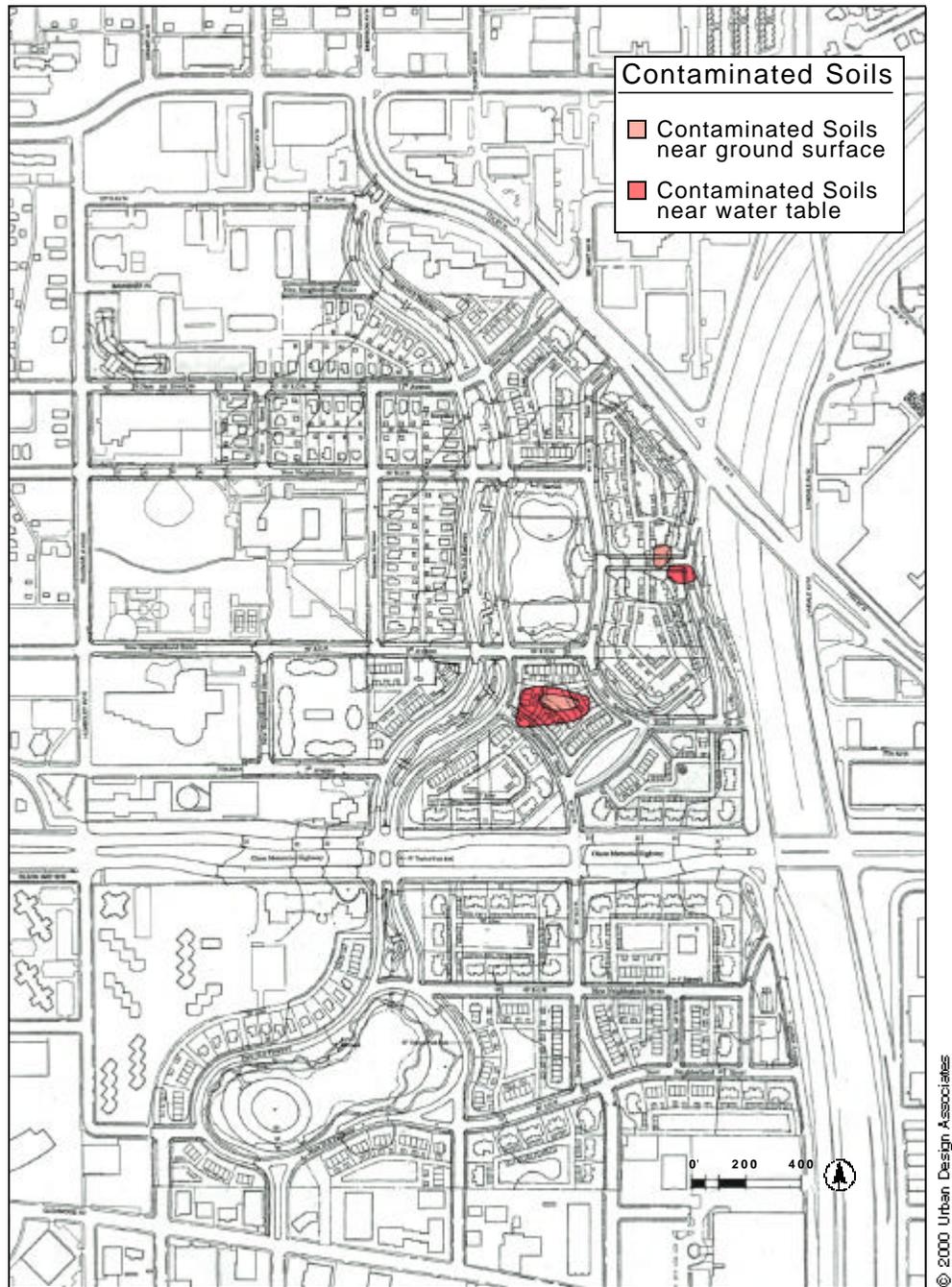


Fig. 55 Contaminated Soils Plan

Design Illustrations

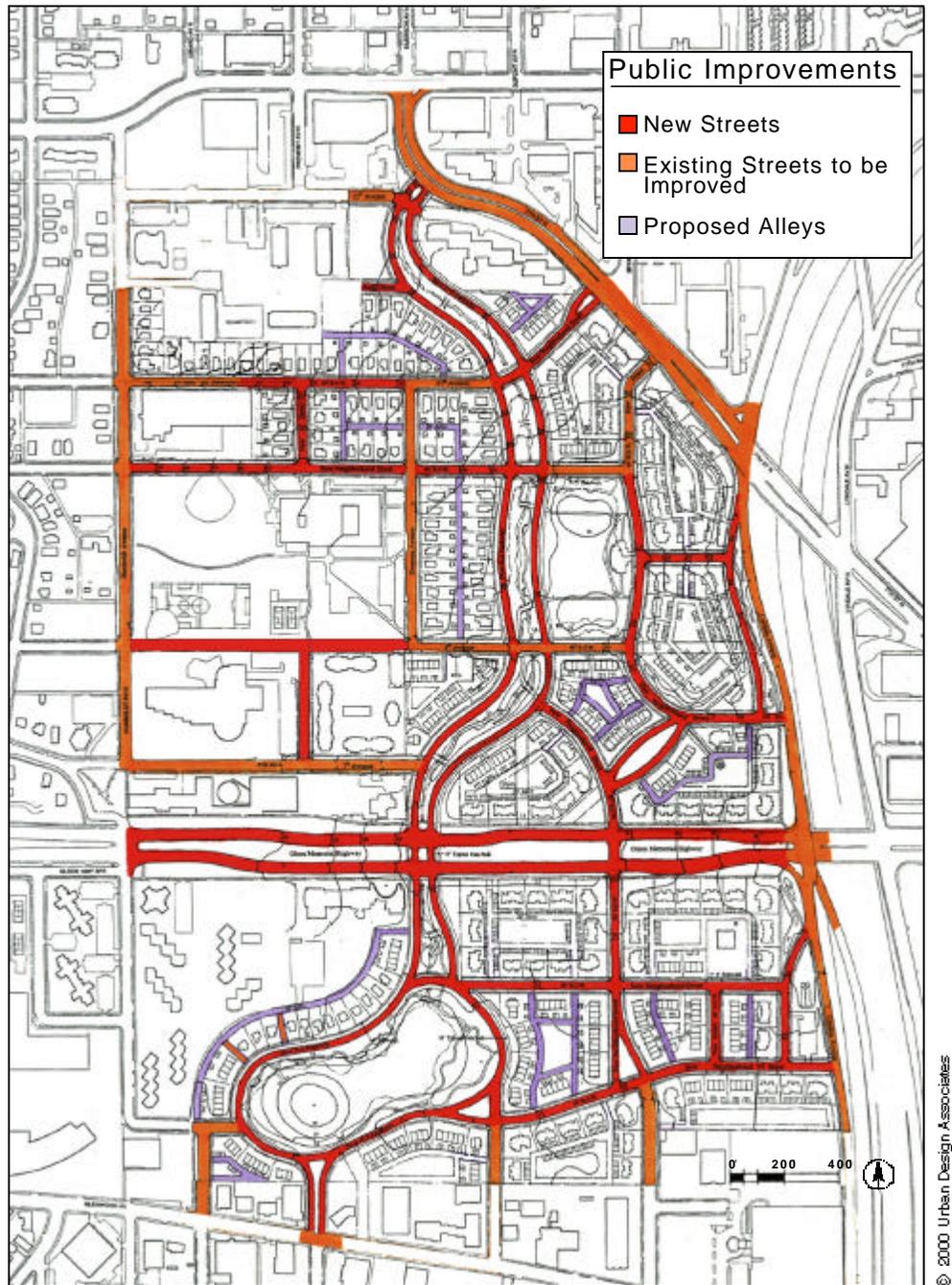


Fig. 56 Street Improvements Plan

Design Illustrations

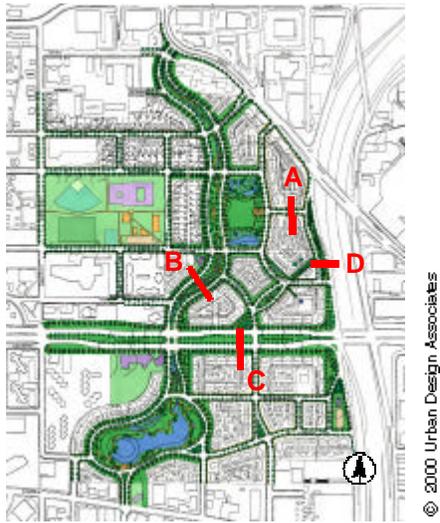


Fig. 57 Key Plan

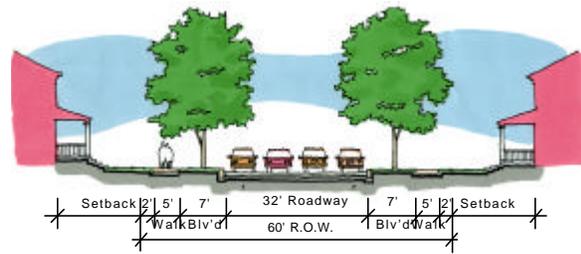


Fig. 58 Typical Neighborhood Street Tomorrow (A)

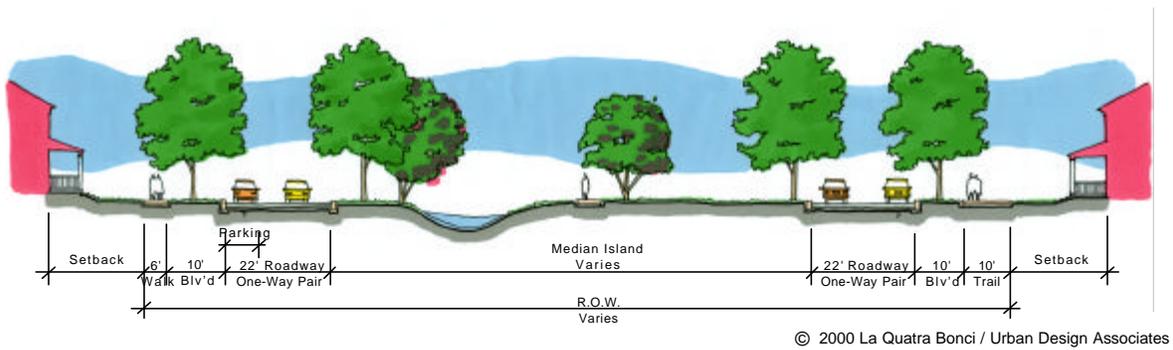


Fig. 59 New North-South Boulevard Tomorrow (B)

Design Illustrations

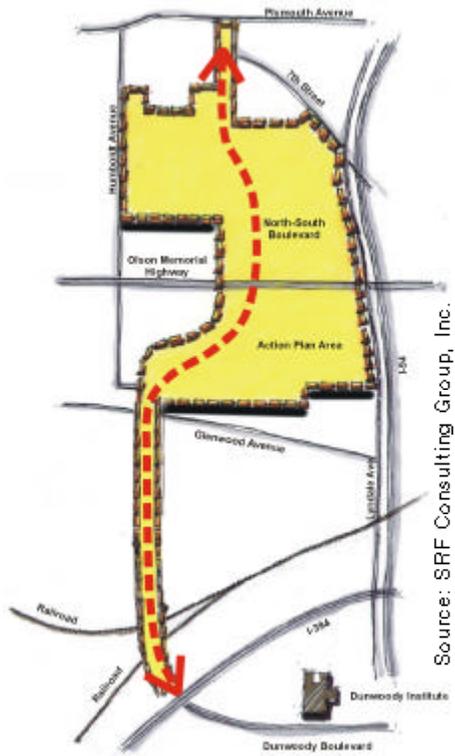
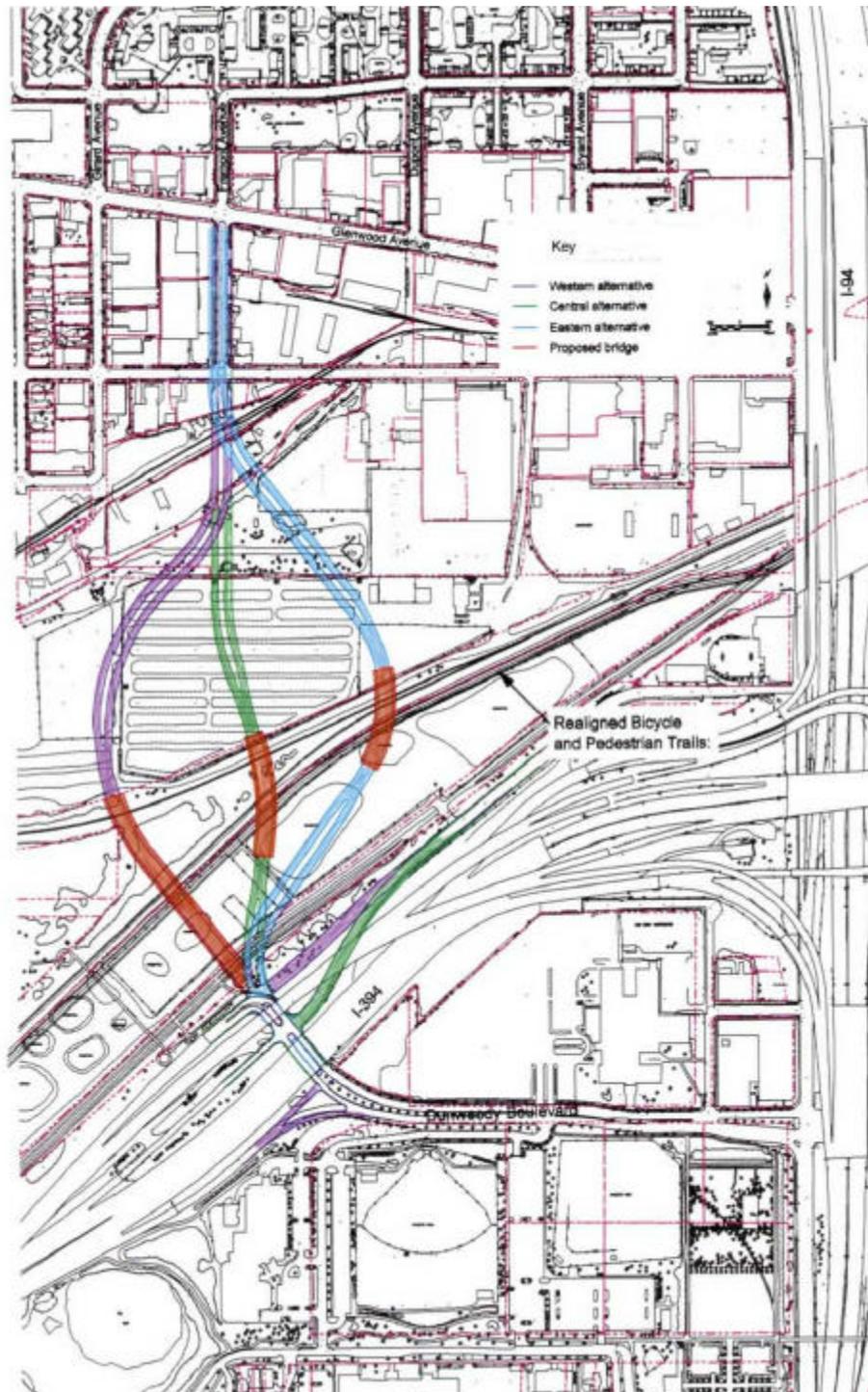


Fig. 60 North-South Boulevard: A strong link between north and south Minneapolis



Fig. 61 North-South Boulevard: Travel lanes separated by medians and lined with street trees, protected parking bays, bicycle paths and sidewalks

Design Illustrations



Source: SRF Consulting Group, Inc.

Fig. 62 North-South Boulevard: Southern Alignment Alternatives

Design Illustrations

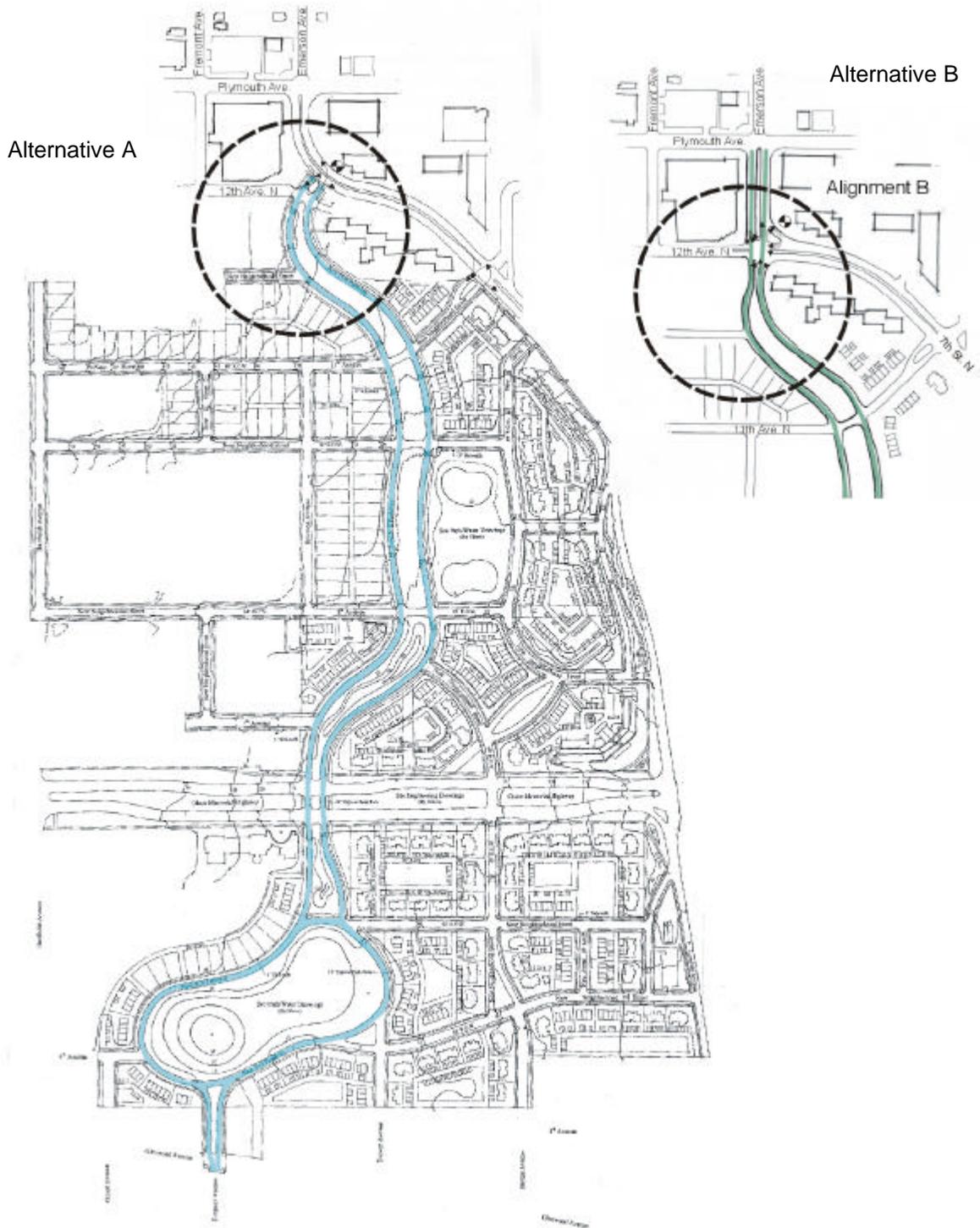


Fig. 63 Project Area with North Alternatives

Design Illustrations



Fig. 64 Existing and Proposed Olson Memorial Highway Plans (C)

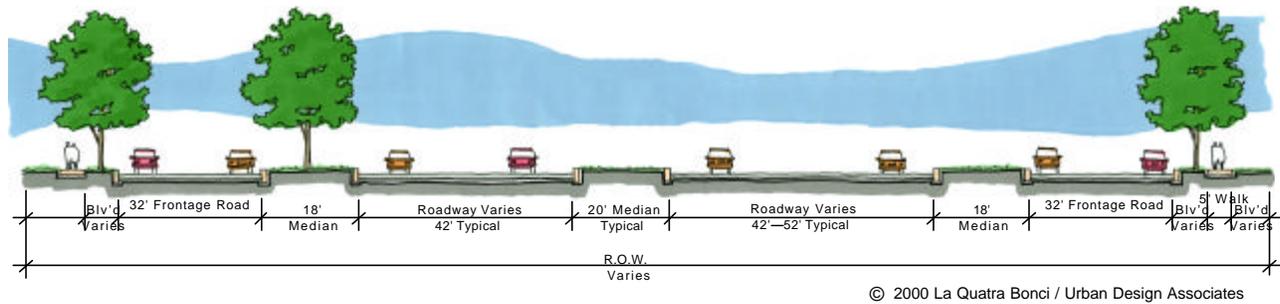


Fig. 65 Existing Olson Memorial Highway (C)

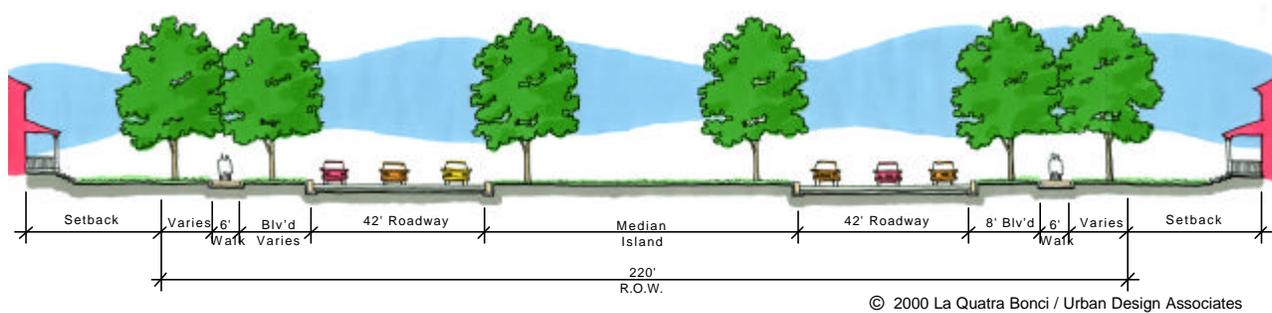


Fig. 66 Proposed Olson Memorial Highway (C)

Design Illustrations



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Fig. 67 Olson Memorial Highway Today: A barrier to north-south pedestrian access



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Fig. 68 Olson Memorial Highway Tomorrow: Calmed and landscaped to allow and encourage pedestrian crossing

Design Illustrations



Source: SRF Consulting Group, Inc.

Fig. 69 Proposed Olson Memorial Highway: A green gateway and LRT corridor to downtown

Design Illustrations

Fig. 70 Existing and Proposed Lyndale Avenue Plans (D)

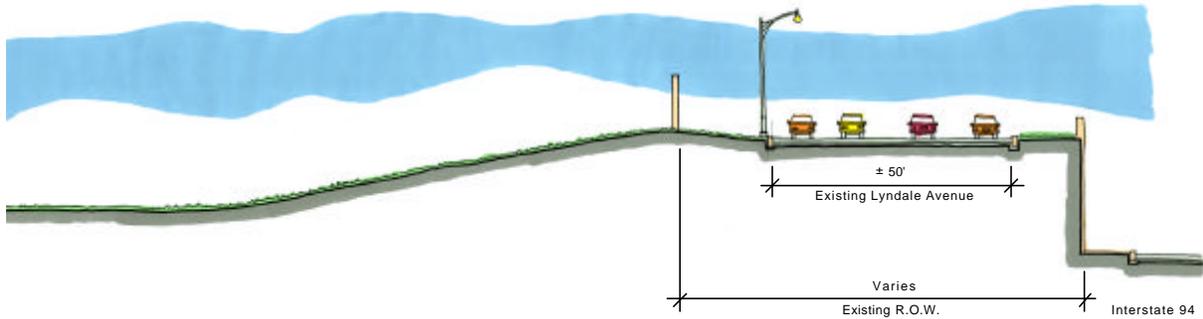
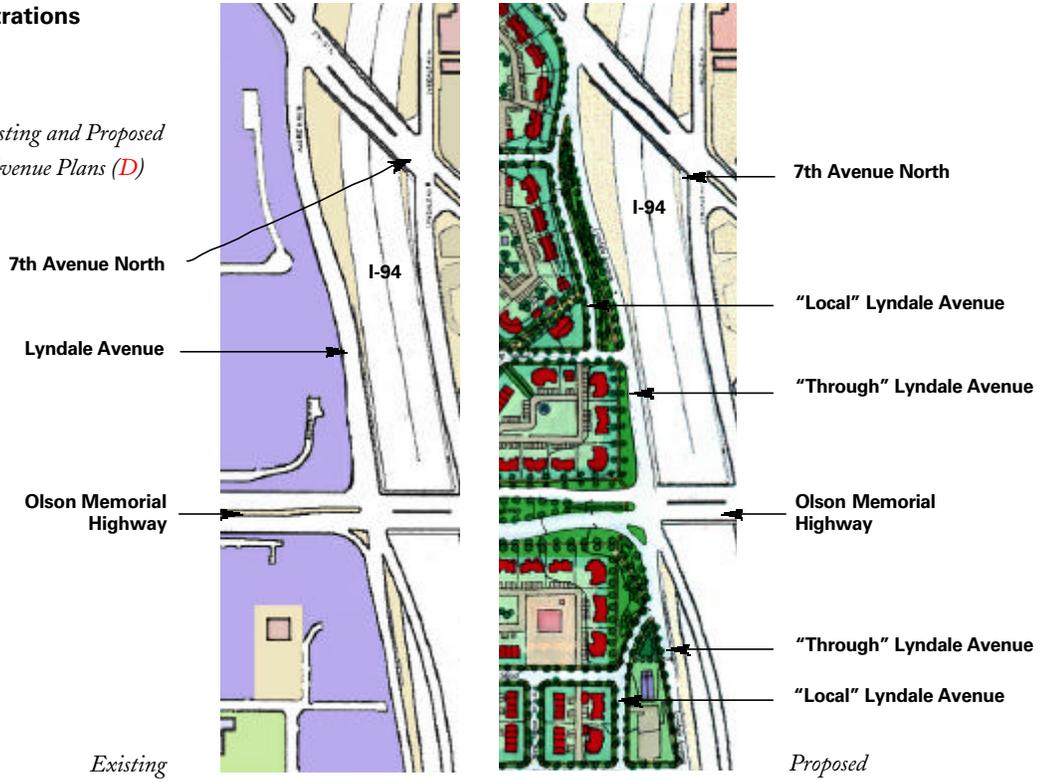


Fig. 71 Existing Lyndale Avenue (D)

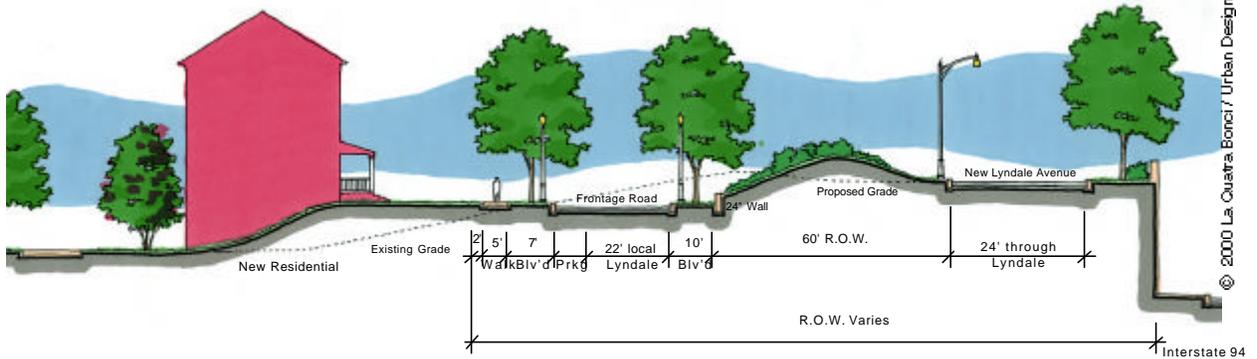


Fig. 72 Proposed Lyndale Avenue (D)

Design Illustrations

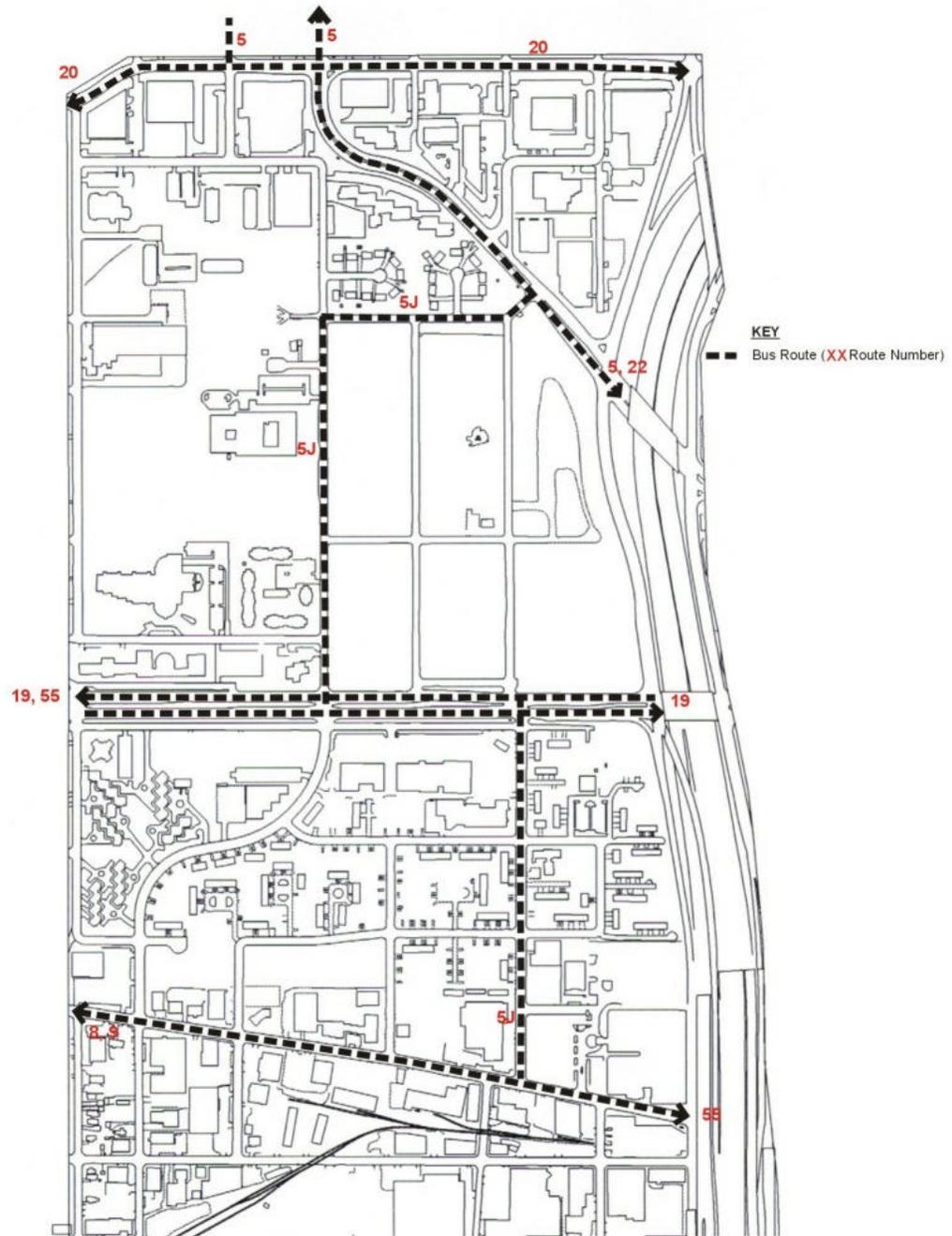


Fig. 73 Existing Transit Service

Design Illustrations

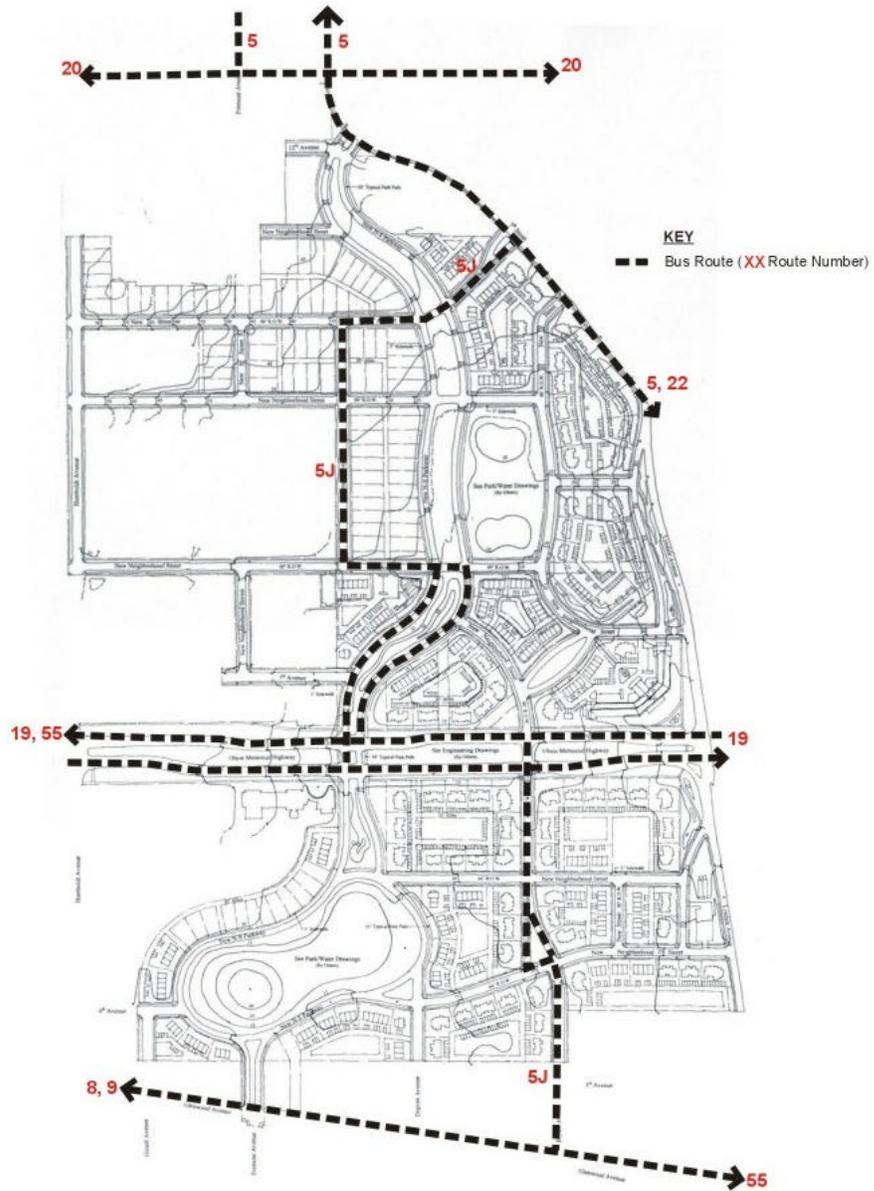


Fig. 74 Proposed Transit Service

Design Illustrations

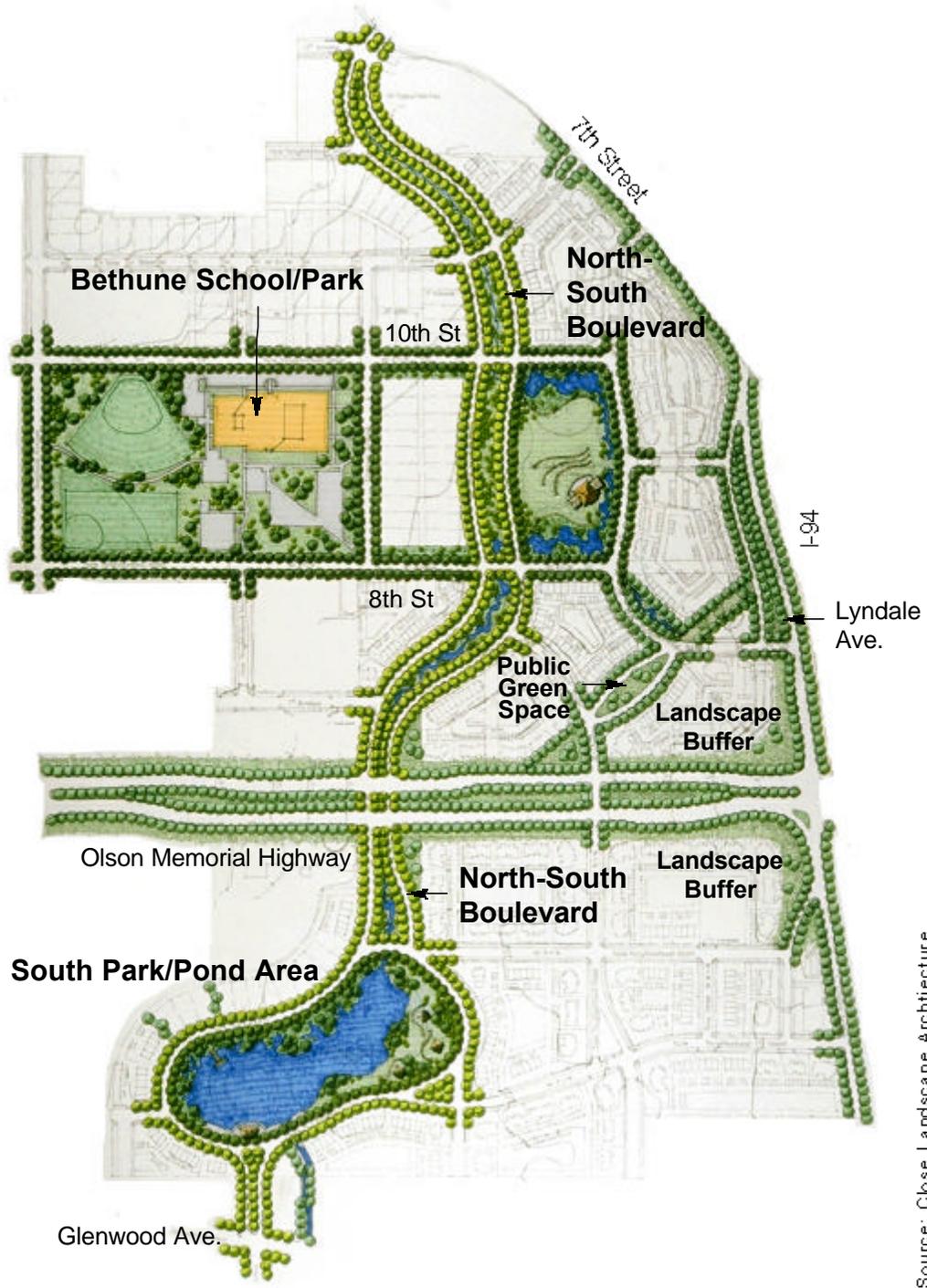


Fig. 75 Parks and Open Space Diagram

Design Illustrations



Source: Close Landscape Architecture

Fig. 76 North-South boulevard median: Looking north showing pedestrian trail and bridges, water elements and other park amenities



Source: Close Landscape Architecture

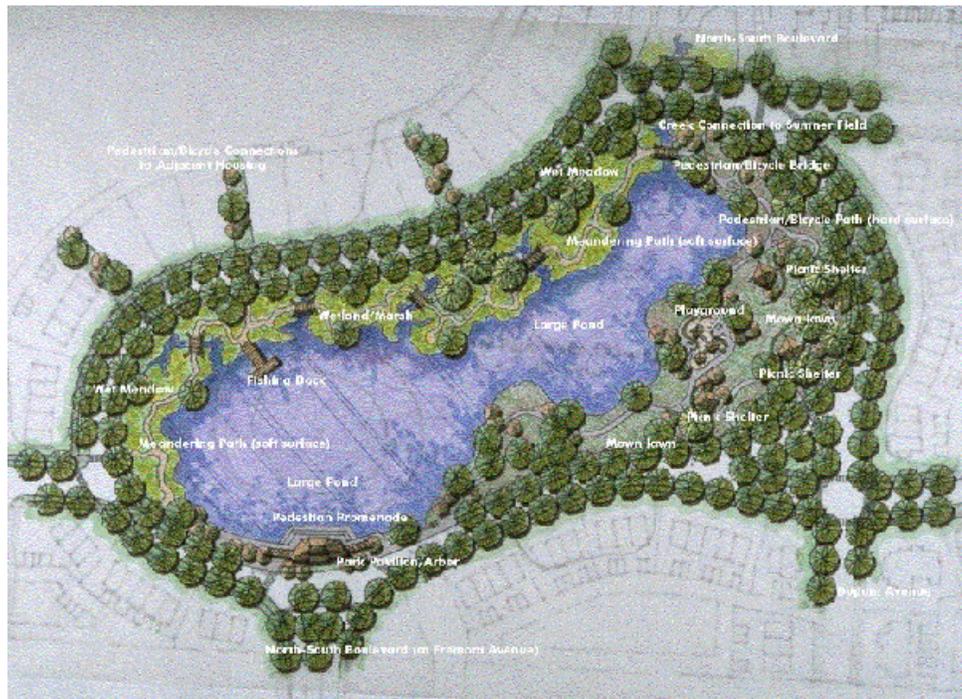
Fig. 77 Summer Field Illustrative Concept Plan

Design Illustrations



Source: Close Landscape Architecture

Fig. 78 Summer Field: Looking southeast toward downtown skyline



Source: Close Landscape Architecture

Fig. 79 South Park/Pond Area Illustrative Concept Plan

Design Illustrations



Source: Wenk Associates

Fig. 82 Stormwater infiltration meadows and restored creek in boulevard median



Source: Wenk Associates

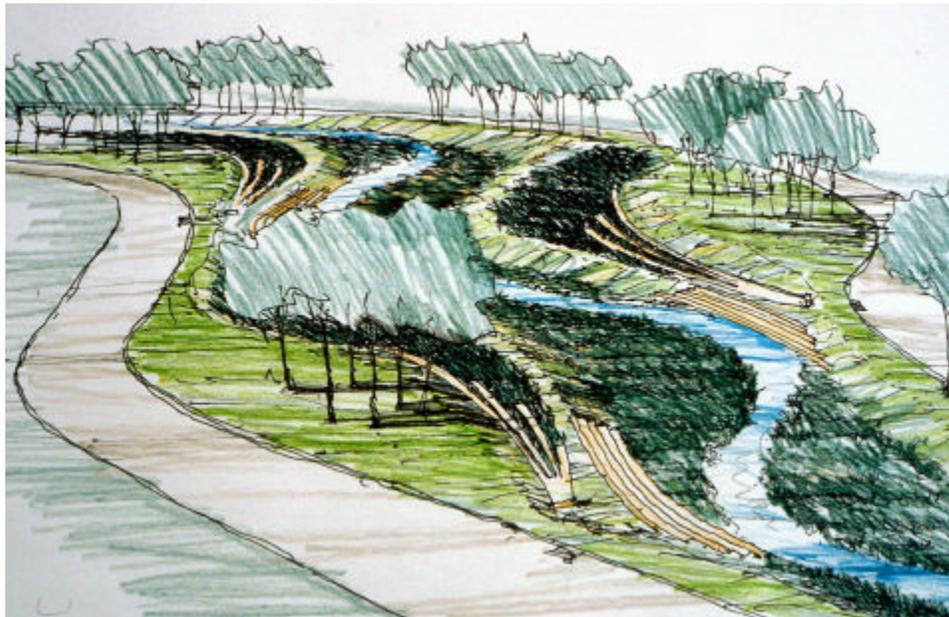
Fig. 83 Restored Bassett Creek and stormwater gardens in Sumner Park

Design Illustrations



Source: Wenk Associates

Fig. 84 Stormwater gardens in boulevard median



Source: Wenk Associates

Fig. 85 Stormwater infiltration meadows and restored creek in boulevard median

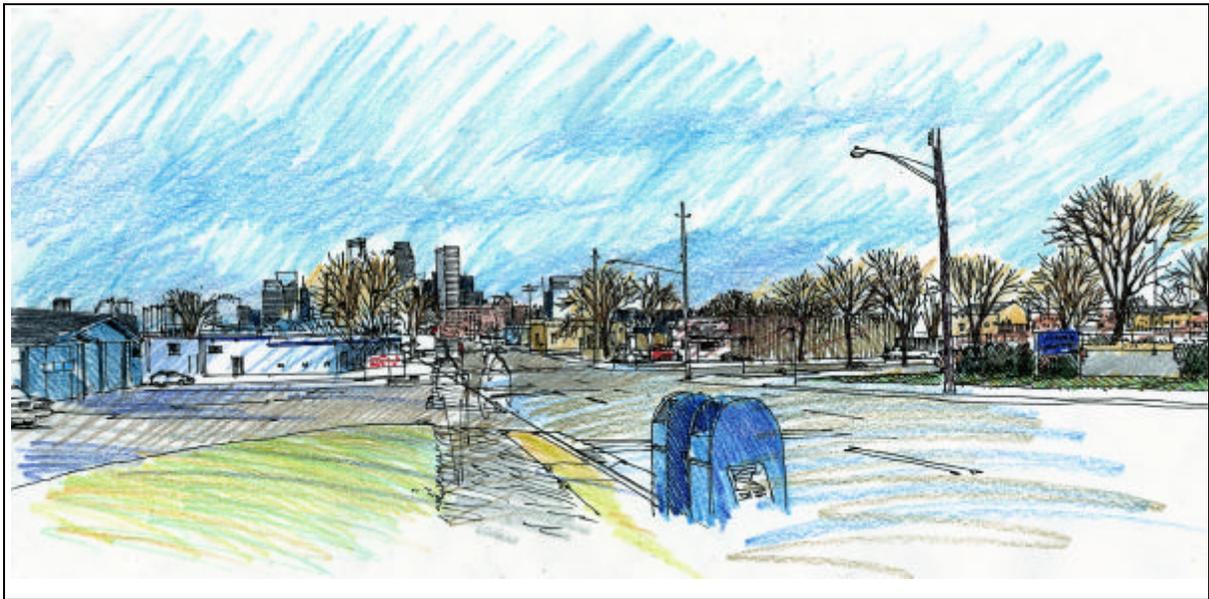
Design Illustrations



Source: Wenk Associates

Fig. 86 Local stormwaterway in residential right-of-ways

Design Illustrations



© 2000 Urban Design Associates

Fig. 87 Glenwood Avenue Today: Scattered retail and parking lots



© 2000 Urban Design Associates

Fig. 88 Glenwood Avenue Tomorrow: A revitalized neighborhood shopping district

Design Illustrations

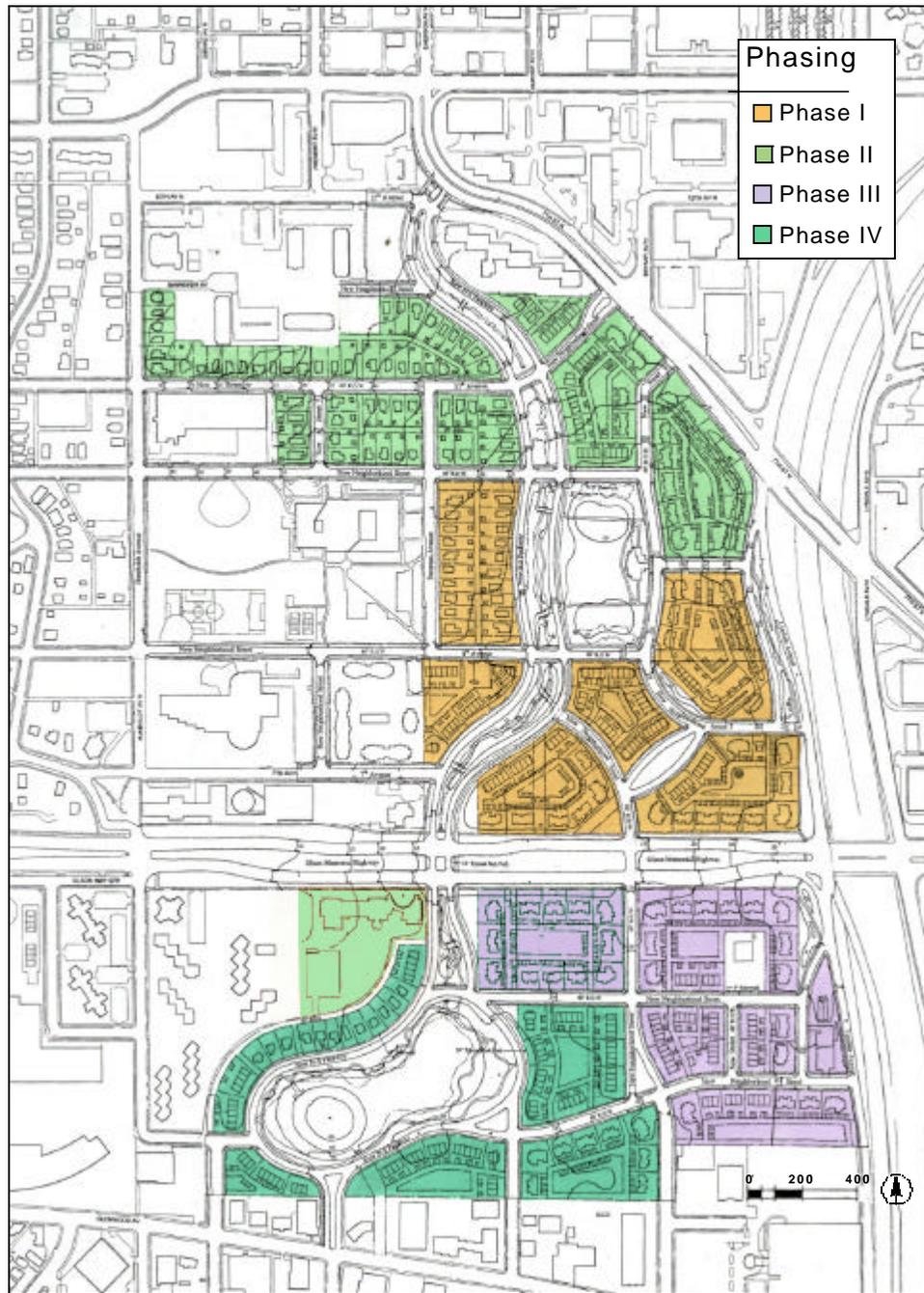


Fig. 89 Phasing Plan

APPENDIX

Executive Summaries of Selected Appendices

1. Residential Market Analysis Near Northside Neighborhood
2. Section 3/Minority/Women Business & Employment Participation Plan
3. Near Northside Marketing Plan
4. Near Northside Operation and Management Strategy
5. Preliminary Market Assessment for Commercial Development (Glenwood Ave.)
6. Developing A Main Street in Near Northside Minneapolis (Glenwood Ave.)

RESIDENTIAL MARKET ANALYSIS

**NEAR NORTHSIDE
NEIGHBORHOOD
Minneapolis, Minnesota**

Prepared for **McCormack Baron &
Associates**

January 2000

DEVELOPMENT STRATEGIES

CONSULTANTS IN REAL ESTATE, ECONOMIC, AND COMMUNITY DEVELOPMENT
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EXECUTIVE SUMMARY

The Near Northside is adjacent to downtown Minneapolis which, in turn, is the largest city within the 13-county Minneapolis-St. Paul metropolitan area. McCormack Baron & Associates is planning a major residential development in the Near Northside to partly replace former public housing units and partly respond to market demand for additional city homes.

Eventual build out of the proposed development is presently projected at between 700 and 900 housing units in the subject area alone, plus perhaps 60 to 70 additional housing units constructed on in-fill properties elsewhere in the neighborhood. This could add 1,500 to 2,000 residents to the Near Northside.

This housing would occur along side important public improvements such as well-designed and landscaped roadways, open spaces for passive and active recreational uses, and utility infrastructure.

METROPOLITAN AREA HOUSING MARKET

The metro area's population was estimated to be 2,831,200 in 1998 making Minneapolis-St. Paul the 16th largest metro area in the U.S. The Metropolitan Council projects that population growth will add about 250,000 residents between 2000 and 2010 so that the metro area's population will exceed three million in 2010.

The Minneapolis/St. Paul metro area has a prosperous economic base that is relatively insulated from the downturns of the business cycle. Eighteen local manufacturing companies and 13 service companies are represented on the Fortune 500 list. Non-agricultural employment has grown at a rate averaging 2.4 percent per year since 1990. Twin Cities employers, however, continue to cope with a severe labor shortage that has constrained employment growth. As a result, the metro area's unemployment rate has been at all-time lows of under two percent for many months.

Residential development in the region continues to expand, driven by two key factors: lower interest rates and higher incomes. A number of households are shifting from rental housing to home ownership, many perhaps prematurely in their income and family cycles, because of increasing rents; at higher rents, many households calculate that they may as well be paying for a home mortgage. This phenomenon appears to also affect the condominium market, which remains flat. Buyers of new and existing homes are opting for detached houses and townhomes rather than apartments, either rented or sold.

New construction of single and multi-family residences continues to be focused in the third- and fourth-tier suburbs of the metropolitan area. Single-family homes typically account for two-thirds of all housing unit growth, a common ratio in large metro areas. Altogether in the Twin Cities region, single-family units make up about 69 percent of all housing in place with detached units accounting for 84 percent of those units.

The average *price* of existing homes in 1997 was 5.3 percent higher than in 1996 and recent information suggests that this strong rate of growth in prices has persisted. Purchasers of detached housing favor lots of one-third acre or larger.

Average *rents* increased by 6.7 percent during 1999 alone. The current metro area rental vacancy rate of 1.5 percent is up only slightly from its low of 1.1 percent in 1998. This persisting very low vacancy rate reinforces why households are increasingly entering the homeownership market; there simply aren't as many rental options available.

MINNEAPOLIS AND NEAR NORTH TRENDS

While the metropolitan area has been steadily adding residents, Minneapolis itself has been experiencing slight population decreases. This is not unusual for major central cities, and Minneapolis' population has gradually dropped from about 521,800 in 1950 to 362,100 in 1997.

Population change has not been evenly spread over the city, however. Between 1970 and 1990, Minneapolis as a whole lost about 66,000 residents, or 15.2 percent of its 1970 population. The Near North Community (which encompasses several neighborhoods, one of which is the Near Northside), with 35,200 residents in 1990, experienced a net loss of 20.4 percent of its population in the same time period, the second highest rate of decline of the eleven “communities” in Minneapolis. As noted above, eventual build-out of the proposed development, however, could add 1,500 to 2,000 residents to the Near Northside.

The Near North community already has a wide range of housing types and sizes. About 43 percent of the housing stock is in single-family detached homes (roughly the same proportion as in the city as a whole). Duplexes make up 25 percent of the Near North while another 25 percent of housing is in larger multifamily structures.

A proposed development of the scale being considered for the Near Northside, therefore, should feel comfortable offering a wide range of housing types and sizes. While taking care to integrate various designs into the community, a diversity of housing opportunities would be a very fitting complement to the neighborhood.

COMPARABLE RENTS AND PRICES

In testing the market potential for additional housing in the Near Northside, a number of comparable existing and developing housing projects were evaluated, both in the city and in the suburbs and including rental and owner-occupied products.

Rents for modern, one-bedroom apartments generally range from \$1.00 to \$1.20 per square foot per month and for two-bedroom units from \$0.85 to \$1.10 per square foot. Most of the rents include heat but not other utilities. Three-bedroom rents are in the range of \$0.80 to \$1.00 per square foot. Given the subject site’s urban setting and the typical uncertainties of urban development, however, the recommended range of rents per square foot is slightly more conservative than these prevailing market trends:

- One-bedroom units \$0.95-\$1.00
- Two-bedroom units \$0.90-\$1.00
- Three-bedroom units \$0.80-\$0.90

Also surveyed was a broad range of townhomes and condominiums. The largest single new project near the subject site is River Station in the Warehouse District. Prices for these condominium and townhouse units are ranging from about \$120,000 for a 900-square foot unit (\$130 per square foot) to over \$200,000 for units of 2,000 square feet (\$100 per square foot). Older units in the northeast part of Minneapolis are currently selling for about \$110 per square foot. Typical newer townhouses with two bedrooms and two bathrooms in the inner-ring suburbs are in the range of 1,200 to 1,500 square feet at prices of \$115 to \$125 per square foot.

ATTITUDINAL AND FOCUS GROUP SURVEYS

To determine market perceptions of the subject area and to estimate the willingness of certain market segments to consider buying and renting homes on the Near Northside, two primary market research tools were utilized:

1. a large attitudinal survey of people employed in the downtown Minneapolis area, and
2. several focus group interviews of downtown workers as well as city and suburban residents

The results are very positive.

Based on a conservative methodology detailed in the full report, the downtown work force alone suggests that a potential market for some 13,000 housing units exists for areas adjacent to downtown. This is based on responses to the survey, which asked people their degree of interest in considering the Near Northside as a place to live within the next couple of years.

The focus groups were equally as enthusiastic about the potential for the area, although there is a notable hesitation among lower income focus group participants. This is attributable to a longstanding perception of the Near Northside as a

low income, declining neighborhood from which low-income people have tried to relocate, particularly since the 1960s. Higher income as well as higher educated participants are more comfortable with the ability of the proposed development to alter such perceptions and to offer a viable alternative for urban housing in the city's core.

The survey supports a wide range of income types with high levels of interest for housing in the Near Northside. The demographics of interested respondents include a strong mix of races, incomes, household sizes, and homes with and without children. Empty nest households are as interested as young households that are either childless or raising small children.

The interest is also high for owner-occupancy housing, based on both the survey and the focus groups. This is consistent with the high rate of home ownership throughout the metro area.

In all cases, respondent reacted strongly to the need for critical public improvements and their expressions of interest include an assumption that infrastructure, road, and open space enhancements will be simultaneously provided.

The proposed project, therefore, should attempt to take advantage of this important desire by prospective residents to invest in the neighborhood but should not greatly exceed existing ratios of owners to renters, at least in early phases of development. One reason to avoid a higher than prevailing proportion of owner occupancy is because many of the "interested respondents" to the surveys also have relatively low or moderate incomes; while interested in home ownership, they are least likely to be able to actually afford it.

Another reason to more-or-less match existing ownership patterns is to create a sufficient numbers of rental units to assure strong central management control of housing conditions in the Near Northside for many years. A large portion of rental units, in a wide variety of forms, under single management control will help to stabilize housing investment and eventually add value to homeowners' properties.

An important concern among city leaders and citizens in general is whether people of different incomes would be willing to live together on the Near Northside in a mixed-income, mixed housing type community and, if so, whether such a community would be successful over time. Both the market survey and focus group process clearly indicate that this will not be a difficult marketing hurdle. Several people in the focus groups, in fact, suggested that most urban residents already live in mixed income neighborhoods but no one particularly pays attention as long as all residents and owners retain similar attitudes toward property maintenance and life styles.

A further test of this observation included a review of several existing mixed income developments built and managed by McCormack Baron in other cities. Six such developments are reviewed in the report from St. Louis, Kansas City (two examples), Pittsburgh, Atlanta, and Fort Worth. It is clear from the existing demographics of these projects that a wide range of household types—based on incomes, marital status, presence of children, and ages of household heads—co-exist quite well and have, in some cases, for over a decade.

SUPPORT FOR COMMERCIAL DEVELOPMENT

The addition of 700 to 900 housing units in the Near Northside, plus 60 to 70 single family units scattered elsewhere in the neighborhood, will increase the need for support commercial goods and services. A mix of household incomes such as is anticipated for the Near Northside spends about 40 percent of income for the kinds of goods and services typically found in shopping centers and related locations. Roughly half of this can be expected to be spent in "convenience centers" such as would be most likely to support the day-to-day needs close to or in the Near Northside. These would include such stores as supermarkets, drug stores, dry cleaners, and small restaurants.

On this basis, the "buying power" for convenience goods and services would be about \$5.7 million per year. A typical average for sales per

square foot for retailers in this category is about \$250. Thus, \$5.7 million could support about 22,800 square feet of convenience shopping.

This is less than half the floor area of a typical supermarket constructed today, not to mention needs not met by supermarkets. So the new development alone would not warrant major additions to the existing retail types of commercial space serving the Near North area.

Other commercial opportunities would appear to emanate from the proximity and access to downtown Minneapolis. The strong economy has decreased the amount of available business space in the downtown area. Thus, streets which connect directly from the Near Northside to downtown offer potential as extensions of the downtown market, most notably for small support types of businesses which serve downtown activity but prefer the lower density and lower costs of locations adjacent to, not in, downtown.

Estimating the amount of potentially needed floor area for such locations is impractical without much deeper research. Therefore, it is important at this point to combine the vitality of downtown with a limited amount of added household support market to initiate links with commercial real estate brokers and economic development officials to encourage interest and investment along commercial corridor(s) in the Near Northside.

CONCLUSIONS

It is the opinion of Development Strategies that there is a very strong market potential for an urban, mixed housing type, mixed income development in the Near Northside. All of this assumes that the project will be constructed and managed with the highest degree of quality, will be marketed aggressively, and will screen potential tenants to assure high quality occupants who will help to preserve the value of the entire development for many years.

As is normally the case, we firmly recommend that the project be developed in phases so that investors do not become overly extended and so that possible changes in market acceptance can be gauged over time and development plans can

be adjusted accordingly. The development should emphasize highly visible locations at first in order to cause marked changes in perceptions about the area. These initial steps should be coupled with an aggressive public relations program.

Moreover, the initial phase, in particular, should include a high proportion of rental products in order to demonstrate their marketability and to assure strong central management of the redevelopment initiative. Subsequent, but early, phases, should introduce for-sale products in increasing proportions in order to take advantage of the apparent strong willingness and ability to own homes in the neighborhood. Maintaining a high proportion of rental products, and the central management thereof, however, is as important. Most, if not all, of the infill housing in the neighborhood should be for owner occupancy.

We recommend the general ranges of rental and for-sale products as shown on the tables on the following page. Within the market rate component (i.e., excluding reference to units financed with the aid of public housing and tax credits), we discourage a high number of one-bedroom units because of the strong desire within the market for larger units. Within the rental category, therefore, we suggest that one-bedroom units be limited to 15-20% of all rental units, two-bedroom units should represent 50-60%, and three bedroom units could be in the range of 20-30%.¹

We recommend no one-bedroom units in the for-sale category and that the emphasis be placed clearly within three-bedroom alternatives. There should be some single-family detached units to match the mix of the neighborhood but there is also a strong willingness within the market to consider townhouse and condominium products.

Excluded from our recommendations are affordable and public housing alternatives; these are other components of development which can

¹ This is not to exclude a higher proportion of smaller units in the lower income, subsidized categories. These recommendations relate solely to the market rate housing as measured from the market research.

readily blend with the market options but were not explicitly included in the market analysis. The number of moderate-income participants in the market survey and focus groups, however, clearly suggest that households qualifying for affordable housing programs will not be in short supply.

We recommend that three-quarters or more of the market-rate, for-sale units be priced between \$120,000 and \$170,000. This is a range that is

comfortable to the Minneapolis market and, given the growing strength of the in-city, near-downtown market (as evidenced by the Warehouse District, for instance), aggressive pricing should be pursued, particularly through the offering of a variety of amenities and options that help buyers to customize their purchases. The affordable housing products, on the other hand, which might include less expensive homeownership options, are not explicitly addressed herein.

RECOMMENDED MIX OF UNIT TYPES

RENTAL UNITS – Market Rate					
<i>Bedrooms</i>	<i>Bathrooms</i>				<i>Total</i>
	<i>1</i>	<i>1½</i>	<i>2</i>	<i>2½</i>	
<i>1</i>	15-20%				15-20%
<i>2</i>	5-10%	15-20%	30-35%	5-10%	50-60%
<i>3</i>			10-15%	15-20%	20-30%
Total	15-20%	15-20%	40-50%	20-30%	100%

FOR-SALE UNITS – Market Rate					
<i>Bedrooms</i>	<i>Bathrooms</i>				<i>Total</i>
	<i>1</i>	<i>1½</i>	<i>2</i>	<i>2½</i>	
<i>2</i>		5-10%	10-15%	15-20%	30-40%
<i>3</i>		10-15%	30-40%	5-10%	45-55%
<i>4</i>			5-10%	10-15%	15-25%
Total		30-40%	40-50%	15-20%	100%

MONTHLY PAYMENTS FOR RENTAL UNITS – Market Rate				
<i>Monthly Rent</i>	<i>Bedrooms</i>			<i>Total</i>
	<i>1</i>	<i>2</i>	<i>3</i>	
<i>\$600 to \$700</i>	15-20%			15-20%
<i>\$700 to \$800</i>	5-10%	10-20%		15-25%
<i>\$800 to \$1,000</i>	1-5%	40-45%	5-10%	40-50%
<i>Over \$1,000</i>		1-3%	15-20%	15-20%
Total	15-25%	50-60%	20-30%	100%

SELLING PRICES FOR HOMEOWNER UNITS – Market Rate				
<i>Selling Price</i>	<i>Bedrooms</i>			<i>Total</i>
	<i>2</i>	<i>3</i>	<i>4</i>	
<i>\$80,000 to \$120,000</i>	15-20%			15-20%
<i>\$120,000 to \$150,000</i>	15-20%	10-15%		20-30%
<i>\$150,000 to \$170,000</i>		35-45%	5-10%	40-50%
<i>Over \$170,000</i>		5-10%	10-15%	15-20%
Total	30-40%	50-70%	15-25%	100%

SECTION 3/MINORITY/WOMEN BUSINESS & EMPLOYMENT PARTICIPATION PLAN

August 2000

Section 3/Minority/Women Business & Employment Participation Plan

I. EXECUTIVE SUMMARY

The Near Northside Implementation Committee recognized the importance of establishing support and training programs and participation goals prior to the commencement of revitalization activity. Their foresight resulted in the development of contracts for the training of residents, development and maintenance of a worker bank, the identification of local businesses, and training for potential new businesses. The MPHA has entered into contracts with the Minneapolis Urban League and Biko Associates to provide these services to the Near Northside community. This program was originally designed to assist in meeting the federal Section 3 requirements.

After an initial meeting that included city officials, McCormack Baron and Legacy, the Urban League, Summit Academy OIC, and the Civil Rights Department, it was agreed that a sub group should be convened, headed by Kenneth White, Executive Director of the Minneapolis Civil Rights Department, to develop the overall goals for this redevelopment initiative that would encompass the MBE, WBE, SBE and minority workforce (including Section 3) participation goals. This subcommittee included McCormack Baron, Legacy, the Urban League, Summit Academy OIC, the Minneapolis Civil Rights Department, and other interested parties. The group consensus was as follows:

SMALL AND UNDERUTILIZED BUSINESS GOALS

- 25% MINORITY OWNED BUSINESS
- 10% WOMAN OWNED BUSINESS

WORKFORCE GOALS

- 33% MINORITY – SKILLED AND/OR UNSKILLED
- 5% FEMALE

SECTION 3

- 10% NEW BUSINESS
- 30% NEW HIRES

PUBLIC WORKS AND PARK BOARD GOALS

- SECTION 3 APPLIES
- ANY CONTRACTS AWARDED SAME GOALS APPLY
- WORKFORCE GOALS APPLY

COMMUNITY OVERSIGHT COMMITTEE (APPOINTED BY COUNCIL/MAYOR – STAFF SUPPORT – M.D.C.R.)

This committee will monitor contractor compliance.

EXECUTIVE REFERRAL AGREEMENT FOR EMPLOYMENT REFERRALS (CONSTRUCTION EMPLOYMENT DIVERSITY ASSISTANCE GROUP C.E.D.A)

The Civil Rights Department currently administers this contract. Summit Academy OIC will participate with the referral of their graduates.

CONTRACTORS AGREE TO DIVERSIFY OFFICE WORKFORCE

This represents a commitment of the Minneapolis Civil Rights Department to enforce this existing provision.

APPRENTICESHIP PROGRAM

Contractors/Subcontractors with contract awards of \$1 million or more will commit to a goal of providing one new (1) apprentice position per \$1 million of contracted work. Ninety (90) percent of this goal will represent people of color from the community/City of Minneapolis.

CONTRACTOR SOLICITATION AND PROPOSAL PROCESS

During the pre-development phase of each construction project, McCormack Baron and Legacy will conduct a Contractor solicitation and request for proposal process. Initially, a meeting will be organized to bring interested Contractors and Subcontractors together. A special effort will be made to maximize minority business participation at this meeting. The general scope of the project will be presented and the contractual employment goals and requirements discussed. It will be emphasized that the selected Contractor entity must provide evidence of their construction experience, capacity and track record for minority and women business inclusion. This initial meeting will provide an opportunity for questions and answers and time for networking between the Contractors and Subcontractors. Contractors will submit their qualifications and McCormack Baron and Legacy will pre-qualify an appropriate number of Contractors, but not less than two or three, to participate in a negotiated Request for Proposal (RFP) process.

The selected Contractor from the RFP process will participate in at least two rounds of estimating/pricing of the work at progressive stages of completion of construction design documentation. The first round will occur with the completion of design development (DD) documents during the RFP process and the second round will occur when CD, or construction documents, are approximately 90% complete. At each stage the Contractor will be required to identify their projected level of minority/women business participation including a list of prospective Subcontractors.

Prior to the execution of Contractor agreements, the Contractor will be required to provide evidence of Contractor/Subcontractor compliance with all employment goals. The Contractor construction agreement and Subcontractor agreements will include binding language that reflects these goals. The developer will obtain, review and forward documentation from the Contractor, and will assist and cooperate with the Department of Civil Rights and the City's Community Oversight Committee to monitor actual contractor participation performance.

NEAR NORTHSIDE MARKETING PLAN

April 2000

Draft

Near Northside Marketing Plan

I. Marketing Goals

The marketing goals are to establish a marketing theme for a new construction, mixed use residential development, and to capitalize on the redevelopment of the subject area by targeting potential residents from the general regional market area, and from various households from the culturally diverse redevelopment area.

II. Visual Impact

- A logo that fits into the Minneapolis market place would have to be developed. This logo will be the centerpiece of all marketing efforts.
- A color scheme would be developed to further identify the uniqueness of the community.

III. Themes

There will be primarily four themes used in marketing efforts:

1. Urban Redevelopment – this theme will emphasize that the site is a renaissance development in an urban setting. It will be possible to capitalize on the many features associated with urban living.
2. Quality New – Quality of construction and a new quality of life will be highlighted. This development will include state of the art design techniques and features.
3. Proximity to Downtown – Highlighting convenience to the central business district, and downtown Minneapolis will be a major marketing focus. There are many spectacular views of downtown Minneapolis from the subject site, and we will capitalize on this in marketing efforts.
4. Diversity – With many different cultures in this area of Minneapolis, we will target the positive impact of a culturally diverse community. By including diverse organizations and leaders in our marketing effort, we will assure that there are no perceived barriers to marketing this new development.

IV. Signage

Signage will serve many functions on the redeveloped site. It will further enhance the multi-cultural theme of the area, the rich traditions of the city of Minneapolis, and aid in the distinguishing of the Near Northside redevelopment area. Through exterior signage, we will identify boundaries, give directions, and relay information.

Signage will be in the form of permanent directional signage and monumental style signage. Leasing signage will also include “now leasing” language. Balloons and other temporary signage will also be used to assist in marketing.

V. Marketing/Outreach Strategy

Marketing and outreach will involve three categories.

The first outreach area will include community leaders and organizations. In an effort to understand and market to the immediate community and returning residents it is necessary to solicit assistance from the community. This will be accomplished through community meetings, informational sessions and door to door community outreach.

Outreach to cultural or ethnic organizations will be crucial in communicating the marketing effort. Marketing materials will be in several languages and the use of interpreters on staff and or as consultants will be utilized. Employing individuals that represent the diversity of the immediate community will be the goal.

There are five predominate ethnic groups in the Near Northside neighborhood and are listed below.

1. Hmong
2. Laotian
3. Somali
4. Latino
5. African American

These groups will represent specific targeted markets.

Outreach will also involve notices on bulletin boards, articles in newsletters, displays, letters and follow-up meetings with prospects.

Marketing efforts will additionally involve capitalizing on the site's close proximity to the downtown area. Traffic for both the market and tax credit units will come partially from persons who work in the property area and downtown.

If there will be a senior citizen component as part of the Northside redevelopment, the senior citizen marketing will involve outreach to area churches, the surrounding neighborhood, and senior citizen organizations and facilities. A staff person trained in the leasing of senior citizen apartment homes will be an important part of the management team.

Outreach efforts will also include those families who would least likely apply to housing at the subject site. This group will be contacted through regional and local media outlets, as well as through letters, telephone calls, and door to door visits.

The staff will strive to develop a reputation for superior service and a sense of caring for each applicant and household. Community activities and resident functions will provide additional marketing vehicles throughout initial lease-up and into stabilized operation.

VI. Office Hours

The office and model unit (when construction allows) will be open six days a week. This schedule will be adjusted to handle the demands of traffic. The staff will work by appointment if the above schedule fails to meet the specific needs of a prospect.

The hours are as follows:

Monday thru Friday - 9:00 a.m. – 6:30 p.m.
Saturday - 11:00 a.m. – 2:00 p.m.

Snacks, coffee and soft drinks will be available.

VII. Advertising / Community Organization

Advertising will be the key to attracting clients from various socio-economic groups.

The following sources are examples of media outlets and neighborhood organizations that will be contacted in reference to marketing of the subject property:

Media Outlets

Star – Tribune
Asian Pages
Insight News
Minneapolis Spokesman/St. Paul – Recorder
Hmong Times
The Reader
Southwest Journal
North News

Neighborhood Organization Contacts

Zion Baptist Church
Harrison Neighborhood Association
Northside Residents Re-development Council
Urban League
Hmong American Mutual Assistance Association
Lao PTA
Lao Assistance Center of Minnesota
Southeast Asian Community Council
Glenwood/Lyndale Community Center
Phyllis Wheatley Community Center
PILOT City
Summit Academy OIC
Wayman AMC

Redeemer Lutheran Church
Churches in the community

Neighborhood organizations will be contacted via telephone and mail prior to apartment availability.

VIII. Personnel

Personnel for the management/marketing office, and all site positions will reflect the racial/ethnic diversity of the subject area. The use of interpreters, either employees or contractors will be utilized.

The initial staff will consist of the following positions:

- Property Manager (1)
- Occupancy Specialist (1)
- Leasing Agents (at least one bilingual) (3)
- Maintenance Engineers (5)
- Custodial persons (2)

Neighborhood residents who may or may not be in a job-training program will be targeted for employment. We will also attempt to hire former public housing residents in compliance with Section 3 goals. We will build a relationship with the following training facilities.

1. Summit Academy OIC
2. Urban League
3. Dunwoody Institute
4. Minneapolis Area Technical Institute

IX. Downtown Employees

Downtown Employers Outreach will consist of Lobby presentations at the employment centers:

1. IDS Tower
2. Pillsbury Center
3. Target
4. University of St. Thomas
5. Multi – Foods Tower
6. Dayton's
7. U.S. Bank Building

Note: This is not a complete list.

Information sent to these employees will be followed up with personal visits, and scheduled appointments.

The above list of downtown employers represents a starting point. Staff will also contact hospitals, churches, and synagogues, and employment centers in the greater Minneapolis area that may produce interest in the subject site.

A weekly schedule of outreach activities will be included with the occupancy report.

**NEAR NORTHSIDE OPERATION
AND
MANAGEMENT STRATEGY**

April 2000

Draft

Near Northside Operation & Management Strategy

Sound professional property management practices are the cornerstone of any successful multi-family housing endeavor. They establish standards and procedures where residents are respected, involved and held accountable. Apartments, buildings and grounds are safe and well maintained. The social environment is supportive and enriching. Successful practices sustain and enhance the long-term viability of a community and give residents a sense of pride in their homes. They require property management staff with commitment, consistency, skill, ingenuity, fairness, patience and humor.

McCormack Baron Management Services manages several mixed income communities. The general concept of managing these sites centers on the principle that there is no distinction between income categories of residents. These sites are managed as if they were a “market rate” site. The same screening criteria is used for all applicants regardless of whether they are applying for public housing, a tax credit unit or a market rate unit. Each category of households is disbursed throughout the site, and units are not assigned by income category. It is the goal of McCormack Baron Management Services that there be no distinction between any member of the community, and that everyone receives superior service.

The following pages describe the operations and management principles, which will guide the Near Northside Development. Section 1 describes broad goals for the management of the development. Section 2 describes the key policies and procedures, which must guide the successful daily operation of the new rental community. Section 3 discusses the home ownership element and its functions in the community. Section 4 discusses the neighborhood association, which would include both the rental and home ownership components of the development.

1. Housing Goals

The primary goals for the operation of the redeveloped community are:

- Promote economic integration with households of different income ranges living next door to each other. The community must be equally desirable for households in public housing and market rate residences.
- Create an environment where there is opportunity for social mobility and where work is encouraged and rewarded.
- Create and maintain a physical and social environment where all residents feel safe in their homes, streets, playgrounds and community centers, and are involved in the well-being of their neighborhood.
- Give residents control of their homes and community through fair and timely responses to property maintenance needs and other management concerns.

2. Key Property Management Operating Principles for the Rental Housing

Effective property management requires regular, repeated attention to the needs of the residents, the property and the surrounding community through time-tested best practices. It must create and maintain a desirable environment that will attract and retain involved, responsible residents who will work with the management of the Near Northside Development. As part of the development process McCormack Baron will draft a Management Plan detailing the property's management philosophies and procedures. It will incorporate the following core elements:

- **Maximizing safety:** Maximizing safety will be a critical part of the Management Plan. It will address the needs of the Near Northside Development through a combination of successful methods and strategies. They include resident screening and lease enforcement, the installation of appropriate hardware, use of courtesy officers (if necessary), collaboration with the local police department, resident crime watch groups, resident observers and safety initiatives in the vicinity of the Near Northside Development.
- **Maximizing maintenance delivery and procedures:** An effective maintenance plan will be an integral part of the Management Plan and will be based upon a thorough assessment of both the short and long term physical needs of the property. Such a maintenance plan will be continually revised in response to the changing and aging condition of the property. It will include establishing procedures to: a) minimize utility consumption through utility monitoring and taking advantage of the most cost effective technologies, b) conduct routine and regular preventive maintenance, c) maximize maintenance work efficiency through a maintenance work process that involves work order processing, efficient staff work assignments, quality control and review, d) maximize the quality of the work through pre-employment skills appraisals, ongoing training and supervision, and e) realize effective purchasing through competitive bidding. A maintenance plan based solely on a response to resident complaints and emergencies leads to the inevitable deterioration of the property.
- **Maximizing Occupancy:** Maximizing occupancy is a basic property management practice that involves minimizing vacancies and minimizing turnovers. It starts with a community of responsible residents. A thoughtful resident selection plan will be another key element of the Management Plan, which will be developed with input from the MPHA and other organizations. Time and quality standards for preparing units for re-rental and ongoing marketing are also included.
- **Maximizing Collections:** Adequate and predictable cash flow is crucial. A consistent, fair and enforced rent collection policy will minimize tenant receivables, bad debts and damages to the property.
- **Maximizing Cost Effectiveness:** A well developed operating budget is the financial road map that guides the manager in carrying out the Management Plan. Accurate and timely accounting practices as well as regular reviews and revised projections will assure conformance with the budget.
- **Maximizing Competitive Advantage:** A creative marketing plan is another part of the Management Plan. It will be geared towards attracting qualified residents who will respond

to the advantages of a mixed-income community that offers exemplary property management services. These practices must be established quickly since positive ‘word of mouth’ is the strongest and most desirable advertising. The Near Northside Development will become known as a community where residents actively participate in developing rules and regulations and expect other residents and outside visitors to abide by the rules. The curb appeal will be first rate and announce to the community that Near Northside is a desirable address. Rental rates will be competitive with the local market.

- **Maximizing Resident Satisfaction and Participation:** Regular ongoing meetings between residents and management will be established to foster active resident involvement in all aspects of the design and implementation of the community rules and standards. A resident survey will be a regular assessment of residents’ experiences and opinions about the management, their apartment and their community. Practices will be adjusted to insure improvements. Complaints and concerns will be dealt with promptly. Residents seeking assistance best handled by the social services programs in the Near Northside area will be so referred. An equitable grievance and dispute process will be established.
- **Maximizing Staff Competence and Satisfaction:** There is simply no substitute for an appropriately experienced, skilled and motivated site staff. They must be well trained, well supervised, well supported and able to act independently. The Management Plan will include a staffing plan detailing all the positions and job descriptions. In staffing selection priority will be given to qualified residents of the property and then to members of the local community.
- **Maximizing Timely and Accurate Reporting:** The Management Plan will detail the types and frequency of financial and operational reports that will be generated.
- **Rules and Regulations:** The Management Plan will explain how the residents will be asked to participate in developing the rules and regulations that will become an addendum to the lease. It is critical that the resident community participates in establishing the rules and standards for community living so as to help reinforce those standards within the community.

3. Home Ownership

The home ownership components of the Near Northside Development will include detached single-family homes, attached townhouses and condominiums. The home ownership residents will be a vital part of the Near Northside Development and it is important to include this component in the management strategy.

We are proposing that a neighborhood association be established (much like typical suburban subdivision associations) which would address issues of maintenance and management of common areas and possibly public areas as well. In addition, it would include architectural control of exterior building changes and additions and would approve site improvements such as fences, satellite dishes, and street and driveway parking. Townhouse and condominium owners would be members of their respective condominium associations, which would be members of

the neighborhood association. Single-family homeowners (fee simple) would belong to the neighborhood association only.

4. Neighborhood Association

The final piece, which must be considered, is the long-term success of the entire mixed-income community, which is being created. We are proposing that a neighborhood association be established which would include all aspect of Near Northside Development as briefly described above. Both rental and ownership entities would be members of the neighborhood association as a result of restrictive covenants recorded against all properties prior to any sales or conveyance of land. The neighborhood association would establish and enforce the rules and policies for the entire community.

These guidelines will establish standards of conduct, and will principally regulate the physical maintenance of the neighborhood including common area amenities such as decorative lighting, flowerbeds, shrubs and security. They would also include lawn maintenance, exterior house or unit maintenance and vehicle parking regulations in areas that the neighborhood association would oversee and enforce.

McCormack Baron would provide assistance in the formation of the neighborhood association, and would be initially responsible for the accounting work associated with member dues collection, bookkeeping, preparing budgets and directing operations. It would be the long-term objective to have the neighborhood association ultimately oversee and administer all aspects of managing its own affairs.

**PRELIMINARY MARKET ASSESSMENT FOR
COMMERCIAL DEVELOPMENT**

**GLENWOOD AVENUE
NEAR NORTHSIDE**
Minneapolis, Minnesota

Prepared for
McCormack Baron & Associates

June 2000

DEVELOPMENT STRATEGIES

CONSULTANTS IN REAL ESTATE, ECONOMIC, AND COMMUNITY DEVELOPMENT

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EXECUTIVE SUMMARY

On the Near Northside of Minneapolis, Glenwood Avenue represents a variety of current land uses including retail, industrial, office, and residential. This report focuses on the section of Glenwood Avenue between Lyndale Avenue on the east and Thomas Avenue North on the west. The commercial market recommendations are:

- Increase specialty, niche restaurants and services
- Increase parking-oriented retailing and service businesses in the area
- Take advantage of the International Market Square building
- Beautify the current industrial and distribution businesses on the east end

The Glenwood corridor is currently “under-stored” by at least 20 retail locations. With a relatively high per capita and average household income for urban neighborhoods, the Glenwood area should easily accommodate the recommended commercial applications.

NEIGHBORHOOD RETAILING AND SERVICES

The west half of Glenwood Avenue provides a natural area to encourage restaurants with a Northside heritage and also eclectic or unusual retail ventures. Other types of businesses that will do well in this area are, for example, dry cleaners, specialty gifts made by local craftspeople, and a dance studio or fitness center.

These new businesses should be clustered in a compact “small town” configuration, encouraging residents and others to walk the district, enjoy the atmosphere and learn of other retailers in the area. This situation will create synergy in that the consumer may be looking for a specific restaurant but may decide to try a new one in the same area next time or return to shop at one of the specialty shops.

AUTO-ORIENTED RETAILING

At the proposed north-south boulevard planned where Fremont Avenue crosses Glenwood, two of the main auto-oriented retailing establish-

ments exist – Glenwood Oriental Market and Northwest Tire & Auto. The planned new boulevard should have the effect of increasing traffic flow along Glenwood as people search for alternate routes north and south. This area would then be well suited for a larger drug store or other service based stores requiring either parking or drive-thru facilities.

Given the new access created by the north-south boulevard, this location will also be particularly inviting to an office center for various businesses needing a moderate amount of space. By consolidating some of the current office-based businesses in the corridor and attracting new ones, the current sense of neighborhood fragmentation would be substantially lessened.

A final possibility for this section of Glenwood Avenue would be the relocation of the Minneapolis Farmers Market. It would have much better automobile access and several of the comparison sites in Kansas City and St. Louis have successfully integrated their Farmers Markets into similar areas.

FURNISHINGS AND INTERIORS MART

On the eastern end of Glenwood Avenue is the International Market Square Building, which is a remarkable consolidation of showrooms and displays for designers of interior spaces throughout the Minneapolis area. The businesses that currently occupy this building would benefit from attracting other design and construction focused businesses to the eastern end of Glenwood because of the synergy created when businesses congregate together.

The Hirschfield Building and some tenants of the Aldrich Building already demonstrate this synergy. These businesses begin to create the critical mass necessary to attract other important showroom type businesses.

By emphasizing good urban design, the Glenwood image will be raised and a unique entrance (exit) will be created around this area.

INDUSTRY AND WAREHOUSING

With this redefinition of the entrance to Glenwood, those successful industrial and warehousing businesses to the immediate west need to be made more visually appealing. The recently completed *Streetscape Plan* and the *Bassett Creek Valley Plan* address this issue by suggesting re-organizing industrial land uses and converting some to more acceptable uses.

The most critical matter in this area is with outdoor storage. Several creative solutions need to be implemented to make the area more visually appealing short of relocating businesses altogether in favor of retail or dining. The potential to the west in terms of neighborhood-focus commercial development makes it imperative that the industrial components already in existence comply with more specific standards of visual attractiveness.

METHODOLOGY

These recommendations are the result of a SWOT (strengths, weaknesses, opportunities, and threats) analysis, comparisons of the characteristics of similar urban commercial corridors, and analysis of the demographic characteristics.

SWOT Analysis

The SWOT analysis reveals many locational assets in the Glenwood area and an extensive corridor with ample real estate opportunities. Yet it is an area with a perception of transient residents and crime, a shortage of supportive retail, and a major opportunity afforded by the proposed north-south boulevard.

The SWOT analysis should be viewed as a method in which to build on strengths, convert weaknesses into strengths, exploit opportunities, and minimize threats by planning for contingencies.

Similar Urban Commercial Areas

The periodic *Project Reference Files* of the Urban Land Institute (ULI) were used to determine other projects with similar characteristics to Glenwood Avenue. The sample includes:

- **Greenway Plaza**, Yonkers, NY;
- **Renaissance Center West**, Las Vegas, NV;
- **Mashpee Commons**, Mashpee, MA;
- **Shoppers Penn Daw Plaza**, Alexandria, VA

The projects are highlighted to showcase many of the features that can be successful in an area like Glenwood Avenue.

In addition, five locations similar to and including the subject area were visually surveyed to determine the number and scale of businesses. The locations are:

- **East Franklin Avenue** – Minneapolis
- **Plymouth Avenue** – Minneapolis
- **Penn Avenue & Cedar Lake** – Minneapolis
- **South Grand Boulevard** – St. Louis
- **Southwest Boulevard** – Kansas City

The combined information from ULI and site visits was then used to make the recommendations for land use.

Demographic Characteristics

A two-mile radius was used to compare household characteristics in the subject area and three of the selected markets. It was discovered that Glenwood has the third largest population and a notably higher average household income than the comparable areas.

Given the high concentration of households within the two-mile radius, which partly captures a suburban commuter route, and the higher household incomes, Glenwood can support the new commercial recommendations contained within this report if properly planned, managed, and marketed.

DEVELOPING A “MAIN STREET” IN NEAR NORTHSIDE MINNEAPOLIS

A RECOMMENDATION FOR MCCORMACK BARON

Presented to:

Mr. Richard D. Baron
McCormack – Baron and Associates

Presented by:

McDuffie Nichols, Senior Program Manager
The National Trust for Historic Preservation
Main Street Center

May 19, 2000

EXECUTIVE SUMMARY

HOW THIS PROPOSAL CAN BENEFIT THE NEAR NORTHSIDE

McCormack Baron’s Near Northside Minneapolis project is exciting. A historically depressed area of the city will become a vibrant and attractive neighborhood for a diverse population. New multi-family and single-family homes will invite families and singles looking for a high quality of life in a close-in neighborhood. One compliment to the planned community will be greater neighborhood retail and service opportunities.

“Quality of life” in a neighborhood is a major selling point. A high quality neighborhood-shopping district can enhance the quality of life being offered in the Near Northside to potential new residents as well as enhancing the livability of the area for current residents. In order to complement the “town center” – style of residential development planned by McCormack Baron and the traditionally styled existing homes, the retail area serving the neighborhood should have a similar style. An urban, rather, than suburban, development will present a complimentary theme.

Although the current business areas near the project are under-performing and contain incompatible uses, there seems to be an opportunity to develop a shopping area that is more in keeping with the neighborhood’s design concept.

THE ISSUES YOU FACE

The Near Northside has a number of specific retail development needs, which must be addressed in your efforts to improve the overall success of the area. You are interested in developing a retail “Main Street” that enables the residents to purchase quality goods and services in an attractive environment. Your specific needs include:

ENHANCING THE NEW NEAR NORTHSIDE NEIGHBORHOOD

The Near Northside has many attractive residential neighborhoods near the McCormack Baron project. Unfortunately, the business district is scattered with a mix of industrial, low-end retail and service businesses in no coherent district. Many “typical” goods and services one would expect to find in a close-in urban neighborhood do not exist, requiring residents to look elsewhere for day-to-day needs.

CREATING ECONOMIC OPPORTUNITY

The Northside has been traditionally depressed. Job opportunities are limited. Residents need more economic opportunities. The rebuilding of the Near Northside offers an opportunity to create an entrepreneurial environment. This environment requires a fostering of new business ideas and the capital to take those ideas to fruition.

IMPROVING BUSINESS PRACTICES

Many current small business owners in the district are unknowingly sabotaging their success by their business practices. With the growth in residents as a result of the Near Northside project, these businesses have an opportunity to grow, but only if they are able to offer the quality of goods and services that consumers expect in an attractive shopping environment.

BUILDING A SENSE OF PLACE

For many commercial developers, all neighborhoods--and their shopping districts--are the same. They think, "Neighborhood shopping district means a strip center or power center." Unfortunately, that boilerplate concept that most developers use is not neighborhood-focused and is too generic. It tends to come from a desire to treat urban neighborhoods as suburban green fields and is often too insensitive to community context and the trend to new urbanism.

The new Near Northside project offers a true urban neighborhood and gives the consumer a reason to choose your alternative to a distant suburban experience. The current mix of suburban and urban forms in the various business areas is not complementary with the new development, or the existing residential areas for that matter. A new, more traditional, design is needed in the business area.

THE OUTCOMES YOU EXPECT

These are important challenges, which we believe can be addressed by a business development and community development strategy. By addressing these business, design and organizational needs through the Main Street approach, the Near Northside will see positive business results in the a number of critical areas:

A COMPREHENSIVE COMMERCIAL REDEVELOPMENT STRATEGY

The community and McCormack Baron recognize the need to support the neighborhood surrounding the new project as well as the project itself. A comprehensive commercial redevelopment strategy will help the area gain a competitive advantage. The benefits of developing this strategy are many: a higher quality of goods and services available for area residents, an attractive business area that complements the residential areas, economic opportunity, and a systematic means to maintaining the improvements.

Implementing a Main Street redevelopment program provides the Near Northside with the tools to be successful.

COMPATIBLE DESIGN

The new and existing residential areas in the Near Northside contain some attractively designed homes. A commercial area designed to compliment the residential areas will enhance residential values and make the area even more desirable.

ACTION-ORIENTED PLAN

Commercial and community development works best when it is implemented in a step-by-step fashion using a proven methodology. Community organizations need a “blueprint” to follow.

INCREASING THE ATTRACTIVENESS OF THE MCCORMACK BARON NEAR NORTHSIDE PROJECT

McCormack Baron can control the design quality of its project area via the Master Plan. By supporting a commercial revitalization strategy in the adjacent area, that design can be enhanced by fostering a quality commercial development.

PRESERVATION-SENSITIVE APPROACH

Although most of the commercial areas in the Near Northside are not historic, a small number of commercial buildings in the area provide interesting traditional design. Many of the existing residential areas contain bungalow homes that establish a sense of place and history. Any commercial redevelopment project in the district needs to be sensitive to the traditional forms. Any historic buildings should be considered as assets.

NEAR NORTHSIDE, MCCORMACK BARON & NATIONAL TRUST PARTNERSHIP

One important outcome of a Main Street redevelopment in Near Northside is the opportunity for the National Trust's Main Street Center and McCormack Baron to partner with local organizations and the City of Minneapolis. Each partner brings a unique set of skills, experiences and expertise to the project. Such a collaboration can only be an advantage to the future of the Near Northside neighborhoods.