

FUTURE FARMER'S MARKET

As in the body of the Bassett Creek Valley Master Plan, relocation of the Minneapolis Farmer's Market has been discussed, although it is not being strongly pursued at the time of this report. Bassett Creek Valley could accommodate the Minneapolis Farmers Market if the political decision is made to move it.

Rather than suggest specific locations and designs for a market, this appendix outlines considerations that would support a possible farmer's market in the Valley. Specific site characteristics and market design will be vital in determining feasibility and function of market.

Site Characteristics of a Farmer's Market

The following outlines important site characteristics to consider in developing a farmer's market.

Visibility

A public market must be visible and approachable from numerous vantage points and directions. It should serve as a prominent feature in a centralized place within a community, rather than be buried within the urban fabric of the city.

Proximity to Transit

Farmer's markets greatly benefit from close proximity to mass transit. This location reduces the amount of parking needed for customers visiting the market and increases accessibility for those who do not drive cars.

Parking

Vendor parking and loading areas are necessary. Depending on the style of market developed, vendors may be allowed parking adjacent to display spaces, or will need loading areas and off-site parking available. Short-term parking and drop-off areas for customers may also be necessary. However, if adequate mass

transit is located nearby or adjacent to the market, customer parking may be reduced. A minimum of three customer parking spaces for each vendor stall is typical.

Context and Surroundings

The surrounding context of a farmer's market is paramount to the market's success. Its ability to attract a large and diverse number of customers to one location can greatly benefit surrounding retailers. Markets also work well in close proximity to high-density housing, providing many daily needs for nearby residents.

Accessibility

The street pattern surrounding the market site is important for providing the greatest amount of accessibility possible and increasing visibility. Ideally, markets should be bordered by two-way streets to improve access from multiple directions. Multi-modal access is also important; providing for pedestrian, bike, transit and vehicle access is the best combination to serve the site.

Flow

Pedestrian flow within the market is crucial for allowing customers to reach every vendor stall. A logical pedestrian pattern is important for way finding and efficiency.

Market Design

There are typically four types of general market designs to consider when implementing a market in a new location. These market designs vary in size, flexibility, permanency, and accommodation features. Market size, products, season, and weather may all play a role in determining the appropriate market design within Bassett Creek Valley. Often, multiple market designs are combined to increase the diversity and number of vendors that can be accommodated.



Open Air Market



Market Shed



Market Hall

Open-Air Market

Open-air markets are usually located in public spaces such as parks, plazas or streets. They are often developed with a flexible layout, allowing for the ability to serve as a multi-functional site. The layout of an open-air market is variable and can be organized in lateral or circular patterns with single or double-sided aisles. This type of market design is highly adaptable to local conditions and contexts and is used most often in locations where the market is temporary or seasonal.

While minimal in structure, open-air markets still require access to public restrooms and other utilities such as electricity and water. Exposure to weather is another factor to consider with this type of market design as inclement weather can deter business.

Market Shed

A market shed is a more permanent market design, providing greater protection from weather than open-air markets. It consists of an overhead roof structure and is open on the sides. Utilities, including water, electricity, lighting and drainage, are often developed as part of the market design. This type of design, however, can accommodate varying uses when the market is not occurring, such as retail space, public meetings, and events. The layout is most often organized in a lateral manner with single or double-sided aisles.

Market Hall

Market halls are permanent fully-enclosed structures. The layout is usually organized in a grid-like pattern with up to half of the floor space used for customer circulation. Similar to other buildings, market halls are built with complete mechanical systems, HVAC, utility grids, and other similar amenities. This design can be very complimentary to uses above or below, including train stations, parking garages, and office buildings.

Market District

A market district is the most mature and intensive type of market design. It includes multiple market halls, sheds and open-air spaces combined and serves a large variety of vendors and types of goods. A market district operates year-round and is normally open for full-day business.



Transportation • Civil • Structural • Environmental • Planning • Traffic • Landscape Architecture • Parking • Right of Way

SRF No. 0045150

TO: Mark Koegler, ASLA, President
HOISINGTON KOEGLER GROUP, INC.

FROM: Craig Vaughn, P.E., Senior Traffic Engineer

DATE: October 18, 2005

SUBJECT: Bassett Creek Valley Master Plan Traffic Analysis

Introduction

SRF Consulting Group, Inc. has completed a planning level analysis of the proposed Bassett Creek Valley redevelopment area, in Minneapolis (see Figure 1: Project Location). Redevelopment of Bassett Creek Valley will consist of high and low-density residential housing, retail and office developments, light industrial, civic land uses and public park space development. There are a number of factors that influence how a roadway system functions. Because the adjacent roadway network is expected to serve future demands, it is important to evaluate how future conditions (growth trends and other expected changes) will affect it. Evaluating the study area under future conditions will enable the study partners to develop and work toward a plan that meets the long-term needs of the adjacent roadway network. Future conditions were evaluated under year 2020 forecast conditions. This memorandum and its findings are not intended to be a complete traffic impact analysis. Further analysis of any proposed redevelopment will be needed as the land use program is finalized, individual site access is determined and the final design plans are prepared. Additional analysis can use detailed

development proposals to focus more closely on the operations of specific intersection nodes.

Project Redevelopment Area and Roadway Network

The project redevelopment area shown in Figure 1 is bounded near Glenwood Avenue on the north, Interstate 94 (I-94) on the east, Dunwoody Boulevard and I-394 on the south, and Cedar Lake Road and Morgan Avenue on the west. The project is in close proximity to three principal arterials: I-94, I-394 and Trunk Highway 55 (TH 55). Three minor arterials, Glenwood Avenue, Lyndale Avenue and Future Van White Boulevard either bound or pass through the project redevelopment area. Bryant Avenue, Dupont Avenue, Girard Avenue, Humboldt Avenue, Irving Avenue, James Avenue, Linden Avenue, 2nd Avenue and Cedar lake Road are classified as local collector streets.

Glenwood Avenue is a four-lane undivided roadway (without on-street parking) through the project study area. Dunwoody Boulevard is a four-lane divided roadway east of I-394. Lyndale Avenue is a one-way roadway with two lanes. Future Van White Boulevard is proposed as a two-lane divided roadway through the project study area (Dunwoody Boulevard to Glenwood Avenue). However, future Van White Boulevard maintains right-of-way width for conversion to a four-lane roadway from Dunwoody Boulevard to Glenwood Avenue. All collector streets listed are two-lane roadways with on-street parking.

Background Traffic Forecasts

Daily traffic forecasts were developed for year 2020 as part of the Near Northside Redevelopment EAW (Heritage Park Development). Traffic volumes from the redevelopment of the Near Northside neighborhood, diversion of traffic due to the extension of a proposed North-South Boulevard (Future Van White Boulevard) and future connection to Seventh Street were



PROJECT LOCATION MAP
 BASSETT CREEK VALLEY REDEVELOPMENT MASTER PLAN
 Hoisington Koeigler Group, Inc.

Figure 1

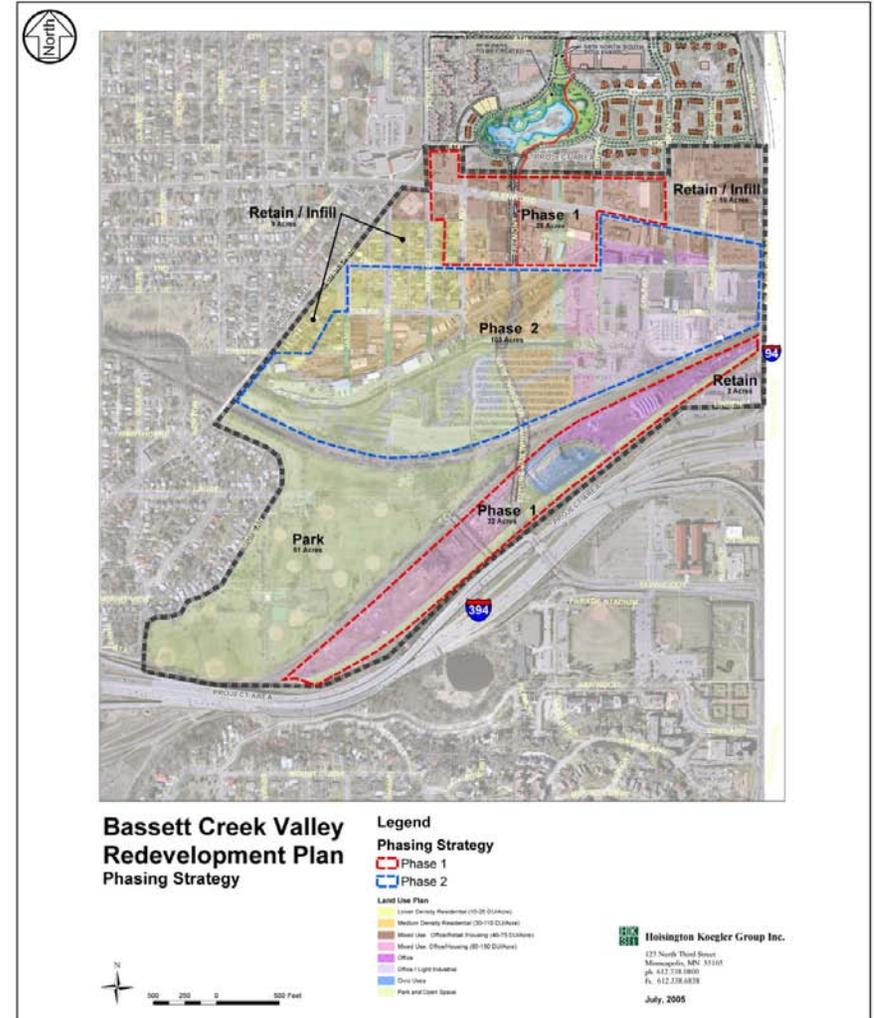
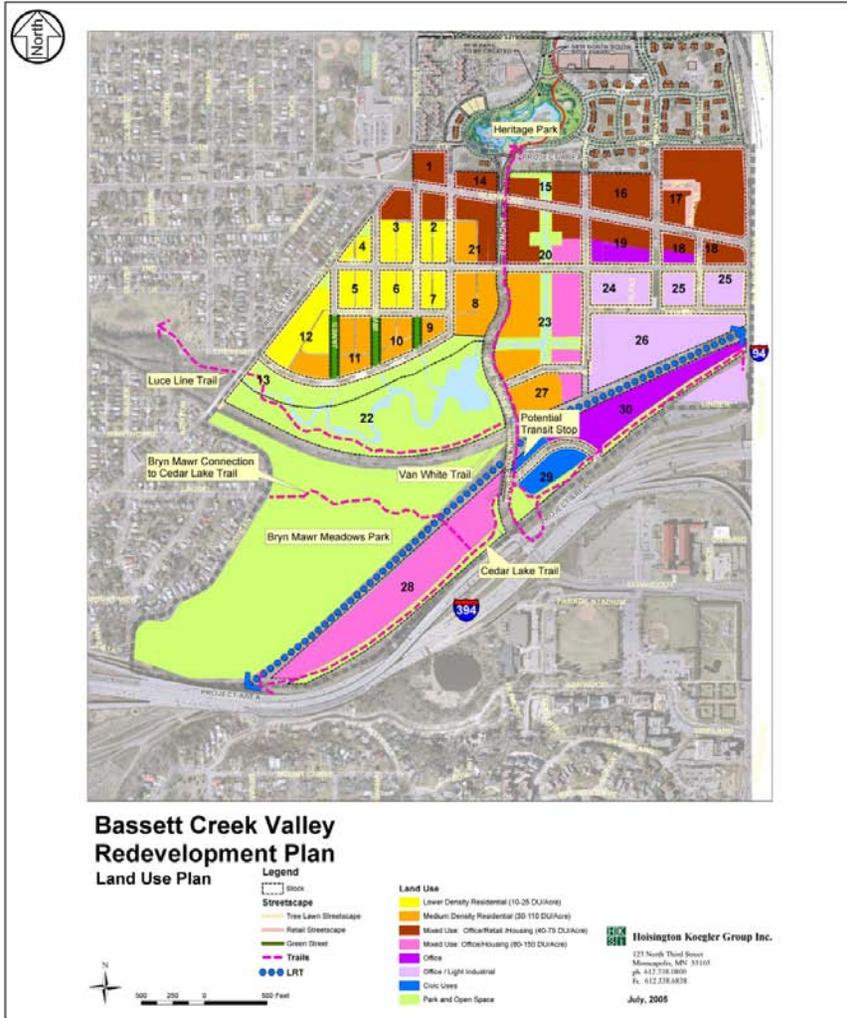
included in these daily forecast volumes. The Metropolitan Council's regional model was used in conjunction with the Hennepin County regional model to develop the forecast estimates.

Proposed Redevelopment

The proposed redevelopment of Bassett Creek Valley includes high and low-density residential housing, retail, office, light industrial, civic and open space land uses. Redevelopment is anticipated to be constructed under two 8-12 year phases (see Figure 3: Phasing Strategy). Redevelopment will include reconfiguring the existing roadway network, with the main focus being future Van White Boulevard. Future Van White Boulevard will connect at I-394/Dunwoody Boulevard on the south and approximately Fremont Avenue/Glenwood Avenue on the north. The Bassett Creek Valley redevelopment land use plan was developed in conjunction with the neighborhood Redevelopment Oversight Committee (ROC) to create a well balanced mix of proposed uses. The land use redevelopment plan must maintain a delicate balance between appropriate land use mix and economic feasibility, which in turn must be stabilized by the traffic demands on the adjacent roadway network.

In analyzing traffic, the redevelopment area was partitioned into 30 redevelopment blocks or zones, each containing its own unique mix of land uses (see Figure 2: Land Use Plan). Allowable density ranges identified in the land use plan were applied to each zone. This land use density range allows for needed flexibility depending on the subsequent traffic demands and congestion concerns.

Traffic analysis conducted for the project was completed as an iterative process. In other words, analysis started at the highest range of land use density allowed with the land use plan and then lessened in density until traffic volumes were within a comfortable range for the existing and proposed roadway network.



PROPOSED REDEVELOPMENT LAND USE PLAN
 BASSETT CREEK VALLEY REDEVELOPMENT MASTER PLAN
 Hoisington Koegler Group, Inc.

Figure 2



PROPOSED REDEVELOPMENT PHASING STRATEGY
 BASSETT CREEK VALLEY REDEVELOPMENT MASTER PLAN
 Hoisington Koegler Group, Inc.

Figure 3

The analysis determined that given today's driving habits and norms, transit use and alternative forms of transportation; the roadway network in and around Bassett Creek Valley will reach capacity at a level of land use density within the range proposed by the land use plan but below the highest end of the range. The comfortable traffic capacity and its related land use density was then translated into one of the three financial analysis scenarios discussed in Chapter 5 of the Master Plan document. Chapter 5 also discusses ways of reducing reliance on automobiles that would allow for greater land use density while maintaining comfortable traffic volumes.

The traffic forecast and analysis described throughout this memorandum uses the land use density discussed in Chapter 5 of the BCV Master Plan as "Scenario 1 - Accounting for Current Market & Traffic Constraints".

Redevelopment Traffic Forecasts

Each of the zones (and the associated developments) identified in Figure 2 will generate trips based on their land use type and size. Trip generation estimates for the a.m. and p.m. peak hours and daily volumes were calculated for future conditions, based on trip generation rates from the 2003 ITE Trip Generation Reports. Consideration was given to potential transit and other mode splits, in addition to travel demand management implementation.

The Bassett Creek Valley redevelopment is located adjacent to a future light rail transit (LRT) corridor. Besides LRT future Van White Boulevard will provide a direct connection between north and south Minneapolis creating an attractive route for future bus transit. Considering these factors a range of modal/TDM reduction was developed, 20 to 30 percent. In addition, due to the nature of the mixed use development plan a multi-use reduction factor was applied. This multi-use factor ranges from 10 to 15 percent. In order to meet the long-term needs of the area the results of the smaller of the two reduction factors is presented in Table 1 for review.

**Table 1
Trip Generation Estimates**

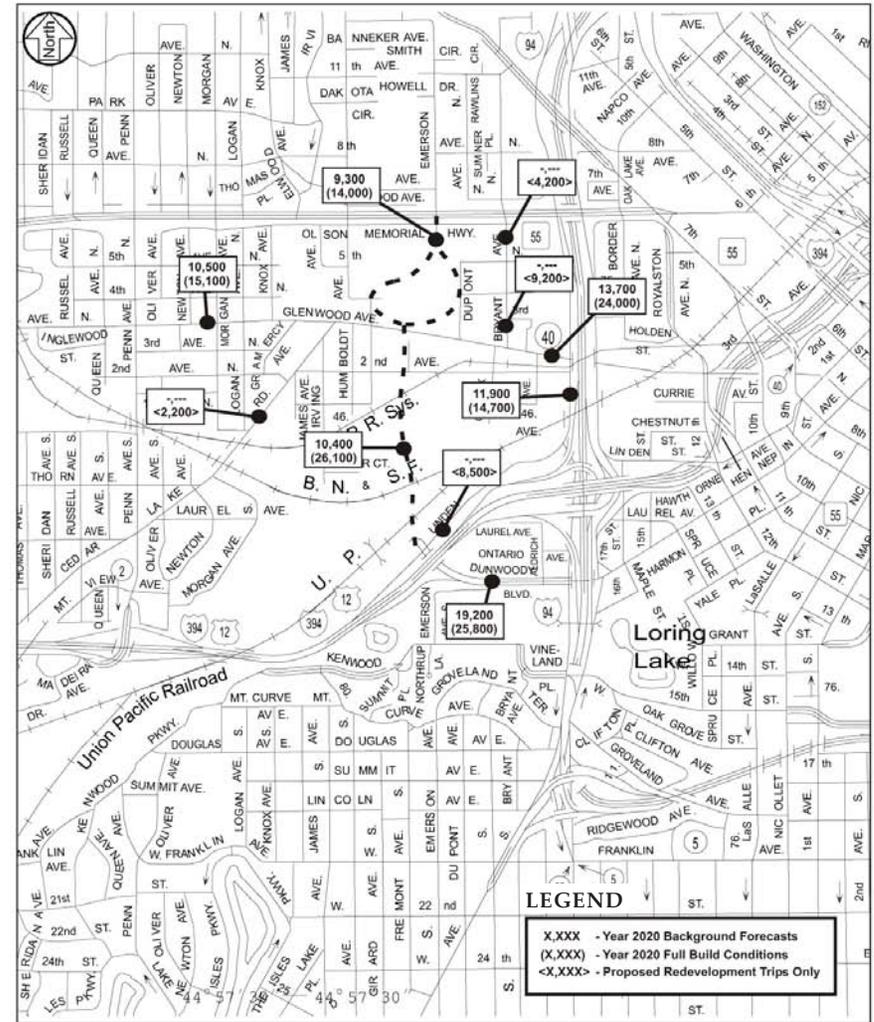
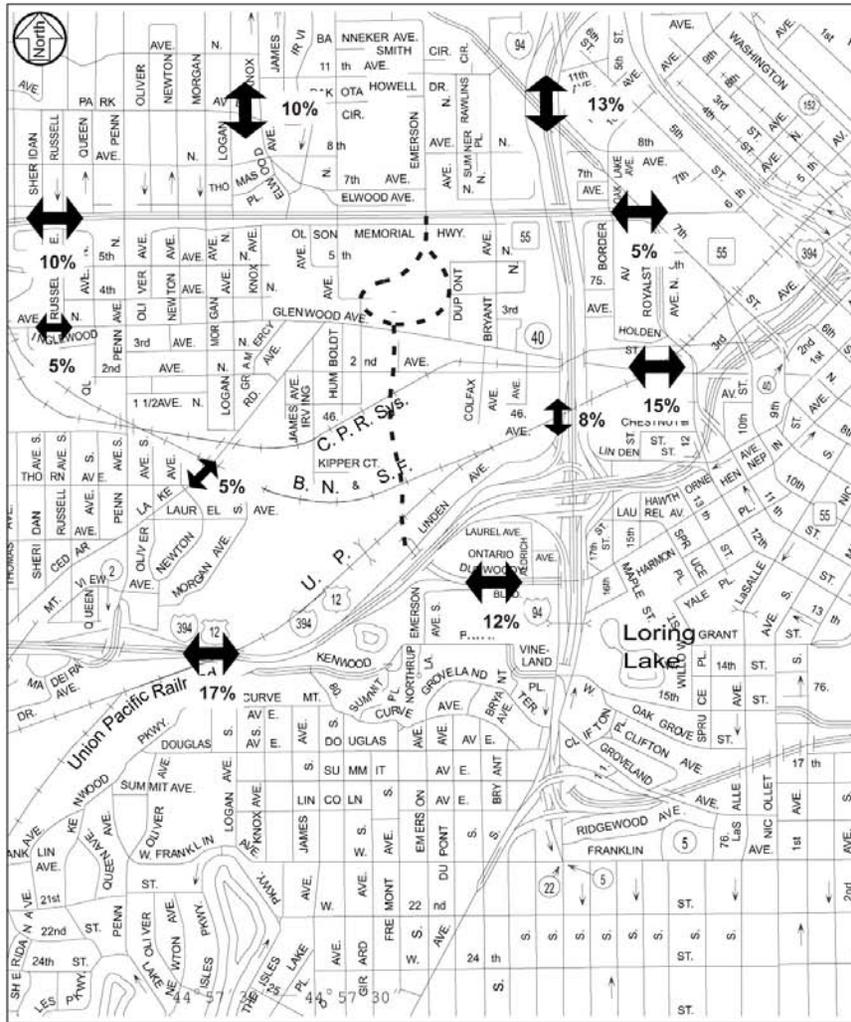
Zone(s)	A.M.		P.M.		Daily Trips
	In	Out	In	Out	
1 and 14	75	50	100	120	2,295
2-4, and 21	140	120	205	235	4,635
5-12	30	145	135	70	2,280
15-17	395	255	445	575	10,545
18-20	485	190	310	570	8,255
23-27	430	220	225	435	5,725
28	655	235	245	640	7,240
30	390	55	75	355	3,145
Total:	2,600	1,270	1,740	3,000	44,120

⁽¹⁾ Zones 13 and 22 are static park spaces, therefore do not generate trips.

⁽²⁾ Block 29 is listed as civic land use (potential LRT transit stop, not park and ride), therefore does not generate trips.

⁽³⁾ Zones were grouped by their location and distribution groupings.

⁽⁴⁾ 20 percent modal/TDM and 10 percent multi-use reduction applied, where applicable.



DIRECTIONAL DISTRIBUTION

BASSETT CREEK VALLEY REDEVELOPMENT MASTER PLAN
Hoisington Koegler Group, Inc.

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Figure 4



PROJECTED AVERAGE DAILY TRAFFIC VOLUMES

BASSETT CREEK VALLEY REDEVELOPMENT MASTER PLAN
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Figure 5

The future trip generation estimates were then distributed to the supporting roadway network, based on future regional trip distribution percentages. Figure 4 displays the directional distribution percentages for the proposed redevelopment. The future regional trip distribution percentages take into account each of the individual land use types and their projected origin-destinations. Using the combination of background traffic forecasts and future trips generated by the target parcels, daily traffic volumes were developed for the study area. Please note that only those links available as part of the Metropolitan Council's regional model are displayed. The combination of background traffic forecasts and trips generated by the proposed redevelopment is shown in Figure 5 for future full build conditions.

Roadway Network Needs

The results of the traffic forecasts can be used to determine the capacity needs of the adjacent roadway network. The capacity of a road is primarily determined by its facility type, number of lanes and design speed. The roadway operations can be evaluated using the volume to capacity ratio (v/c) for each roadway in the system. Typical roadway capacities by facility type are shown in Table 2.

Table 2
Typical Roadway Capacities

Roadway Design	Hourly Lane Capacity	Capacity (Average Daily Traffic – ADT)
Two-Lane Urban Local	550 vehicles/lane	8,000 – 9,000
Two-Lane Urban Minor	900 vehicles/lane	14,000 – 15,000
Three-Lane Urban Minor	1,000 vehicles/lane	14,000 – 17,000
Four-Lane Undivided Minor/Principal	1,100 vehicles/lane	20,000 – 25,000
Four-Lane Divided Minor/Principal	1,100 vehicles/lane	35,000 – 40,000

Roadways that have a v/c ratio greater than 1.0 are considered over capacity. Roadways with a v/c ratio of 0.9 to 1.0 are considered nearing capacity. Using these values as guidelines, the following roadway sections for primary streets in Bassett Creek Valley will

be needed as part of the proposed redevelopment. Please note that not all roadway segments are listed below. Segments not specifically listed indicate a transition zone between two varying street section designs or a lack of existing traffic data to make a recommendation.

Glenwood Avenue, west of Cedar Lake Road

- Three-lane roadway section. v/c = 0.89

Glenwood Avenue, east of Future Van White

- Four-lane undivided roadway section. v/c = 0.96

Future Van White Boulevard, north of Glenwood Avenue

- Two-lane roadway section. v/c = 0.93

Future Van White Boulevard, south of 2nd Avenue

- Four-lane divided roadway section. v/c = 0.65

Lyndale Avenue, south of 2nd Avenue

- Two-lane roadway section (one-way). v/c = 0.98

Dunwoody Boulevard, south of I-394

- Four-lane divided roadway section. v/c = 0.65

Cedar Lake Road, south of Glenwood Avenue

- Two-lane roadway section. v/c = 0.5

Bryant Avenue, north of Glenwood Avenue

- Two-lane roadway section. v/c = 0.5-1.0

Linden Avenue, east of Future Van White

- Two-lane roadway section. v/c = 0.95

TECHNICAL MEMORANDUM

TO: Bruce Chamberlain, RLA, Vice President
HOISINGTON KOEGLER GROUP, INC.

FROM: Craig Vaughn, P.E., Senior Traffic Engineer

DATE: January 10, 2006

SUBJECT: Bassett Creek Valley Redevelopment –
Linden Yard Traffic Analysis

Introduction

In addition to general traffic analysis conducted for the full Bassett Creek Valley project area, SRF Consulting Group, Inc. has completed a more detailed traffic study for Linden Yards East and West (parcels 28, 29 and 30). Because Linden Yards has limited access points, this additional analysis helps identify whether proposed development will create significant traffic “pinch points” and what recommendations can be made to overcome them if necessary.

This analysis determines what impacts Linden Yards development will have on the internal and external roadway networks. The study includes a comparison analysis of two access alternatives: one without a new bridged access to Linden Yards from the north along the Dupont Avenue alignment and one with a new bridge. This comparison includes recommendations for the internal roadway capacity and an operations analysis during the a.m. and p.m. peak hours for post-redevelopment conditions.

Project Redevelopment and Study Area

Consistent with the *Bassett Creek Valley Master Plan Traffic Analysis* memorandum dated October 18, 2005, all land uses for Linden Yards East and West - parcels 28, 29 and 30 were assumed the same. Those land uses and densities are represented in Chapter 5 of the BCV Master Plan labeled as “Scenario 1 - Accounting for Current Market & Traffic Constraints”.

The a.m. and p.m. peak hour operations analysis focuses on the following key intersections:

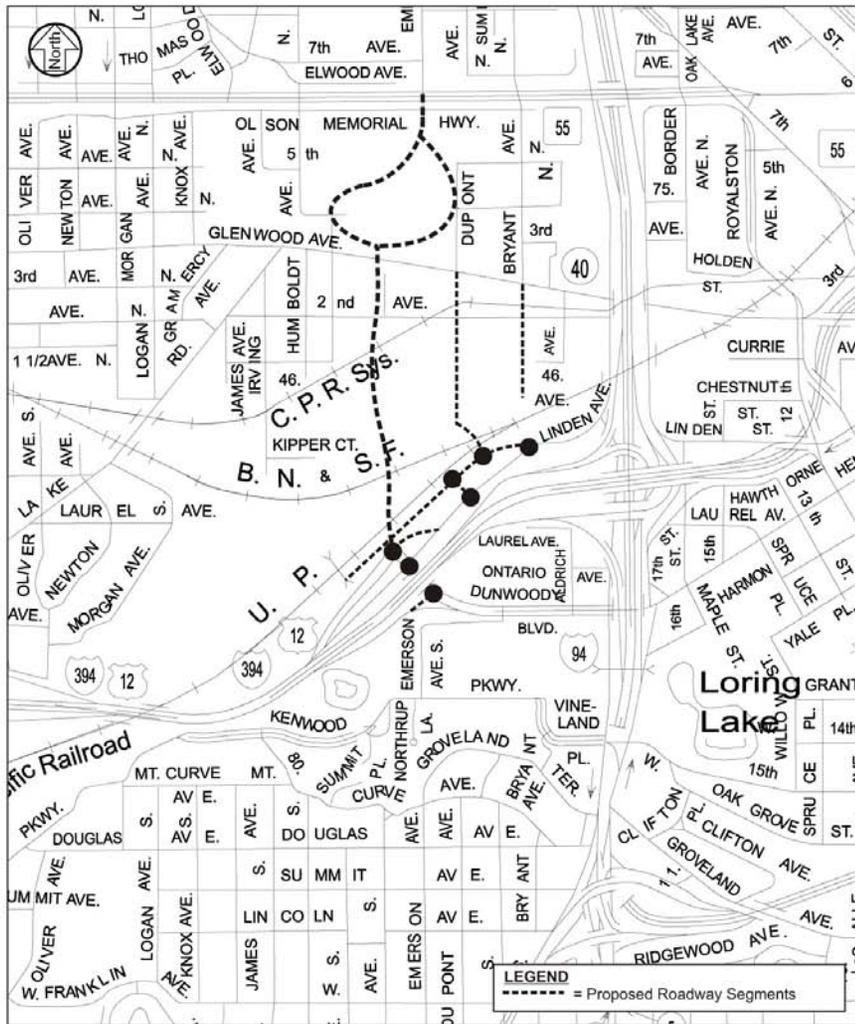
- Linden Avenue / primary site access road
- Linden Avenue / secondary site access road
- Van White Boulevard / I-394 HOV ramp
- internal Linden Yards circulation spine / primary site access road
- Van White Boulevard / I-394 westbound ramp
- internal Linden Yards circulation spine / Dupont Ave bridge access
- Van White Boulevard / I-394 eastbound ramp

Figure 1 displays the key intersection locations relative to the Linden Yards redevelopment area.

Access to the site includes two access points along Linden Avenue. The two access points connect to one circulatory roadway (spine) that runs east/west along the north portion of the site. The proposed optional Dupont Avenue bridge would link to Linden Yards East (parcel 30). Figure 2 displays Linden Yards layout.

Background and Proposed Redevelopment Traffic Forecasts

Daily traffic forecasts were developed for year 2020 as part of the *Bassett Creek Valley Master Plan Traffic Analysis*. These forecasts include background assumptions and forecasts developed as part of the *Near Northside Redevelopment EAW (Heritage Park Development)*.

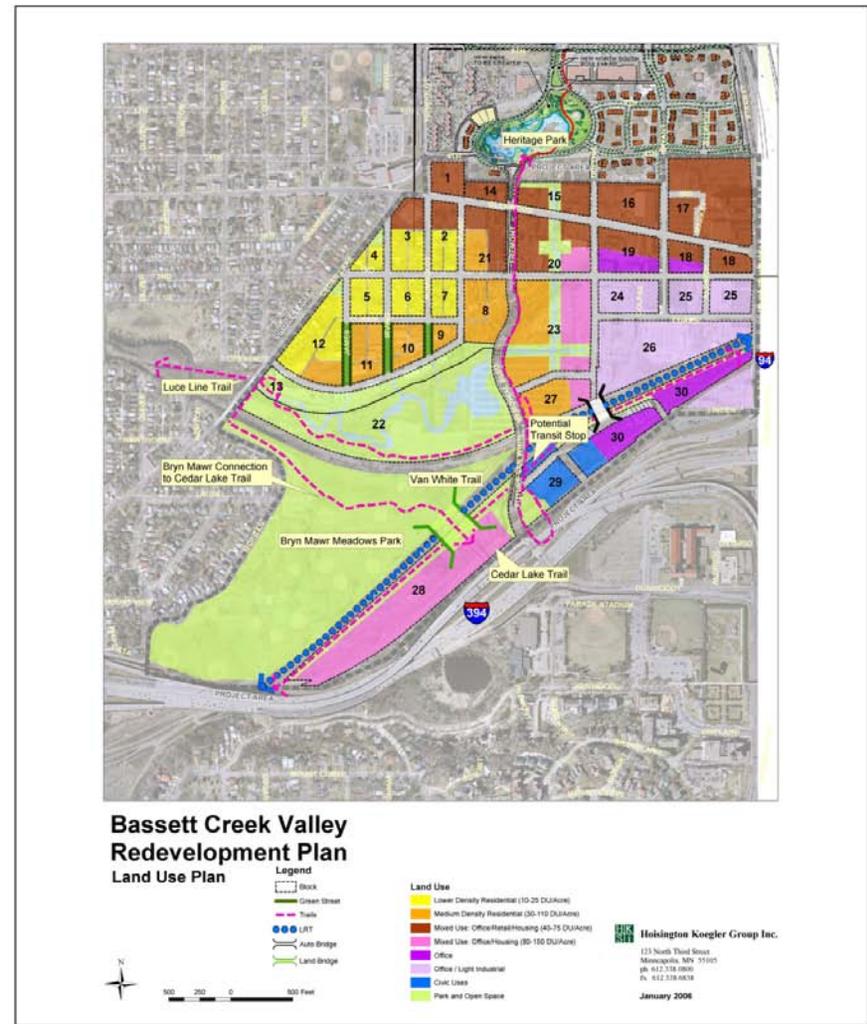


KEY INTERSECTION LOCATIONS

BASSETT CREEK VALLEY REDEVELOPMENT - LINDON YARD TRAFFIC ANALYSIS
Holsington Koeigler Group, Inc.

Figure 1

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LINDON YARD LAND USE PLAN & ROADWAY LAYOUT

BASSETT CREEK VALLEY REDEVELOPMENT - LINDON YARD TRAFFIC ANALYSIS
Holsington Koeigler Group, Inc.

Figure 2

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In addition, TKDA Engineers/Architects/Planners, Inc. has been working on a parallel project for the design of the future Van White Boulevard corridor. This parallel project includes the three I-394 intersections previously identified. TKDA has developed year 2026 turning movement volumes for the three I-394 intersections using a combination of Bassett Creek Valley redevelopment forecasts, Near Northside redevelopment forecasts and background traffic growth. It should be noted that as part of the Future Van White Boulevard corridor, TKDA has identified improvements necessary for these three I-394 intersections to operate at acceptable levels of service. Aside from typical turn lane assignments, these improvements include a more radical roadway modification along Linden Avenue that would better accommodate the significant westbound right-turn movement forecast for Linden Avenue at future Van White Boulevard. The combination of background traffic growth, adjacent development trips, proposed redevelopment trips and geometric layouts is shown in Figures 3 and 4 for year 2026 build conditions, Scenario one and two respectively.

Build Conditions Analysis

The assumed traffic controls include signalization at each of the three I-394 intersections along future Van White Boulevard and at the Linden Avenue / primary site access. Each of the other three intersections were considered stop-sign controlled. Two site access scenarios were reviewed:

- 1. Linden Yard *with* north bridge access to Dupont Avenue from parcel 30.**
- 2. Linden Yard *without* bridge access to Dupont Avenue.**

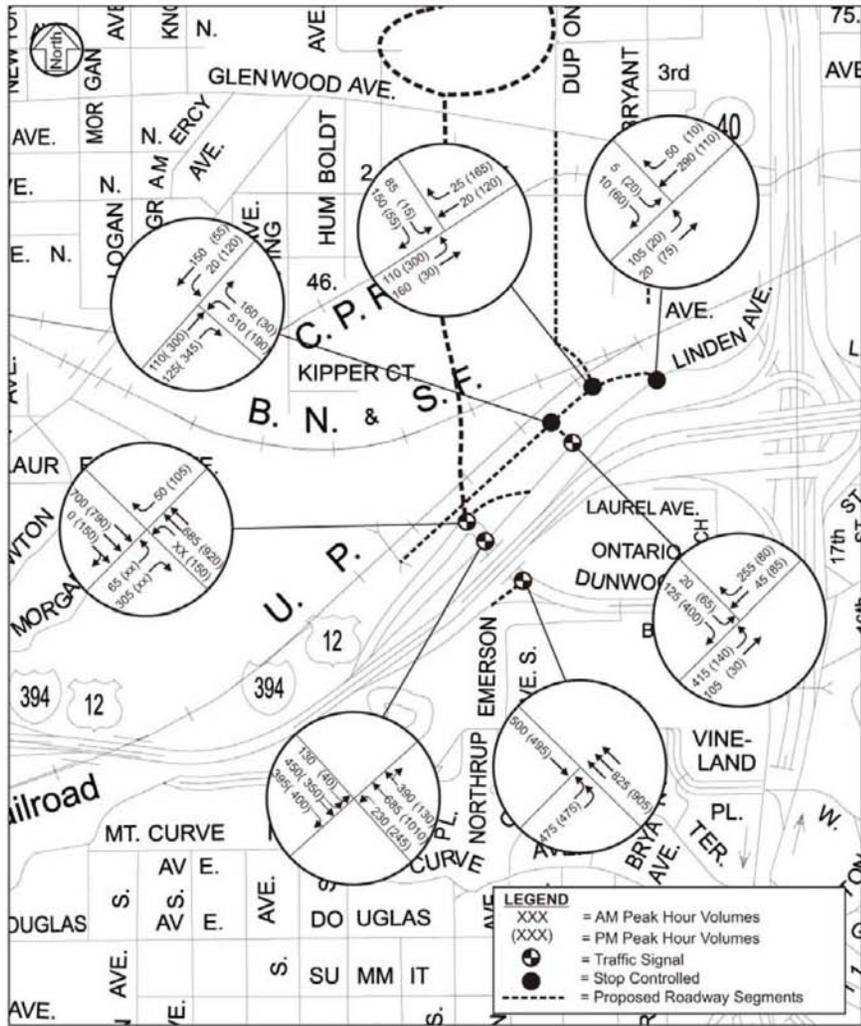
In addition to the two access scenarios (with and without a bridge connection), the internal circulation spine providing access under Van White Boulevard between Linden Yard East and West was reviewed to determine whether a two-lane roadway could

accommodate the forecast volumes or whether more lanes would be needed.

All analysis results assume two-lanes for this future internal circulation spine, unless stated otherwise. The geometric layouts shown in Figures 3 and 4 display turn lanes at the internal site intersections; these turn lanes have appropriate storage bay distances assigned in order for the intersection to operate at an acceptable level of service.

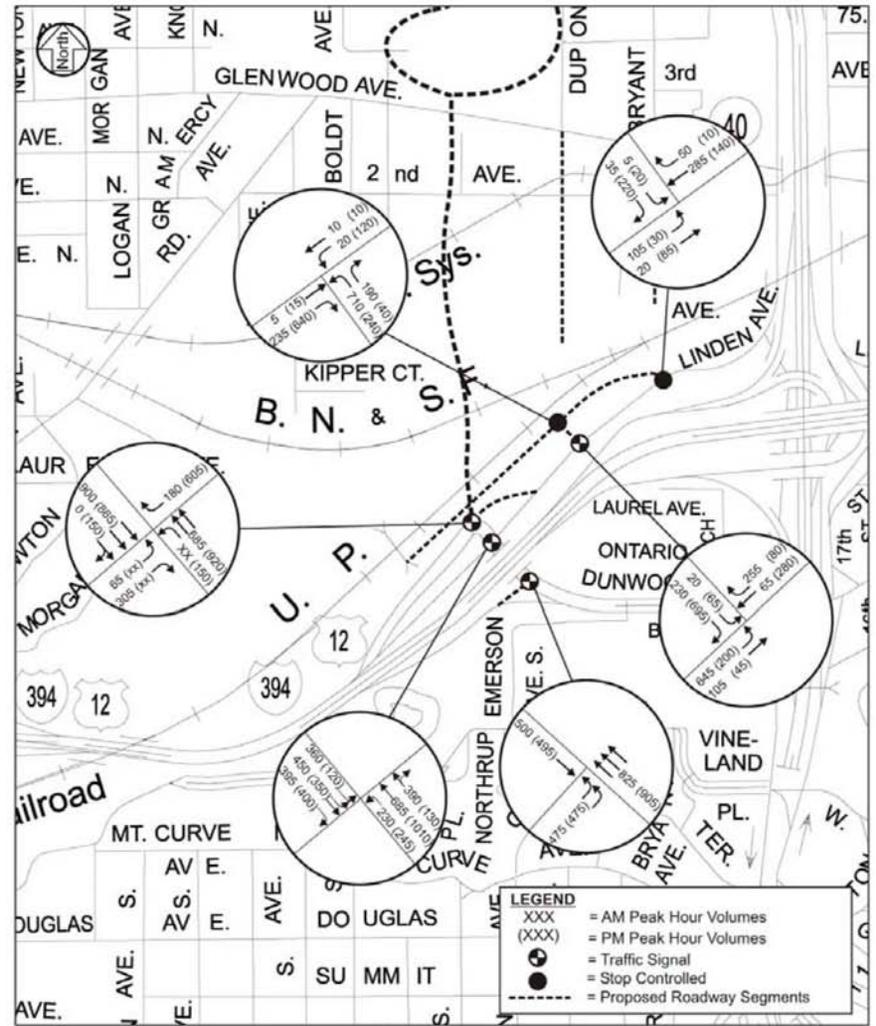
To determine what impact the proposed redevelopment would have on the existing and future roadway system, an a.m. and p.m. peak-hour operations analysis was completed for year 2026 post-development conditions. All signalized intersections were analyzed using the Synchro/SimTraffic software and unsignalized intersections were analyzed using the Highway Capacity Software. Capacity analysis results identify a Level of Service (LOS), which indicates the quality of traffic flow through an intersection. Intersections are given a ranking from LOS A through LOS F. LOS A indicates the best traffic operation, with vehicles experiencing minimal delays. LOS F indicates an intersection where demand exceeds capacity, or a breakdown of traffic flow. LOS A through D is generally considered acceptable by drivers. LOS E indicates that an intersection is operating at, or very near its capacity and that vehicles experience substantial delays.

For side-street stop controlled intersections, special emphasis is given to providing an estimate for the level of service of the side-street approach. The traffic operations at an unsignalized intersection with side-street stop control can be described in two ways. First, consideration is given to the overall intersection level of service. This takes into account the total entering volume into the intersection and the capability of the intersection to support these volumes. Second, it is also important to consider the level of service on the side-street approach. Since the mainline does not have to stop at an unsignalized intersection



YEAR 2026 PEAK HOUR VOLUMES - SCENARIO ONE
 BASSETT CREEK VALLEY REDEVELOPMENT - LINDON YARD TRAFFIC ANALYSIS
 Hoisington Koegler Group, Inc.

Figure 3



YEAR 2026 PEAK HOUR VOLUMES - SCENARIO TWO
 BASSETT CREEK VALLEY REDEVELOPMENT - LINDON YARD TRAFFIC ANALYSIS
 Hoisington Koegler Group, Inc.

Figure 4



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Table 1
Year 2026 A.M. Peak Hour Capacity Analysis (Post Redevelopment)
Level of Service Results - Comparison of Access Scenarios

Intersection	Level of Service	
	Scenario One (with bridge)	Scenario Two (without bridge)
Van White Boulevard/I-394 HOV Ramp	B	C
Van White Boulevard/I-394 Westbound Ramp	B	B
Van White Boulevard/I-394 Eastbound Ramp	B	B
Linden Avenue/Primary Site Access Road	A	B
Linden Avenue/Secondary Site Access *	A/B	A/B
Linden Yards Internal Spine/Primary Site Access Road	C **	B/F * (1)
Linden Yards Internal Spine /North Bridge Road *	A/C	--

* Indicates an unsignalized intersection. The overall LOS is shown followed by the worst approach LOS.
 ** Indicates an unsignalized intersection, with all-way stop control.
 (1) The worst approach level of service corresponds to approximately two minutes for the westbound approach.

that has side-street stop control, the majority of the intersection delay can be attributed to the side-street approaches. It is typical of intersections with high mainline traffic volumes to experience high levels of delay (poor level of service) on the side-street approaches, but an acceptable overall intersection level of service during peak periods.

Under both scenarios (bridge & no bridge), operation analysis results shown in Table 1 indicate that all key intersections will operate at an overall acceptable LOS C or better during the a.m. peak hour with the assumed traffic controls and geometric layouts shown in Figures 3 and 4.

Please note that the previous morning analysis results for both scenarios take into account varying traffic controls at the intersection of the internal circulation spine / primary site access

Table 2
Year 2026 P.M. Peak Hour Capacity Analysis (Post Redevelopment)
Level of Service Results - Comparison of Access Scenarios

Intersection	Level of Service	
	Scenario One (with bridge)	Scenario Two (without bridge)
Van White Boulevard/I-394 HOV Ramp	A	B
Van White Boulevard/I-394 Westbound Ramp	B	B
Van White Boulevard/I-394 Eastbound Ramp	B	D
Linden Avenue/Primary Site Access Road	B	C
Linden Avenue/Secondary Site Access *	A/A	A/B
Linden Yards Internal Spine/Primary Site Access Road	B **	C/F * (1)
Linden Yard Internal Spine/North Bridge Road *	A/D	--

* Indicates an unsignalized intersection. The overall LOS is shown followed by the worst approach LOS.
 ** Indicates an unsignalized intersection, with all-way stop control.
 (1) The worst approach level of service corresponds to approximately two minutes for the westbound approach.

road, with respect to which approaches are stop sign controlled. Under Scenario one (with bridge), all approaches are stop sign controlled, in order to provide gaps in the northbound left-turn movement for westbound through movements. Under Scenario two (no bridge), the east and westbound approaches are stop sign controlled and the northbound approach is uncontrolled to reduce delay and queuing for this approach. The westbound a.m. peak hour volume experiencing approximately two minutes of delay can divert to the secondary access point along Linden Avenue when necessary.

Under both scenarios (bridge & no bridge), operation analysis results shown in Table 2 indicate that all key intersections will operate at an overall acceptable LOS D or better during the p.m. peak hour with the assumed traffic controls and geometric layouts shown in Figures 3 and 4. The p.m. peak hour results for the intersection of internal Linden Yards circulation spine / primary site access road is similar to the a.m. peak hour operations.

As indicated by the analysis results presented in Tables 1 and 2, it can be determined that **the internal circulation spine providing access between Linden Yards East and West can accommodate the forecast traffic volumes as a two-lane roadway, with appropriate turn lanes at the intersections.** However, the primary site access road should be a four-lane roadway, with a northbound right-turn lane at the internal circulation spine.

Careful consideration should be taken when determining the site access drive locations with consideration of adjacent intersection operations (and their queuing potential). Ideally, the access points would maintain approximately 660 foot spacing. In the event that this spacing is unattainable, 400 foot spacing is acceptable. Managing access (intersection locations) along the internal circulation spine will assist with its mobility. In addition, any site access points along the internal circulation spine must provide dedicated turn lanes and vehicle storage lengths into their respective site developments.

Conclusions and Recommendations

SRF Consulting Group, Inc. has completed a traffic study for Linden Yards East and West (parcels 28, 29 and 30). The purpose of this analysis is to determine what impacts this portion of the proposed redevelopment will have on the internal and external roadway networks. Based on the analysis, the following comments and recommendations are offered for your consideration:

- Under both access scenarios (bridge & no bridge), operation analysis results indicate that all key intersections will operate at an overall acceptable LOS D or better during the peak hours with the assumed traffic controls and geometric layouts shown in Figures 3 and 4.
- The peak hour analysis results for both scenarios (bridge & no bridge) take into account varying traffic controls at the internal circulation spine intersections, with respect to which approaches are stop sign controlled. Under Scenario one (with bridge), all approaches are stop sign controlled to provide gaps in the northbound left-turn movement for westbound through movements. Under Scenario two (no bridge), the east and westbound approaches are stop sign controlled and the northbound approach is uncontrolled to reduce delay and queuing for this approach (specifically during the a.m. peak hour). Motorists experiencing heavy delays on the westbound approach can divert to the secondary Linden Avenue access point during peak conditions.
- Careful consideration should be taken when determining driveway connections to the internal circulation spine, with consideration of adjacent intersection operations (and their queuing potential). Managing access along the circulation spine will assist its mobility. In addition, any site access points to the circulation spine should provide dedicated turn lanes and vehicle storage lengths into their respective site developments.
- The primary (westerly) site access road should be constructed as a four-lane roadway.
- Based on our analysis, scenario two (without bridged access to the north) will be feasible from a traffic standpoint and possibly preferred based on financial considerations. However, we recognize that successful redevelopment of Linden Yards will depend on access alternatives and overcoming the market perception that the site is too isolated; a perception that could be resolved with a bridge to the north.
- It is recommended that the internal circulation spine be constructed as a two-lane roadway (with appropriate turn lanes at the intersections). However, space for a four-lane circulation spine under the Van White Boulevard bridge should be preserved to allow for future flexibility in development density and land use patterns. Preservation of this right-of-way would allow for future roadway, trail or transit expansion.



Transportation • Civil • Structural • Environmental • Planning • Traffic • Landscape Architecture • Parking • Right of Way

SRF No. 0045150

TECHNICAL MEMORANDUM

TO: Bruce Chamberlain, RLA, Vice President
HOISINGTON KOEGLER GROUP, INC.

FROM: Mike Aaron

DATE: December 2, 2005

SUBJECT: Bassett Creek Redevelopment Plan --
Street and Utility Infrastructure

Streets

SRF has assumed that existing streets which will remain in their current location will be reconstructed. Reconstruction of the existing streets will include removal of the concrete curb and gutter, sidewalks, pavement, aggregate base and underlying soils as necessary for the new construction. Existing roadway storm sewer should be carefully evaluated during the design phase of the project and replaced or improved as necessary. Proposed improvements for street reconstruction include sand subcuts, draisntile, aggregate base, pavement, concrete curb and gutter and typical storm sewer. For streets that are to be reconstructed, the proposed centerline profile should match the existing centerline profile where possible to avoid reducing or increasing the cover over existing utilities that can remain in place. Existing streets proposed to be reconstructed in the redevelopment area include Second Ave N, Aldrich Ave N and portions of James Ave N, Irving Ave N, Humboldt Ave N, Girard

Ave N, Dupont Ave N, Bryant Ave N and Currie Ave N. A proposed roadway layout is attached at the end of this memorandum.

New or realigned streets are proposed in the redevelopment plan. Portions of Currie Ave N, Bryant Ave N and Dupont Ave N, east of the future Van White Memorial Boulevard, are proposed for realignment or new construction. Additionally, Chestnut Ave N is proposed between Cedar Lake Road and Girard Ave N. New or realigned roadways will include sand subcuts, draisntile, aggregate base, pavement, concrete curb and gutter, and typical storm sewer. Proposed centerline profiles of new or realigned streets should be relatively close to the existing ground profiles to avoid excessive earthwork.

Residential streets are proposed to be 32 feet wide from face of curb to face of curb. Commercial/Industrial streets are proposed to be 44 feet wide from face of curb to face of curb. Commercial/Industrial streets would be constructed adjacent to office, retail and light industrial areas.

Sanitary Sewers

SRF has reviewed existing sanitary sewer maps and as-built drawings within the redevelopment area. A map of existing utilities is attached at the end of this memorandum. In general, the existing sanitary sewer infrastructure is quite old. The majority of the existing lines were constructed in the late 1800's and early 1900's. The existing lines are made of clay, brick or concrete. Existing manholes are made of brick or concrete. Based on the age of the system and soil conditions, we can assume that settlement has occurred and that lines are, or soon will be, in need of repair. For the redevelopment plan, we are assuming that feeder lines beneath streets to be reconstructed will be replaced. New sewer lines will be placed under new or realigned streets. Replacement will include new clay pipe and concrete manholes. We are proposing that main trunk lines remain in place with possible

repairs as needed. The main trunk lines include a 72-inch pipe in Dupont Ave N south of Currie Ave N, an 86-inch pipe in Dupont Ave N north of Currie Ave N, an 86-inch pipe in Currie Ave N between Irving Ave N and Dupont Ave N and a 52-inch pipe in Irving Ave N south of Currie Ave N. We recommend that the City of Minneapolis do a video tape inspection of the sanitary sewer system during the design phase of the redevelopment. The video tape inspection could be used to carefully evaluate the system and determine if some portions of the system can remain in place. The City of Minneapolis is currently looking at making some

improvements to some of the main trunk line sanitary sewers within the area. The City's sewer department should be provided with the proposed redevelopment's land use plan so that any improvements take into consideration proposed redevelopment flow volumes. SRF contacted the Metropolitan Council Environmental Services (MCES) to discuss capacity of the downstream interceptor sewers owned by MCES. MCES indicated that there are no capacity concerns related to the proposed redevelopment.

Watermain

SRF has reviewed City of Minneapolis watermain maps and intersection cards. The age of the existing watermains vary throughout the redevelopment area. Existing watermains were constructed from the early 1900's to the late 1900's. The average construction appears to have occurred in the early 1950's. The existing watermains are constructed mainly of ductile iron and cast iron. Most of the watermains are 6-inch diameter mains. There is a 36-inch steel watermain that runs along Aldrich Ave N. The 6-inch watermains likely have had sediment buildup over the years. The sediment buildup results in a reduction of capacity with the pipes. For the redevelopment plan, we are assuming that the existing watermains will be replaced with new 8-inch and 12-inch mains. The 8-inch mains will service the residential areas

and the 12-inch mains will service the office, retail and light industrial areas. Currently, 8-inch diameter watermain is the minimum standard used in new developments. The Heritage Park Redevelopment also used an 8-inch diameter watermain as a minimum size.

Effect of Soil Conditions

Existing soils in the redevelopment area range from very poor to satisfactory. The very poor soils consist of deep organics and soft clays. These soils will effect the construction of new utilities. A map of the existing soil conditions is attached at the end of this memorandum. In areas where very poor soils exist, utilities will need to be placed on pile foundations to prevent settlement. In areas where soils are considered somewhat poor, utilities can be placed on an aggregate foundation and "floated" to prevent settlement. In areas where soils are satisfactory, the utilities can be placed on the natural soils for a base. The majority of the very poor soils are in the southwest portion of the redevelopment area. The proposed park area covers much of the very poor soils. Fortunately, there is little utility work that will need to occur in the area of very poor soils. The majority of the satisfactory soils are located in the northeast and northwest portions of the redevelopment area. These areas contain the majority of the proposed utility work.

Private Utilities

Existing electric, gas, phone and cable lines, which are in streets that will remain in their current alignment, will likely remain as is and will be used to provide service for the redevelopment. The exception would be overhead lines that are proposed to be buried with the redevelopment. In areas where new or realigned roadways are being built, the private utility companies will extend their mains through the new roadways as needed to provide service to the redevelopment blocks. The private utility companies

Utilities for “Banana” Area

SRF looked at how the “banana” area might be serviced with water and sanitary sewer. With regard to water, a 36-inch steel watermain runs north and south in the Aldrich Ave N alignment. This watermain passes through the east end of the “banana”. We anticipate that a 12-inch main would be constructed off of the existing 36-inch main. The new 12-inch main would travel along the length of the “banana” and would then likely continue west and connect to an existing main in Morgan Ave N. An existing 72-inch sanitary sewer pipe exists in the projected alignment of Dupont Ave N. This sanitary sewer line passes through the “banana” and will be able to provide sanitary sewer service to the “banana” area.

Infrastructure Costs

SRF reviewed street and utility infrastructure costs for the proposed redevelopment. Estimated lineal foot costs were determined for roadway construction, sanitary sewer and watermain construction. These lineal foot estimated costs assumed 2006 construction year dollars. Adjustments to the estimated costs would need to be made for construction years beyond 2006. Our estimated costs are based on results of similar projects bid out to area contractors over the last couple of years.

We have estimated a cost of \$545.00 per lineal foot for new or reconstructed residential streets. Residential streets are assumed to be 32 feet wide. The estimated cost for residential streets includes sand subcuts, draintile, aggregate base, pavement, curb and gutter, typical storm sewer, new sanitary sewer and manholes, new watermain, hydrants, valves and service connections. The estimated cost also includes a 20% contingency for constructing utilities on pile foundations. A 35% amount has also been included to cover costs associated with administration and engineering.

We have estimated a cost of \$605.00 per lineal foot for new or reconstructed commercial/industrial streets. Commercial/industrial streets are assumed to be 44 feet wide. The estimated cost for commercial/industrial streets includes sand subcuts, draintile, aggregate base, pavement, curb and gutter, typical storm sewer, new sanitary sewer and manholes, new watermain, hydrants, valves and service connections. The estimated cost also includes a 20% contingency for constructing utilities on pile foundations. A 35% amount has also been included to cover costs associated with administration and engineering.

Our estimated costs for construction assume competitive bidding of the work to private contractors. The City of Minneapolis typically performs their own construction of roadways, sewers and watermain. The costs associated with City construction of the infrastructure could vary significantly from our estimated costs. SRF does not have access to City costs for construction. Discussions should take place with City officials to determine if the City will require their forces to do construction for the redevelopment. If so, estimated costs should be obtained from the City so that all involved understand the costs of the proposed infrastructure.

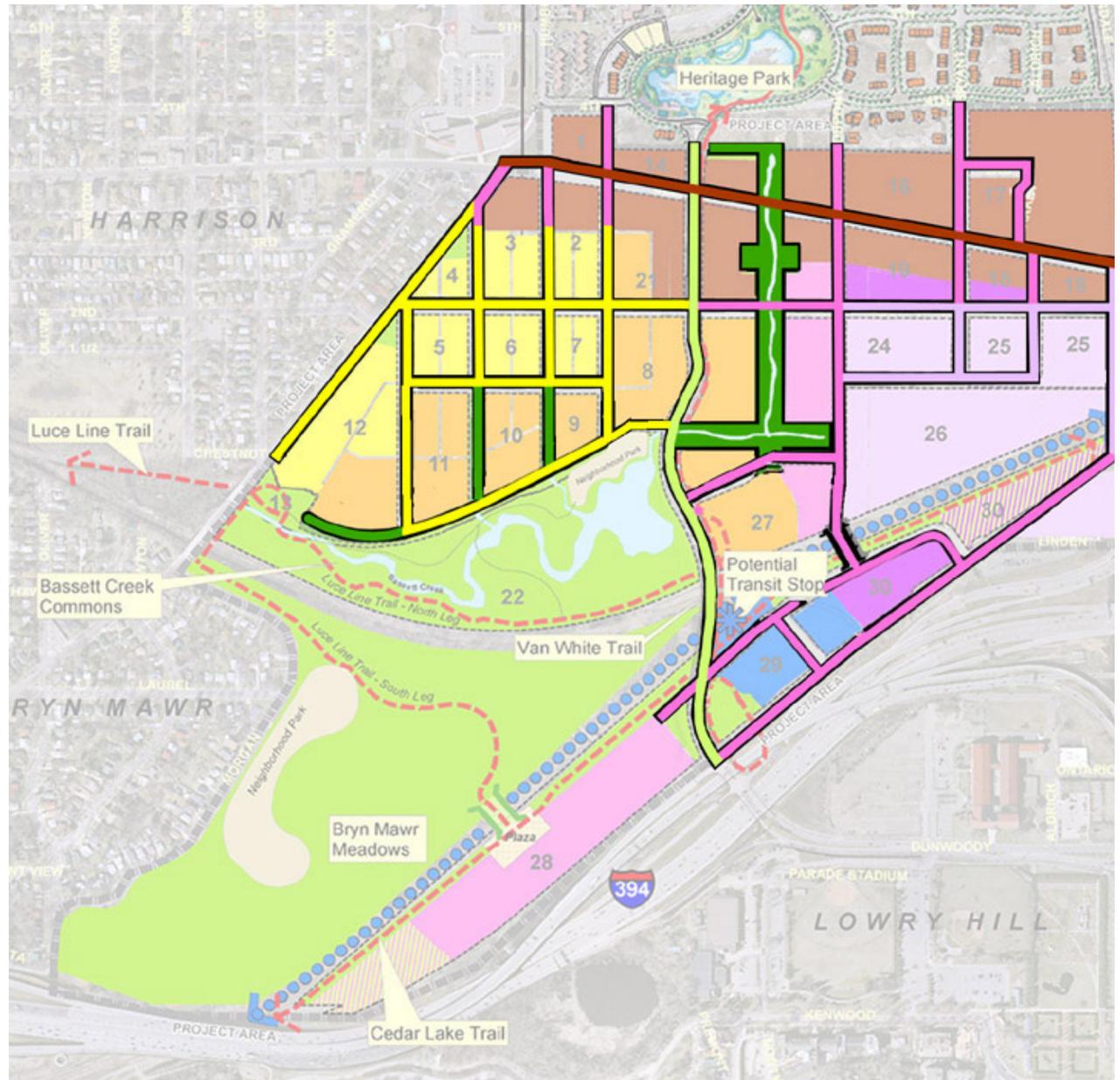
Proposed Street Layout

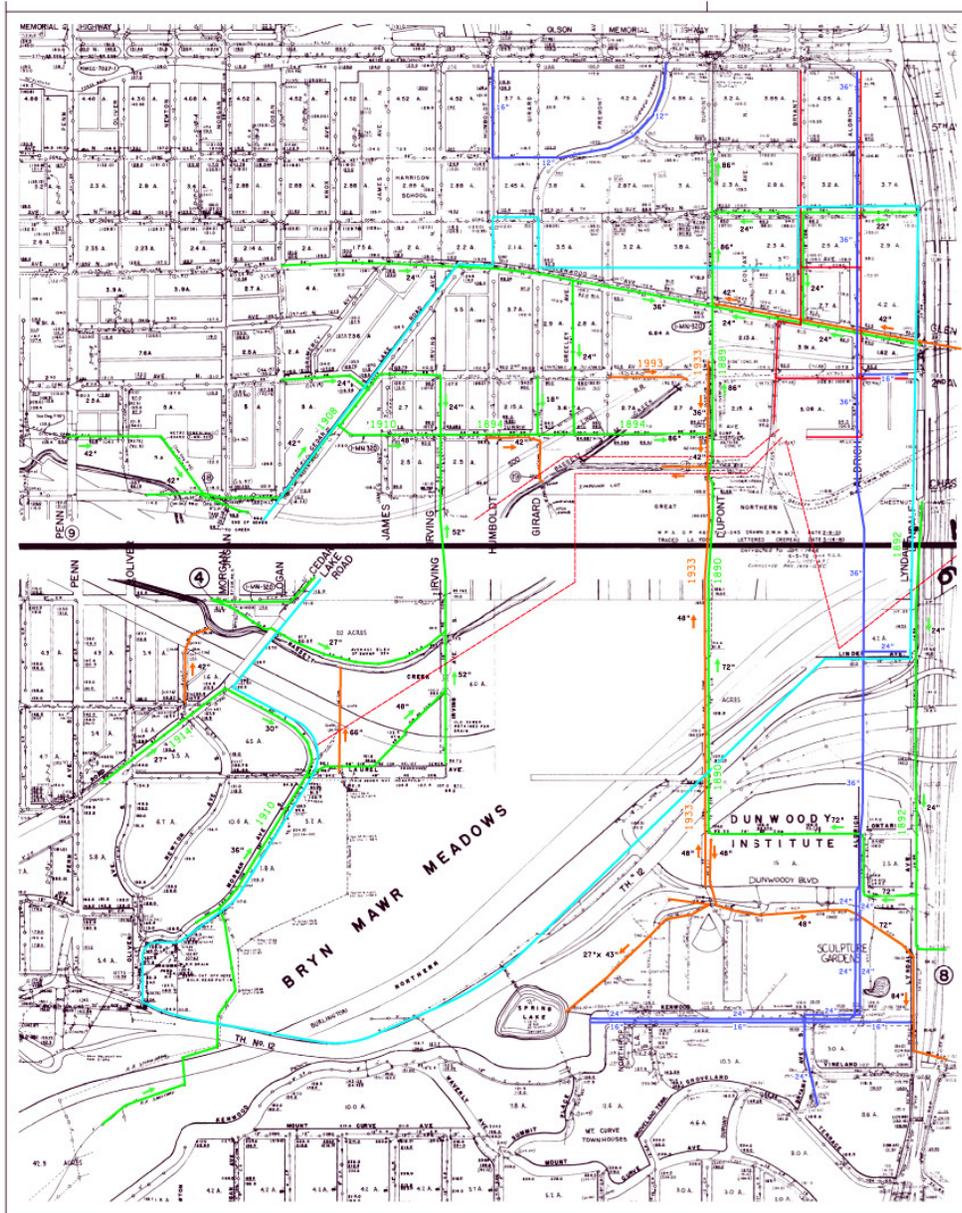
Legend

- New Commercial/Industrial
- Reconstructed Commercial
- New Residential Street
- Reconstructed Residential
- Green Street
- Auto Bridge



5150
11/21/05 Not To Scale





Existing Public Utilities

Legend

- EXISTING WATERMAIN - 12" DIA +
- EXISTING STORM SEWER - 36" DIA +
- EXISTING SANITARY SEWER - 18" DIA +
- EXISTING ELECTRIC LINE

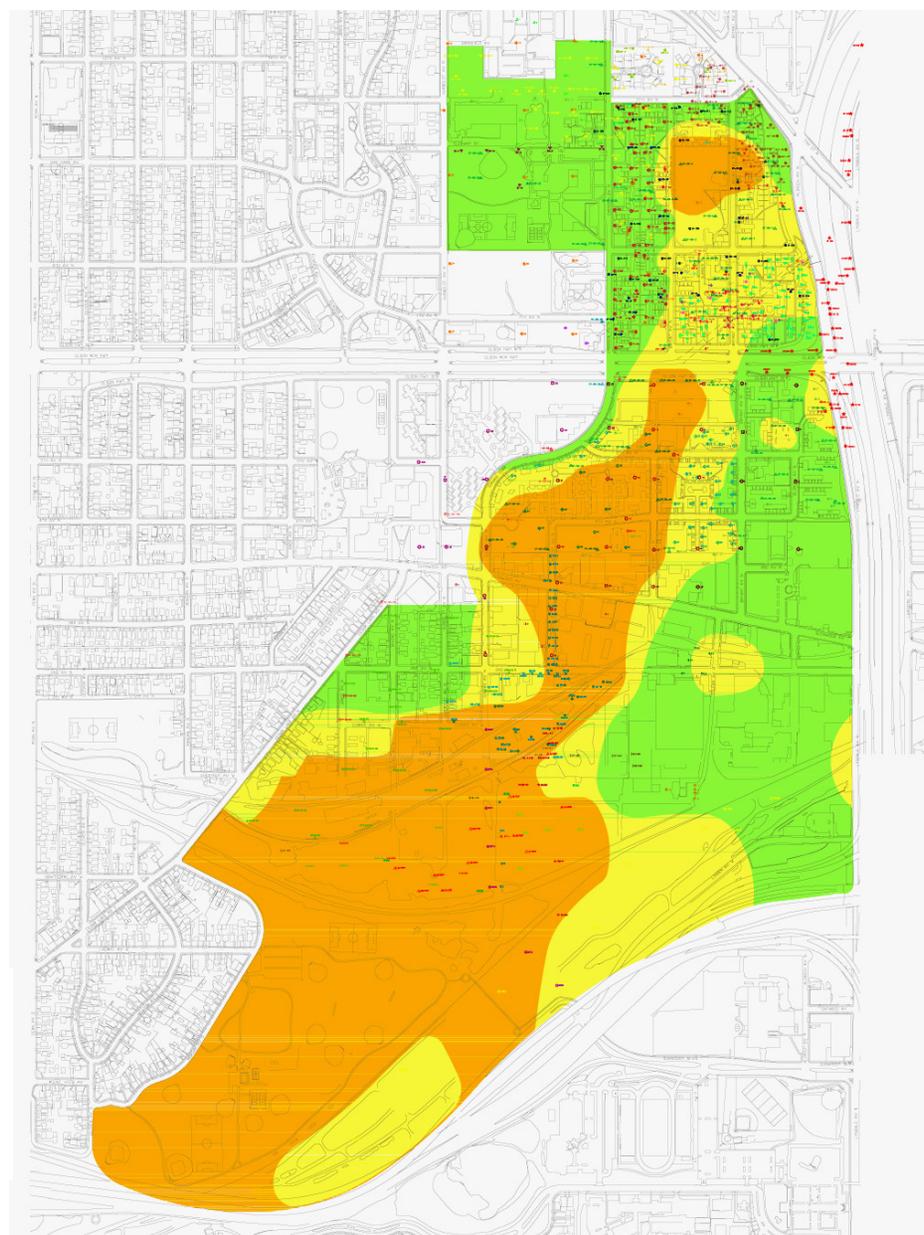


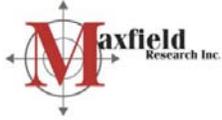
5150
11/21/05 Not To Scale

Soil Conditions

-  Zone 1: Spread footings with some soil correction
-  Zone 2: Timber piles / Raft foundations
-  Zone 3: Pipe piles

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February 21, 2005

TO: Mr. Mark Koegler
Hoisington Koegler Group Inc.

FROM: Grant Martin
Mary C. Bujold
Maxfield Research Inc.

RE: An Initial Market Assessment for Redevelopment Concepts for the Bassett Creek Valley Redevelopment Plan

Introduction

This memo provides an Initial Market Assessment for potential development concepts at the Bassett Creek Valley Redevelopment site in Minneapolis, Minnesota. This assessment includes:

- A brief description of Bassett Creek Valley;
- An analysis of current housing, office, and retail market conditions;
- Preliminary conclusions and recommendations for housing, office, and retail; and
- Comments on the concepts based on these conclusions and recommendations.

Bassett Creek Valley

The redevelopment plan of the Bassett Creek Valley centers on the creation of a new north-south parkway linking South Minneapolis and the new Heritage Park developments of Near North Minneapolis, the reformation of Bassett Creek and Bryn

Mawr Meadows Park into a new larger green space, and the conversion of older industrial land and rail yards into new uses more appropriate to the Site's natural features and location near Downtown Minneapolis.

The Bassett Creek Valley Redevelopment Area is west of Interstate 94, north of Interstate 394, east of Cedar Lake Road and Morgan Avenue, and south of Glenwood Avenue. The area includes properties on both sides of Glenwood Avenue.

Strengths of the Site include:

- **Views of Downtown Minneapolis.** Because of its location and elevation, Bassett Creek Valley offers excellent views of Downtown Minneapolis, maybe some of the best in the City of Minneapolis. This will be a critical draw for housing and all efforts should be made to optimize designs to make the most of this strength.
- **Orientation toward Downtown.** While not within easy walking distance, the area is close enough to Downtown that all amenities in Downtown are probably a five-minute car trip away. The area's orientation to Downtown will be a draw for consumers interested in housing and businesses interested in retail or office space that is near Downtown but still on the fringe.
- **Farmers' Market.** In its current location since 1937, the Minneapolis Farmers' Market is a unique amenity within walking distance from the Bassett Creek Area. The market has about 250 vendors at 172 stalls and is a major attraction on weekends during the spring and summer months when weather is good. Relocating the Farmers' Market to Bassett Creek Valley will enhance the revenue potential of the Market as well as provide a synergy with other retail that would be developed in the immediate area. Options should be considered to expand the capacity of the facility and provide both indoor and outdoor facilities within an enclosed building(s), to allow for year-round operation.

-
- **Walker Art Gallery and Minneapolis Sculpture Garden.** Bassett Creek Valley is located within walking distance of one of the nation's premier modern art galleries and one of its largest sculpture parks.
 - **Bryn Mawr Meadows.** The expansion of this park will be a major draw for housing, especially when combined with the excellent views of Downtown Minneapolis across the Park.
 - **Bassett Creek.** Sometimes referred to as "Minneapolis' Other Creek," efforts to restore Bassett Creek and the natural area around it will be a major draw to the area for housing and recreation components, and indirectly for retail and office space.
 - **Historical component.** There is an opportunity to build on the historical component of Bassett Creek and the area itself. As one of the first areas of settlement for the City of Minneapolis, this aspect could be incorporated into the design and marketing for both housing and retail uses.
 - **International Market Square.** Renovated in 1985, this 100-year-old building houses 135 upscale home furnishings showrooms, designer studios, architectural firms, and remodeling resources in addition to 97 newly-created loft condominiums. Special events held in the IMS atrium typically draw substantial numbers of visitors. The design focus of IMS will be a draw for home-buyers who may want to be near such resources. There are additional retail opportunities that can be generated from this design and home furnishing center.
 - **Access to park and trail system.** Bassett Creek Valley currently has a bicycle and hiking trail running through the area that connects Downtown Minneapolis with the Cedar Lake area, linking the area to the City's large trail network. This trail, along with the connections to the new Heritage Park, will attract people interested in housing with connections to the City's trails.

- **Orientation and access to Interstate 394.** As the major corridor between Downtown Minneapolis and the western suburbs, Interstate 394 has been a major draw for office and retail. Through the new access point at Dunwoody Boulevard, this corridor will be connected to the Bassett Creek Valley area, making the area attractive to businesses looking for retail and small office users. In addition, Bassett Creek Valley will be very attractive to workers in the western suburbs, who want to live near Downtown and take advantage of less traffic congestion through "reverse commuting."
- **Transit opportunities.** Bassett Creek Valley is under consideration as a possible stop on a new Light Rail Transit Corridor. While this would greatly expand opportunities for transit oriented development, there are already opportunities to improve on the existing bus service along Glenwood Avenue.
- **Development in Heritage Park.** With 900 new housing units under development at Heritage Park, new housing will increase the base of consumers, making retail more attractive, and will improve the overall housing stock in the area.
- **"Gateway" concept.** In different publications, the Valley is described as a "gateway to Downtown Minneapolis," "gateway between North and South Minneapolis," "doorway to Downtown," and "grand entrance." There is an opportunity to build off these themes when marketing Bassett Creek Valley for all types of uses.

Weaknesses of the Site are:

- **General access.** In general, the Valley does not have easy access to Interstate 94 and Interstate 394. Some exits, like those at Dunwoody Boulevard and Lyndale Avenue from the north, are not too difficult. Access however, from the east along Interstate 94 is not immediately intuitive. While close to Downtown Minneapolis, it is not easy to get to the Valley from central

Downtown without knowledge of the area.

- **Stigma of Near North Minneapolis.** While it is obvious there has been significant redevelopment and improvement, some buyers, renters, and consumers still believe that the area is dilapidated and prone to crime. This is truer of parcels located along Glenwood Avenue than areas to the south of Glenwood Avenue toward I-394. One of the most critical issues for housing will be creating sites large enough to support a critical mass of housing to initiate the momentum to engender a renaissance for this area. Consumers will want the industrial uses removed from the area and a residential orientation created prior to their investing in the neighborhood.

Housing

For-Sale Housing Market Conditions Analysis

Housing in the Bassett Creek Valley is a submarket of Downtown Minneapolis' housing market, in the same way that areas such as Northeast Minneapolis, the North Loop, and Elliot Park have become submarkets of Downtown. These areas are attracting similar buyers to Downtown and are seeing similar types of developments. Buyers are drawn to these submarkets because they offer many of the amenities of Downtown, yet have their own unique characteristics.

Since 2001, development of housing in the Downtown, almost exclusively condominium housing, has increased substantially. Condominium development is now spread throughout the Downtown in a variety of neighborhoods. Offerings span a diverse array of products including new construction high-rise condominiums, conversions of existing apartment buildings, loft-style warehouse conversions, and low- and mid-rise new construction. In addition to the variety of building and unit types offered, a variety of price points has attracted more households to the Downtown and an influx of moderately priced units.

From 1998 through 2000, absorption averaged about 135 units per year. In 2002, absorption increased to 239 units. In 2002 and 2003, absorption increased again to between 340 and 360 units per year. In 2004, absorption wildly surpassed the previous six years with 1,082 units absorbed, excluding units that have not been converted to purchase agreements. Adding in reservations pushed the 2004 total to 1,325 units. We believe that Downtown Minneapolis is not likely to reach this figure again in the short-term. We anticipate, however that annual absorption from 2005 through 2010 will remain at a higher level and should average between 700 and 800 units per year for the next five years providing that sufficient product is available to meet a diversity of buyer tastes.

As of the end of last year, we have identified 1,316 units under construction, 1,180 units currently marketing but not yet under construction, 1,631 units planned (received preliminary approvals, financing, in design) and 2,954 units proposed. There are other developments also being considered for which the number of units has not yet been determined. Thus, the figure for units proposed is an estimate. If we attached an estimated number of units to each of the projects that is being considered, the total would likely exceed 4,000 units.

Historically, Downtown Minneapolis attracted a relatively young household, those in their mid-20s to mid-30s who preferred the entertainment offerings and vitality that the Downtown had to offer and most of these households preferred to rent. The development of Lourdes Square Townhomes in 1994 brought to the Downtown market upper-income mid-age professionals and empty-nesters without children who wanted to live in an urban area and in close proximity to Downtown entertainment. As development expanded along the west bank of the River with the Landings, North Star Lofts and Stone Arch Lofts, these developments, too, attracted a predominantly mid-age and older

buyer with high incomes and high household wealth. This group has increased in proportion in the Downtown. However, developers responding to a lower-priced market niche, attracted younger households to the for-sale market in waves. Previously, this group was unable to afford the upper-bracket offerings located along the River. Moderately priced warehouse conversions and some mid-priced new construction developments have captured households in their mid-20s to age 40 with this product. Although gradually, the older age group is expected to supplant the younger age group, the proliferation of a greater variety of condominium product has greatly diversified the age base in the Downtown.

Currently, buyers are being attracted to the Downtown primarily from Hennepin County with some developments having buyers come primarily from the City of Minneapolis. From the initial onset of increased condominium development in the Downtown to now, the proportion of buyers from outside of Hennepin County has expanded from about 10% in the early projects now to upwards of 50% in the loft-style developments. Many projects in the Downtown are receiving buyers from out-of-state and from out of the country. Overall, we estimate that the average among all Downtown projects is approximately 25% based on conversations with local developers and real estate sales agents.

**TABLE 1
UNIT MIX AND SIZES AND RECENT PRICING
SELECTED ACTIVELY MARKETING FOR-SALE HOUSING DEVELOPMENTS
NEAR NORTH MINNEAPOLIS
January 2005**

Project Name	Year Open	Total Units	No. Sold	Original Unit Mix	Sales Price Range*	Unit Size (Sq. Ft.)	Price / Sq. Ft.	Comments
Condominiums and Townhomes								
Sumnerfield at Heritage Park Townhomes	2005	20	1	24 - 2BR	\$225,000 - \$249,000	1,168 - 1,366	\$193 - \$213	Additional bedroom can be added to base unit, increasing finished square footage by 150 s.f. Units come with eat in kitchen, 1.5 bathrooms, and tuck under garages
Riverview Homes Townhomes	2004	29	21	16 - 1 BR+D 13 - 1 BR+D	\$330,000 - \$411,000 \$375,000 - \$550,000	2,017 2,727	\$164 - \$204 \$138 - \$202	New construction on River; Row townhomes w/ private entrances, 2-car gar., oversized windows; high ceilings; hardwood floors; media room plus office; balconies, Larger homes have penthouse levels.
IMS Lofts Condominiums	2005	97	74	32 - 1 BR 57 - 1 BR+D 6 - 2 BR 2 - PH	\$284,580 - \$299,900 \$277,997 - \$399,621 \$531,391 - \$558,424 \$699,900 - \$1,199,900	895 - 1,155 1,015 - 1,500 1,970 - 2,138 1,790 - 2,450	\$318 - \$260 \$274 - \$266 \$270 - \$261 \$391 - \$490	Conversion of northern half of International Market Square (floors 3 through 8). West of I-94 and North of I-394. Covered parking will be adjacent to building with private entrance for residences.
Single-Family Homes								
Sumnerfield at Heritage Park Single-Family Homes	2005	23	1	3BR 4BR	\$294,900 - \$323,900 \$351,680	1,374 - 1,620 1,662	\$200 - \$215 \$212	New single-family construction that includes 2-car detached garage, vinyl windows, front porch, and energy efficient features. Options include owner's suite with full bath, finished lower level with full bath, attached garage, gas fireplace, and hardwood floors. Phase I includes 3 Habitat for Humanity homes, and two "Live-work" homes. Phase II will include 50 homes priced starting at \$400,000.
Total Units		169	97	Overall Median	\$351,680	1,620	\$217	
* Reflects most recent pricing based on new construction phase or resales of existing units. Source: Maxfield Research Inc.								

There is also a large GBLT segment in the Twin Cities and many of this group prefers an urban environment. Conversations with local Realtors consistently point to this segment as a strong buyer segment for the Downtown.

Although mid-age and empty nester households are accounting for a greater proportion of the total Downtown buyer market, many developments have been extremely successful at capturing a young to mid-age buyer segment with units priced between \$250,000 and \$400,000. There are many more projects priced within this range which has substantially expanded the buyer pool in the Downtown. Prior to 2001, there were a limited number of developments with units priced below \$400,000. Opening up this market has been an important factor in the dramatic absorption that occurred in 2004.

Overall, buyers in this market have responded very favorably to the products that are being offered. Our conversations with local developers indicate that although there has been a slight softening of demand during the winter months, they believe that this is just a temporary seasonal slowdown and sales are expected to resume full force in the spring.

Table 1 shows selected condominium, townhome, and single-family developments near the Site, along with the number of units, number of sold units, sale prices, and unit size. Key points follow:

- Two of the projects are condominium projects offering a product similar to other Downtown Minneapolis condominiums. The other two projects are the first for-sale phase at Heritage Park, north of the Site.
- Riverview Homes is nearing completion of Phase I, which includes 29 townhomes at an average price of about \$400,000 per unit. Roughly, two-thirds of Phase I units have been sold. During the summer of 2004, Riverview Homes began pre-

marketing Phase II, which includes 55 condominium units.

- IMS Lofts began marketing in May 2004 and reserved over 50% of its 97 units within two weeks. After the auspicious start, sales have slowed somewhat and now stand at about 70%. The project is a renovation of the top four floors of the International Market Square, a 20-year old redevelopment of the former Munsingware factory. The lower floors of the building will remain commercial space, predominantly used as showroom space by design firms. Sales of units under \$400,000 moved quickly during the initial marketing period.
- Initial plans for the Heritage Park redevelopment called for the completion of 167 for-sale units (through Phase II) by the end of 2006; however, city officials now expect only 100 units to be complete by then, and suggest that if these goals are not met, they will be looking for a new developer. Sales at the Heritage Park projects have been slow. With construction on 30 units finished, only one unit has sold in each project. Realtors at the projects believe sales will pick up as spring comes. However, we believe the primary reason for the slow sales has been the market's unwillingness to move past the stigma associated with Near North Minneapolis, especially at some of the higher price points being marketed. Sixty more units are expected to be complete by the end of 2006.
- Sale prices in this market range from \$225,000 for Sumnerfield Townhomes to over \$1 million for a penthouse unit at IMS Lofts. The average price per square foot is \$217.

Rental Housing Market Conditions Analysis

The rental market has been showing signs of recovery recently in the Twin Cities Metro Area, with vacancy rates declining slightly to 7.3% from the recent high of 7.6% experienced in the fourth quarter of 2003. Generally, a rental market is considered to be at equilibrium when the vacancy rate is 5%, suggesting there is currently a surplus of rental units in Metro Area. Table 2 and 3

show vacancy rates and average rents by unit type for selected areas near the Site between 2002 and 2004. Key points from the tables follow:

- Although the Metro Area's vacancy rate was 7.3% in December 2004, the City of Minneapolis and Downtown Minneapolis had vacancy rates at equilibrium, 4.8% and 5.0% respectively. North Minneapolis' vacancy rate was 7.9% in that quarter.
- In general, rents have increased over the past three years, even with higher vacancy rates. In December 2004, the average rent was \$1,051 in Downtown Minneapolis and \$822 in the City of Minneapolis, both up about 1% from the previous year.

	Vacancy Rate			Change	
	Dec. 2002	Dec. 2003	Dec. 2004	2002 to 2003	2003 to 2004
Downtown Minneapolis					
Studio	9.9%	3.9%	5.6%	-6.0%	1.7%
1 Bedroom	10.3%	6.5%	5.0%	-3.8%	-1.5%
2 Bedroom	10.6%	10.0%	4.5%	-0.6%	-5.5%
3 Bedroom	32.1%	14.3%	15.0%	-17.8%	0.7%
Total	10.3%	6.8%	5.0%	-3.5%	-1.8%
North Minneapolis					
Studio	8.0%	14.3%	0.0%	6.3%	-14.3%
1 Bedroom	2.2%	6.8%	8.1%	4.6%	1.3%
2 Bedroom	2.8%	6.4%	8.2%	3.6%	1.8%
3 Bedroom	0.0%	0.0%	8.0%	0.0%	8.0%
Total	2.8%	6.4%	7.9%	3.6%	1.5%
City of Minneapolis					
Studio	6.1%	5.0%	6.0%	-1.1%	1.0%
1 Bedroom	6.1%	6.2%	4.8%	0.1%	-1.4%
2 Bedroom	2.4%	8.3%	4.0%	5.9%	-4.3%
3 Bedroom	8.7%	5.3%	4.8%	-3.4%	-0.5%
Total	6.1%	6.5%	4.8%	0.4%	-1.7%
Twin Cities Metro Area					
Studio	5.7%	6.7%	6.7%	1.0%	0.0%
1 Bedroom	6.0%	7.3%	6.2%	1.3%	-1.1%
2 Bedroom	7.2%	8.2%	8.2%	1.0%	0.0%
3 Bedroom	7.4%	6.6%	9.0%	-0.8%	2.4%
Total	6.6%	7.6%	7.3%	1.0%	-0.3%

Sources: GVA Marquette Advisors; Maxfield Research Inc.

- The rental market in the Twin Cities Metro Area is expected to improve within the next year for several reasons. First, job growth has already improved in the Metro Area with a lowering of the unemployment rate to 3.6%, down from over 4.0% one year ago, increasing the pool of potential renters. Second, mortgage interest rates are expected to increase, making home-ownership less affordable for some buyers and pushing these people into the rental market. Finally, fewer rental units are expected to become available, as a result of the fact that developers, responding to the surplus in rental units, are not building as many new rental projects.

	Average Rent			Percent Change	
	Dec. 2002	Dec. 2003	Dec. 2004	2002 to 2003	2003 to 2004
Downtown Minneapolis					
Studio	\$541	\$542	\$543	0.2%	0.2%
1 Bedroom	\$978	\$983	\$974	0.5%	-0.9%
2 Bedroom	\$1,536	\$1,537	\$1,551	0.1%	0.9%
3 Bedroom	\$2,175	\$2,094	\$2,604	-3.7%	24.4%
Total	\$1,043	\$1,040	\$1,051	-0.3%	1.1%
North Minneapolis					
Studio	\$474	\$455	\$456	-4.0%	0.2%
1 Bedroom	\$604	\$593	\$634	-1.8%	6.9%
2 Bedroom	\$762	\$804	\$907	5.5%	12.8%
3 Bedroom	\$998	\$1,070	\$1,226	7.2%	14.6%
Total	\$674	\$710	\$812	5.3%	14.4%
City of Minneapolis					
Studio	\$543	\$550	\$556	1.3%	1.1%
1 Bedroom	\$755	\$758	\$753	0.4%	-0.7%
2 Bedroom	\$1,042	\$1,067	\$1,089	2.4%	2.1%
3 Bedroom	\$1,269	\$1,261	\$1,386	-0.6%	9.9%
Total	\$799	\$815	\$822	2.0%	0.9%
Twin Cities Metro Area					
Studio	\$578	\$555	\$583	-4.0%	5.0%
1 Bedroom	\$734	\$734	\$733	0.0%	-0.1%
2 Bedroom	\$918	\$926	\$927	0.9%	0.1%
3 Bedroom	\$1,217	\$1,219	\$1,230	0.2%	0.9%
Total	\$841	\$845	\$849	0.5%	0.5%

Sources: GVA Marquette Advisors; Maxfield Research Inc.

Table 4 shows information on selected newer rental projects in the Downtown and in Heritage Park along with unit types, rents, unit sizes, and vacancies. Rents at these projects range from \$671 for a studio unit at StoneArch Apartments to \$2,970 for a three-bedroom unit at Loring City Apartments. The average rent

was \$1,291, or \$1.39 per square foot. Of the projects with vacancy data available, there were 16 vacancies for a vacancy rate of 10.7%.

Project Name/Location	Year Built	Total Units	Unit Mix	Rent	Sq. Ft.	Rent/ Sq. Ft.	Vacancies	Comments
StoneArch Apartments 601 Main Street SE	2003	221	14 - ST	\$671 - \$805	548 - 637	\$1.22 - \$1.26	0 - ST	Rent does not includes heat. Off street parking with underground garage. Warehouse style floor plans with exposed beams, ductwork and high ceilings. Include pedestal sinks and tubs.
			75 - 1BR	\$719 - \$995	739 - 920	\$0.97 - \$1.08	3 - 1BR	
			132 - 2BR	\$1,295 - \$1,495	961 - 1,104	\$1.35 - \$1.35	8 - 2BR	
91 units are affordable 44 units at 50% median, and 47 at 60%								
Loring City Apartments 1300 Yale Place	2002	162	48 - ST	\$975 - 1150	550 - 675	\$1.77 - \$1.70	0 - ST	Rent does not includes heat. Off street parking with underground garage (\$100 per stall). Include alarms, bay windows, crown molding. Some units are loft units.
			38 - 1BR	\$1,150 - 1800	725 - 1300	\$1.59 - 1.38	1 - 1BR	
			62 - 2BR	\$1,400 - \$2,200	1,050 - 1,500	\$1.33 - \$1.47	3 - 2BR	
			14 - 3BR	\$2,445 - \$2,970	1,375 - 1,775	\$1.78 - \$1.67	1 - 3BR	
The Metro 90 South 9th Street	2001	112	17 - ST	\$975 - 995	587 - 655	\$1.66 - \$1.52	0 - ST	Rent includes heat. Outdoor landscaped plaza with gas grills.
			89 - 1BR	\$1,095 - \$1,285	715 - 915	\$1.53 - \$1.40	0 - 1BR	
			6 - 2BR	\$1,485	1,036	\$1.43	0 - 2BR	
Heritage Park Olson Memorial Parkway and Lyndale Avenue	2004	345	NA	NA	NA	NA	NA	Mix of 1-Bedrooms up through 5-Bedrooms. 95 more rental units to be completed by end of 2005. Total includes, 200 public housing units, 90 tax-credit units, and 150 market-rate units. City officials expect full occupancy (95%) by end of year.
	2003							
	2002							
Total		495		\$1,291	929	\$1.39	16	10.67%

Source: Maxfield Research Inc.

Preliminary Projected Demand, Sale Prices, and Rents

For-Sale Housing

- Based on household projections for a Market Area that includes the City of Minneapolis and much of Hennepin County and current absorption of condominiums in Downtown Minneapolis, we estimate the Bassett Creek Valley Redevelopment Area could support **between 230 and 460 units of for-sale housing between 2005 and 2010**. These figures account for a 10% to 20% capture rate of demand in the area.
- Projecting these figures out to 2020, we estimate the project can support between 700 and 1,300 units of for-sale housing between 2005 and 2020.
- Based on our competitive analysis, most units should be priced between \$250,000 and \$450,000 (in 2005 prices), and should average about \$225 per square foot. This is consistent with pricing in other fringe locations of the Downtown, specifically northeast Minneapolis and the Whittier neighborhood south of Downtown.
- It is critical to appropriately design for-sale housing units to capture the views of Downtown Minneapolis. We also recommend price premiums based on the views that would push prices well past the base prices suggested above, depending on the product types offered.

Rental Housing

- Using the same projections for household growth as with the for-sale housing, we believe the Bassett Creek Valley Redevelopment Area could support **between 110 and 220 units of rental housing between 2005 and 2010**. As with the for-sale housing, we assume the project can capture between 10% and 20% of demand in the area.

- When projected out to the year 2020, we believe there will be demand for between 330 and 660 units of rental housing within the Site.
- Based on our analysis of rents, we believe units should rent for between \$900 and \$1,500 per month (in 2005 rents), or about \$1.30 to \$1.40 per square foot.
- We recommend developing loft-style product at moderate price points to attract a younger household base to the area.
- We recommend delaying developing rental housing until later phases, when vacancy rates in the Metro Area are lower and the market is in a better position to support new projects.

Redevelopment Considerations

- Maximize views of Downtown throughout. Views of Downtown are one of the aspects that will set this development apart from other housing projects. We recommend using all design methods possible to make sure as many buyers can take advantage of purchasing units with Downtown views.
- Maximize views of the Park throughout. This is not as critical as maximizing views of Downtown, and will add to the marketability of the housing.
- Develop rental housing in later stages. The current market for for-sale housing will remain strong and early phases should focus on capturing demand for this type of housing.
- Mixed-use residential and retail should be phased from International Market Square to the west along Glenwood. Mixed-used housing along Glenwood Avenue will be most successful if it takes advantage of existing retail and housing at International Market Square. The first phases should be at this location, with later phases moving down Glenwood Avenue. We envision that the mixed-use development could incorporate live/work studio space that would encourage local

designers to showcase their work in conjunction with the offerings at IMS. This could eventually create a design district that would enhance traffic at IMS as well as to the Bassett Creek Valley area as a whole.

Housing in Northwest Corner

- Develop multifamily housing along the Park. The concept outlined in Concept A shows this area best. These units will be most popular and can obtain premiums for the best views of Downtown and the Park. We recommend developing this area in the early phases of the redevelopment, but reserve the best locations for later phases to optimize value and pricing for higher-priced units.
- Develop a mix of product types in blocks north of Currie Avenue and along Cedar Lake Road. This mix could include detached villas, duplexes, and townhomes. Depending on elevations, many of these units will still have views of Downtown. The mix should respond to presales and consumer preferences in early phases of the project.

Housing on the “Banana”

- The freeway limits the value of housing that could be supported on the “Banana.” It will be difficult to market such housing, unless sufficient height can be obtained to be able to market views associated with being above the level of the freeway. It is our opinion that the most appropriate product type for this location may be rental housing.
- Access presents problems for housing on the “Banana.” All concepts currently provide access only along Linden Avenue. We foresee traffic congestion problems as people move through this area at peak travel times. This is a bigger problem for office uses at this location.
- The benefits associated with mixing housing and office at this location benefit the housing if views and height can be

achieved that will raise the housing above the level of the freeway. This means that office would have to occupy the lower portions of the building. Most new construction high-rise office space will be concerned with views, although there would likely be back office space for some of the major employers in the area that would not require top views. This office space could occupy the bottom of the building with higher profile office space on top and then housing above that.

Housing east of Van White Boulevard

- Housing east of Van White Boulevard should be developed in later stages, corresponding with transit developments. We assume transit developments in this area are years down the road. We recommend developing housing in this area when transit options have been made more definitive. If transit is not developed, these locations could be used for office or industrial, since they lack a location next to the Park and the views of Downtown possessed by the other housing locations.

Office

Market Conditions Analysis

The Twin Cities office market has experienced very high vacancy rates in recent years, primarily as a result of a construction boom in the 2000 and 2001 along with an economic downturn. Vacancy rates started to climb in 1999 and have only recently started to decline. For 2004, the 20.7% vacancy rate is much higher than the ten-year average of 13.5%. For the Minneapolis Central Business District, the United Properties’ Outlook report finds the vacancy rate was 23.1% in 2004.

Analysts have agreed that the ongoing surplus of office space and resulting higher vacancy rates are the result of several factors. These include:

- Productivity gains have meant fewer jobs created, and therefore, less demand for space;
- Low interest rates have shifted demand toward ownership of office space through office condominiums;
- Manufacturing and service sector jobs have been exported to lower cost providers, again reducing the number of jobs and the space needed to house these positions; and
- Sublease space has negatively affected absorption.

A quick survey of lease rates for office space in and near the area found lease rates ranging from \$6.50 per square foot for renovated properties to \$18 per square foot for higher Class B property. International Market Square has one space available for \$17 per square foot gross. Common Area Maintenance charges range from \$4 to \$9 per square foot, and taxes range from \$1 to \$3 per square foot. New projects under construction in the Metro Area

are asking between \$16 and \$18 per square foot net lease rates. These projects are located in growth suburbs such as Maple Grove and Eagan.

Sources interviewed do not believe current office rates would justify new construction. Lease rates would have to approach \$20 per square foot and higher to pay for new construction and rates in the Metro Area are currently averaging under \$15 per square foot, even for Class A property. Sources said the exception to this would be if a new office project can capture a niche market. Sources said they believe it will take at least another two or three years for the office market to recover.

Preliminary Projected Demand and Lease Rates

- Shown in Table 5, over the past 10 years, the Twin Cities Metro Area has absorbed about 800,000 square feet of multi-tenant office space. Using this estimate, along with estimates for single-tenant space, the Site can support **between 20,000 and 40,000 square feet of additional office space between 2005 and 2010**. These figures assume the project can capture between 10% and 20% of all office space demanded in the City of Minneapolis outside the Central Business District.
- Projecting these figures out to 2020, we estimate support for between 60,000 and 120,000 square feet of additional office space between 2005 and 2020.
- Based on our competitive analysis, we estimate support for lease rates of between \$14 and \$16 per square foot (in 2005 prices).
- As we indicated, our research indicates that these lease rates would generally not support new office construction. As such we recommend planning office space construction in later phases of the project, when the Twin Cities office market has moved closer to equilibrium.

Year	Construction (millions of s.f.)	Absorption (millions of s.f.)	Vacancy Rate
1995	NA	0.86	10.0%
1996	NA	1.24	9.1%
1997	0.65	1.47	7.5%
1998	1.65	1.78	8.4%
1999	1.66	1.50	10.0%
2000	4.06	2.97	11.9%
2001	2.04	0.33	15.2%
2002	1.25	-1.83	20.5%
2003	0.28	-0.85	21.6%
2004	0.22	0.52	20.7%
Average	1.48	0.80	13.5%

Sources: *Outlook*, United Properties; Maxfield Research Inc.

Redevelopment Considerations

- Develop office space in later stages. Current office vacancy rates indicate there is a surplus of supply in the market.
- Access to Bassett Creek Valley is a constraint to the development of large scale office space. Because of its limited access from Interstates 94 and 394 and, to a certain extent, Downtown Minneapolis, large scale office space in the area would be at a competitive disadvantage to sites with better freeway access, limiting the market of office space users for the redevelopment area primarily to small office users that want to be located near to but not in the Downtown.
- There may be opportunities to attract office space users in Downtown looking for “satellite” offices close to their Downtown offices. If the office market recovers strongly in Downtown, office users may seek less expensive alternatives not in the Central Business District. While this represents an opportunity, it is something that will not occur in the immediate future.
- Access to office space in the area between I-394 and the railroads presents a particular problem. Depending on the total amount of commercial space (light industrial) southwest of Dunwoody Boulevard, this lack of access has the potential to cause traffic problems. If access issues could be improved, office/light industrial would be the best use and preferable to housing.

Retail

Market Conditions Analysis

The retail space market in the Twin Cities Metro Area has remained strong in recent years. In 2004, the market saw its first negative absorption since 1996, which was a direct result of Mervyn’s closing nine of its Twin Cities stores, accounting for 1.3 million square feet of retail space.

Recent trends in retail space in the Twin Cities Metro Area include:

- At least one retailer is recognizing the growing Downtown Minneapolis residential market. Lund grocery store will be opening two 12,000- to 18,000-square-foot stores in the Downtown Area in 2006. This may represent a trend that will eventually spill into the Bassett Creek Valley.
- There may be an opportunity to develop smaller groceries in the area once the population increases sufficiently to support this type of use. At this time, there is not sufficient household base in the area to support a food market.
- Capitalizing on critical locations, several mid-sized retailers are converting existing office and industrial space to retail. This fact shows the strength of this market relative to the office market.

**TABLE 6
RETAIL SPACE
TWIN CITIES METRO AREA
1995-2004**

<u>Year</u>	<u>Construction (millions of s.f.)</u>	<u>Absorption (millions of s.f.)</u>	<u>Vacancy Rate</u>
1995	0.65	0.06	8.9%
1996	1.80	-0.21	9.0%
1997	1.85	2.17	7.6%
1998	0.90	1.62	5.4%
1999	1.01	0.41	6.9%
2000	1.56	1.73	5.1%
2001	1.80	1.40	6.8%
2002	2.05	3.00	4.5%
2003	2.23	1.94	5.0%
2004	1.33	-0.05	7.8%
Average	1.52	1.21	6.7%

Sources: *Outlook*, United Properties; Maxfield Research Inc.

A quick survey of lease rates for retail in the area found rates ranging from a low of \$8 per square foot to a high of \$13 per square foot, with Common Area Maintenance charges ranging from \$2 to \$5 per square foot, and taxes ranging from \$3 to \$4 per square foot. The new retail project at 2320 Broadway Avenue West is charging \$13 per square foot with \$5 Common Area Maintenance.

Preliminary Projected Demand and Lease Rates

- While we believe the retail market in the Twin Cities is strong, accessibility factors and traffic counts will limit the types of retail at the Bassett Creek Valley Area to neighborhood and specialty/destination retail.
- As shown in Table 6, the Twin Cities Market Area has absorbed an average of 1.2 million square feet of retail space per year. Based on this number and adjusting the proportion of this total which would be neighborhood and specialty/destination retail, we believe the Bassett Creek Valley Area can support between **22,500 and 45,000 square feet of additional retail space between 2050 and 2010.**
- Projecting these figures out to 2020, we believe the project can support between 67,500 and 135,000 square feet of additional office space between 2005 and 2020.
- The Site should be able to support lease rates of between \$12 and \$18 per square foot (in 2005 prices) for a varying hierarchy of retail uses. Retail uses will however require a more substantial housing base in order to support interest from retailers in locating to this area.

Redevelopment Concepts

Specialty and Neighborhood Retail:

- Focus on attracting specialty retail. We believe the most appropriate retail along Glenwood Avenue will consist of primarily of specialty retail, those retailers selling goods for

which shoppers expend the greatest effort and for which there is little competition (unique goods or items for which there are few substitutes or alternatives). Initial retail offerings should be an extension of the offerings at IMS, building a larger base of design and home furnishings businesses in the area.

- The area will also be able to attract some neighborhood retail, but not until there is more of a housing base developed. These retailers serve the day-to-day shopping needs of surrounding neighborhoods within a one- to two-mile radius. Uses that fall into this category include coffee shop, dry cleaners, small cafes and restaurants. Initially, it may be necessary to utilize creative financing or support to encourage small retail in this area until the housing base is sufficient to support these uses on its own.

International Market Square:

- Build off of existing businesses at International Market Square. We believe this resource creates an opportunity to create a design and home furnishing district, with designers, wholesalers, and small retailers locating in the area. These types of businesses should be attracted to retail opportunities at the Site.
- Early phases of retail development should begin near International Market Square and move west along Glenwood Avenue. This is the most logical place for early phases of retail to begin.

Farmers' Market:

- Take advantage of Farmers' Market, whether or not it is moved from its existing location. If the market does not move, it still has the potential to spin off businesses along Glenwood that may attempt to target the same market. Such retailers might include small restaurants and specialty grocery stores.

-
- Relocation of the Farmers' Market presents an excellent opportunity for the entire area. It is appropriate that all of the Concept plans include potential space for the Farmers' Market. We believe it is an important asset to the neighborhood and City and that it could perform much better than it currently does in a new location.
 - Expand the Farmers' Market. We believe a new location has the potential to greatly expand the size and number of vendors at the Farmers' Market, creating a more regional market and drawing a larger group of customers.
 - Design a facility that will allow outdoor usage in the summer months and indoor usage in the winter months. Such a facility would allow the market to be open year round, improving the size of their market and the viability of retail along Glenwood Avenue. St. Paul's Farmers' Market will have an indoor facility completed by 2006.
 - Connect Farmer's Market to Glenwood Avenue. Of the three Concepts, Concepts B and C are favorable because they connect the Farmers' Market to Glenwood Avenue. This connection would enhance neighborhood retail along this corridor.
 - Locating the Farmers' Market near a park or some other green space will enhance the customer experience of visiting the Market. Locating the Market close to Glenwood Avenue will create the best synergies for development of other neighborhood retail space. However, siting the Market close to Bryn Mawr Meadows may allow for more visitor use of the Park area in conjunction with the Farmer's Market such as special events that could be coordinated with the operation of the Market.



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Basset Creek Valley Planning Calculations		Housing Calculations		
Spreadsheet developed by Central Community Housing Trust for the Basset Creek Valley planning project ROC				
Calculation Version Enter Version # or Description				
Allowable Deviation % 10.00%		Neighborhood	Minimum	Maximum
Total Projected Units		Targets/Projections		
Total Acres for Housing, estimated		5,000	4,500	5,500
Projected Units/Acre		120		
Projected Units/Acre		42		
Rental Housing Units				
Affordability at or below 30% MMI	% of total units: 37.5%	1,875	1,688	2,063
Affordability at or below 50% MMI	% of rental units: 10.0%	188	169	206
Affordability at or below 80% MMI	% of rental units: 20.0%	375	338	413
Affordability above 80% MMI	% of rental units: 20.0%	375	338	413
Affordability above 80% MMI	% of rental units: 50.0%	938	844	1,031
Ownership Housing Units				
Affordability at or below 50% MMI	% of total units: 62.5%	3,125	2,813	3,438
Affordability at or below 80% MMI	% of ownership units: 20.0%	625	563	688
Affordability above 80% MMI	% of ownership units: 30.0%	938	844	1,031
Affordability above 80% MMI	% of ownership units: 50.0%	1,563	1,406	1,719
Estimated Affordable Rental Housing Capital Costs (present \$s)		Totals	Est. Years: 20	
Average per Unit Cost (variety of sizes, from efficiencies to 4-BRs) See Note 1		220,000	Per Year	Per Unit
Total Rental Units Affordable at or below 50% AMI		563	28	
Total Cost for Units serving <50% AMI households		123,750,000	6,187,500	
Estimated D.S. Mortgage/Loans (private & public) 12.3%		15,221,123	761,056	27,060
Estimated Private Investment (LIHTC, other) 47.0%		58,162,500	2,908,125	103,400
Estimated Public (City, State, County, MC, TIF, etc.) dollars 40.7%		50,366,377	2,518,319	89,540
Potential Estimated LIHTC 9% Credit Allocation Amounts		6,462,500	323,125	
Years required if LIHTC per year average is: 750,000		8.6 years		
Total Rental Units Affordable at or below 80% MMI		375	19	
Total Cost for Units serving <80% AMI households		82,500,000	4,125,000	
Estimated D.S. Mortgage/Loans (private & public) 41.8%		34,517,643	1,725,882	92,047
Estimated Private Investment 13.9%		11,488,889	574,444	20,425
Estimated Public (City, State, County, MC, TIF, etc.) dollars 44.2%		36,493,468	1,824,673	64,877
Total Estimated Affordable Rental Housing Cost		206,250,000	10,312,500	
Affordable Homeownership				
Subsidy for 50% AMI units		50,000,000	2,500,000	80,000
Subsidy for 80% AMI units		56,250,000	2,812,500	60,000
		106,250,000	5,312,500	
<p>Note 1. This spreadsheet is for broad preliminary planning only. More detailed analysis must be done as plans and projects move forward.</p> <p>Note 2. Costs do NOT include infrastructure costs (streets, parks, greenways, lighting, sewers, water mains, etc.)</p> <p>Note 3. Costs and projected sources are <u>estimates</u> only, based upon other projects, historical data, and many, many variables.</p> <p>Note 4. All projected amounts are in today's dollars; inflation will increase the actual costs, and ideally, the sources as well.</p> <p>Note 5. Although the spreadsheet shows average production per year, real projects may actually close/construct several year's average in one year.</p> <p>Note 6. Goals can be set so unit types in all phases of multi-phase initiative are within a certain goal threshold %.</p>				
© Central Community Housing Trust of Minneapolis		Use except as authorized by CCHT is prohibited.		

The Redevelopment Oversight Committee (ROC) enlisted the resources of the Central Community Housing Trust (CCHT) in Minneapolis to estimate goals for accommodating opportunities for affordable housing within the redevelopment area. The table illustrates the calculations used by CCHT to establish these estimates.



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Harrison Neighborhood Guiding Principles for the Redevelopment of the Bassett Creek Valley

Guiding Principles for the redevelopment of the Bassett Creek Valley (BCV): voted on at a Harrison Neighborhood Community meeting February 28, 2005 and voted and adopted by the Harrison Neighborhood Association Board of Directors on March 14, 2005 and voted and adopted by the BCV Redevelopment Oversight Committee (ROC) on September 13, 2005.

We support redevelopment that does the following:

*Overarching Guiding Principle: We, the people of Harrison, view the redevelopment of the BCV as an opportunity to **improve the lives of the people who currently live and work in the Harrison Neighborhood.** We will not support redevelopment which does not benefit the existing community. Sixty-six percent of us are people of color; sixty-three percent of our children live in poverty; and nearly a quarter of us speak a language other than English at home.*

RESIDENTIAL/HOUSING

Redevelopment shall:

- Preserve and improve existing housing in the BCV area while safeguarding against displacement and gentrification.
- Create a wide variety of new housing options – both single family and multi-family, both ownership and rental – at a mix of affordability levels to meet the housing needs of future – but especially current – residents.

ECONOMIC

- Provide long- and short-term living wage jobs for area residents.
- Create work opportunities and resources for existing businesses in Harrison, with an emphasis on those that are minority- and female-owned.

- Establish links between educations/job training resources and neighborhood residents, including youth, to enhance employment opportunities.
- Set minority and female construction participation goals above City minimums; provide for the necessary outreach to attain these goals.

ENVIRONMENT

- Improve the air, water and land quality with the Bassett Creek Valley. This is to be achieved through permitting, monitoring and regulation all industrial pollution in the BCV; this is also to be achieved through incorporating green space in to each industrial site in a way that reduces run-off, pollution and litter.
- Increase public access to new and existing green spaces within the BCV and adjacent areas by creating north and south open space corridors.
- Project the ecological integrity of the creek and surrounding wildlife habitat by restoring Bassett’s Creek to a more natural and meandering route.
- Use green building materials made with safe building materials.

QUALITY OF LIFE/COMMUNITY

- Address the basic retail and service needs of the people who live and work in and around the Harrison Neighborhood.
- Support HNA in creating a “sense of place” in the Bassett Creek Valley and within the larger neighborhood that reaches across culture and economic classes.
- Create designs that are pedestrian friendly and fully accessible – that inhibit crime and improve the sense of safety.
- Improve linkages to other parts of the city and surrounding areas.



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August 8, 2006

Bassett Creek Valley
Redevelopment Oversight Committee
c/o 404 Thomas Avenue South
Minneapolis, MN 55405

Dear BCV Redevelopment Oversight Committee Members:

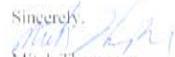
The Harrison Neighborhood Association is the officially recognized Citizen Participation organization representing the Harrison neighborhood which consists of 4,156 people: 39% of the residents are African American, 27% are Southeast Asian (Hmong and Lao) and 25% are of European decent. It is important to note that 37% of those in Harrison are under the age of 18, and of those, 63% live in poverty. The annual median household income for a family is a mere \$21,314.

We are very hopeful that the future redevelopment of Bassett Creek Valley will provide the needed opportunities to **reduce poverty and racial disparities** in North Minneapolis. The Harrison Neighborhood Association Board of Director's, on April 10, 2006, voted to support the revised Land Use Masterplan for Bassett Creek Valley contingent on a good-faith negotiation and acceptance of a Community Benefits Agreement. We are very excited that Ryan Companies has agreed in writing to negotiate with community stakeholders a detailed Community Benefits Agreement that clearly defines direct and concrete benefits to residents in both neighborhoods.

The approved revised Master Plan and future Community Benefits Agreements are important steps in helping the Harrison Neighborhood Association achieve its vision which is to create a prosperous and peaceful community that equitably benefits all of Harrison neighborhood's diverse racial, cultural, and economic groups and support the poverty reduction efforts of the federally designated Minneapolis Empowerment Zone which encompasses all of Bassett Creek Valley.

We want to thank all the community members that have provided input, various stakeholders, Ryan Companies, and City staff who have helped develop and guide the Master Plan to this point.

Sincerely,


Mitch Thompson
Board President

503 Irving Avenue North, Minneapolis, MN 55405 or 612-374-4849, f: 612-374-9777
www.lmnapls.org



Bryn Mawr Neighborhood Association
(BMNA)
C/o 404 Thomas Avenue South
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Tel: 612-374-1481
Email: vyditter@vyditter.cnc.net

March 8, 2006

To the: Bassett Creek Valley Redevelopment Oversight Committee
(ROC)

Re: The Bassett Creek Valley Redevelopment Plan

The Bryn Mawr Neighborhood Association, at its March 8th, 2006 Board meeting, voted to support the Bassett Creek Valley Redevelopment Plan, which also includes recommending Ryan Companies as exclusive developer for a time certain period for city lands within the Bassett Creek Valley Project Area. The BMNA is pleased to bring the plan to the attention of its City Council Member, Lisa Goodman and the City Council.

The Bryn Mawr Neighborhood Association has 4 representatives on the Bassett Creek Valley Redevelopment Oversight Committee who have kept the Board apprised of the Redevelopment Plan as plan components were determined. Residents of Bryn Mawr and members of the BMNA have, in large numbers, attended the four ROC public meetings and provided feedback directly to ROC and its development consulting team. Issues of concern to this neighborhood have been addressed as the Redevelopment Plan was formed.

The Redevelopment Plan is the direct outcome of 18 months of research, expert advice, public comment, and synergistic discussions between three diverse communities – Bryn Mawr, Harrison Neighborhood and the Bassett Creek Valley businesses. It supports and builds upon the City's Comprehensive Plan. When implemented, it will rejuvenate a segment of the City of Minneapolis; making it into a welcoming western gateway for the city; adding its 250 acres as an income producing part of the City; and creating a vibrant community where living wage jobs can be secured and into which families would wish to relocate.

The BMNA is pleased to have been a part of the Redevelopment Plan effort and hopes that its implementation will be happen sooner rather than later.

Kevin Thompson, President
Bryn Mawr Neighborhood Association

Cc: CM Lisa Goodman
Rep. Margaret Anderson Kelliher
Sen. Scott Dibble
County Commissioner Mark Stenglein
County Commissioner Gail Dorfman
MPRB Commissioner Tracy Nordstrom
MPRB Commissioner Mary Merrill Anderson
MPRB Commissioner Annie Young
MPRB Commissioner Tom Nordyke