

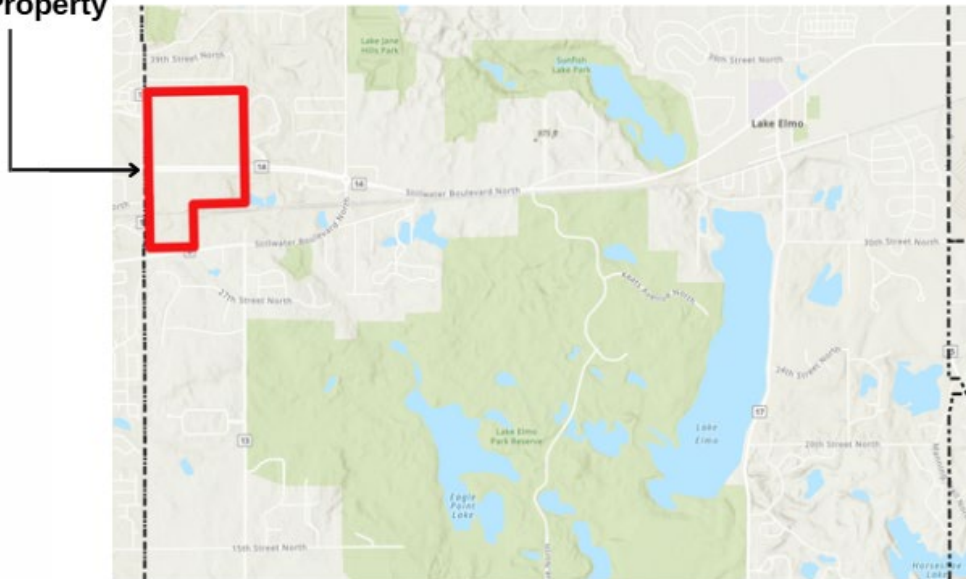
TO: City Council
FROM: Ashley Monterusso, City Planner
 Jason Stopa, Community Development Director
AGENDA ITEM: TAP Proposal for City Owned 180 acres

CORE STRATEGIES:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Vibrant, inclusive, connected community | <input type="checkbox"/> Efficient, reliable, innovative services |
| <input type="checkbox"/> Responsive, transparent, adaptive governance | <input type="checkbox"/> Balanced Finances now and future |
| <input checked="" type="checkbox"/> Managed Growth | <input checked="" type="checkbox"/> Resilient Infrastructure |

BACKGROUND

City Property



The city currently holds 180 acres of land near Ideal St. and 34th St. The city previously issued an RFP for this land but did not have success. Creating a plan to develop the City owned 180 acres to issue an RFP is a part of the 2025 EDA Workplan.

Megan Flanagan presented on the benefits of a Technical Assistance Panel (TAP) offered by the Urban Land Institute at the EDA meeting on February 4, 2025 and came back with a proposal on March 15, 2025. Two options were presented on. Option 1 is for a 1.5 day scope of work that costs \$17,500 and Option 2 is for 2.5 days and costs \$35,000.

Staff has been in communication with the Washington County Community Development Agency regarding Predevelopment Finance Funds (grant funds) to assist in paying for the TAP. Staff will continue to explore this further if City Council approves a proposal from ULI for the TAP.

The EDA recommended City Council approve a 2.5-day TAP for the City owned 180-acres at their meeting on April 15, 2025.

Additional Information from the ULI:

Technical Assistance Panels (TAPs) bring an unbiased, interdisciplinary and market-based perspective to your specific development/land use challenge or policy issue. TAPs provide an unbiased, interdisciplinary panel of volunteer real estate professionals who address a specific project, development or policy issue.

ULI Minnesota will assemble a panel of high-level land use and real estate professionals specifically selected for their expertise relating to the TAP assignment. The panel can tell you what kinds of development you can realistically expect and what tools you might use to attract the development you want.

The workshop is preceded by analysis of background information provided by the sponsor, planning sessions, community interviews, and site tours. The panel's findings and recommendations are documented in a written report. Length of TAP is negotiated based on need.

Why Host a TAP?

- City could benefit from an outside private market perspective.
- Completing a TAP may provide market specifics to make the project more feasible.
- City may find it easier to secure regulatory approvals and/or attract capital, as it will have the TAP report as a reference.

ISSUE BEFORE THE COMMISSION:

Should the City Council approve the 2.5-day TAP proposal from the ULI for the City owned 180 acres?

OPTIONS:

1. Approve the 2.5-day TAP proposal from the ULI
2. Discuss the TAP proposal further and table
3. Do not approve the 2.5-day TAP proposal from the ULI

RECOMMENDED MOTION:

“Motion to approve the 2.5-day proposal from ULI for a TAP for the City owned 180 acres.”

ATTACHMENTS:

- ULI previous presentation slides
- TAP proposal and worksheet
- ULI Option Comparison



Technical Assistance Panel

PRESENTED BY **ULI MINNESOTA**

Proposal to the City of Lake Elmo

The Urban Land Institute (ULI) Minnesota is pleased to submit this proposal to the City of Lake Elmo to conduct a Technical Assistance Panel (TAP) for the 180-acre study site.

ULI Minnesota's Technical Assistance Panels provide objective and expert advice on complex land use, development, and policy issues. This TAP will bring together a multi-disciplinary team of real estate and land use experts to address key questions posed by the city regarding the future of this significant property.

The City of Lake Elmo seeks guidance on several critical issues related to the site. Specifically, the City has identified the need to understand what land uses would generate the most property tax and the financial feasibility of various development options. Furthermore, the city is interested in the pros and cons of dividing the site versus selling it as one property and whether a phased development strategy would be advantageous.

This TAP will offer an objective analysis of these key questions, providing actionable recommendations to the City. The panel will also address broader development trends relevant to comparable properties, ensuring that the city's decision-making is informed by the latest market insights. By leveraging ULI's extensive network of real estate professionals and best practices, this TAP will deliver significant value to the City.

ULI Minnesota has a strong track record of conducting successful TAPs, with over 20 completed in the past 15 years. Our panels are composed of experienced real estate leaders who volunteer their time and expertise to help communities address pressing challenges. We are confident that this TAP process will provide Lake Elmo with a clear path forward for the site, aligning with the City's goals and objectives.

ULI Minnesota Contact: Megan Flanagan, Executive Director

megan.flanagan@uli.org

773.791.3662

Option 1: 1.5 Days – Scope of Work

ULI Minnesota responsibilities:

- Facilitate a steering committee (to include representatives from the City) to plan the TAP and recruit panelists.
- Identify and recruit a panel of 4-6 cross-sector local industry professionals who will address the City's questions at a workshop and respond to the City with its findings and recommendations.
- Pursue panel work in the manner described below.
- Following the conclusion of the panel, prepare a summary report within two months containing its findings and recommendations. ([Report from a recent 1.5 day TAP.](#))
- After completion of the final report, present the report and its findings to the City's elected and appointed officials and staff.

Sponsor responsibilities:

- Working with the steering committee, select questions for the panel to address (2-3).
- Provide meeting facilities for the panel.
- Prepare study area maps and briefing materials in advance of the TAP. ULI will assist in assembling materials for dissemination to panelists.
- Confirm contact list of community leaders and local stakeholders to be interviewed by the panel; assist in recruiting stakeholders for interviews.
- Host a tour and reception or dinner for panelists, ULI staff and others deemed appropriate by the Sponsor.
- Be available for panel questions, if necessary, during the panel closed session discussions.
- Provide breakfast and lunch on the day of the workshop for the panelists.
- Brief the panel at the start of the workshop.

Sample Agenda:

Day 1 (afternoon):

Panel dinner and tour – the Sponsor will host a reception and site tour for the panelists, ULI staff and others. During this time, the Sponsor will present background information and other relevant information for the panel.

Day 2:

8:00am-8:30am – Breakfast and final briefing by sponsor

8:30am-10:30am – Stakeholder interviews

10:30am-Noon: TAP (closed session) – Panel will convene to review key site issues and develop draft recommendations.

Noon-1pm: working lunch for panel

1pm-4pm: TAP (closed session) – Panel reconvenes, finalizes recommendations

4pm-5pm: Presentation of the panel’s preliminary recommendations – interactive discussion with City staff regarding preliminary findings and recommendations.

Option for a presentation to City Councils others at a regularly scheduled or special meeting or work session, either the end of the 2nd day or in weeks after the panel.

Investment: \$17,500 plus meal expenses

Option 2: 2.5 Days – Scope of Work

ULI Minnesota responsibilities:

- Facilitate a steering committee (to include representatives from the City) to plan the TAP and recruit panelists.
- Identify and recruit a panel of 6-9 cross-sector industry professionals who will address the City's questions at a workshop and respond to the City with its findings and recommendations. Up to 2 panelists may come from outside the Minnesota area, if need for outside expertise is identified.
- Pursue panel work in the manner described below.
- Present a preliminary report of findings and recommendations at the end of the panel; the steering committee will determine whether this is public or internal to City personnel.
- Following the conclusion of the panel, prepare an in-depth report within three months containing its findings and recommendations. ([Report from a recent 2.5 day TAP.](#))
- After completion of the final report, make a public presentation of the findings and recommendations, if requested.

Sponsor responsibilities:

- Working with the steering committee, select questions for the panel to address (3-5).
- Provide meeting facilities for the panel and facilities for public presentations.
- Prepare study area maps and briefing materials in advance of the TAP. ULI will assist in assembling materials for dissemination to panelists.
- Confirm contact list of community leaders and local stakeholders to be interviewed by the panel; assist in recruiting stakeholders for interviews.
- Host a tour and reception or dinner for panelists, ULI staff and others deemed appropriate by the Sponsor.
- Be available for panel questions, if necessary, during the panel closed session discussions.
- Provide breakfasts and lunches on the days of the workshop for the panelists.
- Brief the panel at the start of the workshop.

Sample Agenda:

Day 1 (begins afternoon):

- Meet and greet – panel, City staff, steering committee
- Tour of study site
- Dinner or reception

Day 2:

7:30am-8:30am: Breakfast, chairs review process, expectations, and plans for the day

8:30am-9:30am: Sponsor presentation of study and introduction of issues

9:45am-Noon: Stakeholder interviews

Noon-1pm: Working lunch and debrief of stakeholder interviews

1:30pm-2:30pm: Stakeholder/specialty interviews

2:45pm-4:30pm: Panel working session (potential to break in to work groups)

4:30pm: Panel debrief, prep for next day

5:00pm: Adjourn for the day

Day 3:

7:30am: Breakfast and review plan for the day

8:00am: Work session – full panel

8:30–11:30am: Panel Working Groups

11:30am-1pm: Working Lunch

1:00–1:30pm: Chair(s) meet with City Staff to give update on recommendations

1:00-3pm: Panel Working Session (breakouts)

3-4pm: Rehearse presentation

4:30-6 pm: Presentation to Sponsors

6 pm: Panel Adjourns

Investment: \$35,000 plus meal expenses



Technical Assistance Panel

PRESENTED BY **ULI MINNESOTA**





ULI'S MISSION

Shape the future of the built environment for
transformative impact in communities worldwide.

Urban Land Institute

- ▶ A multi-disciplinary membership organization with more than 48,000 members in private enterprise and public service
- ▶ What the Urban Land Institute does:
 - ▶ Conducts **research**
 - ▶ Provides a forum for sharing of **best practices**
 - ▶ Writes, edits, and publishes **books** and **magazines**
 - ▶ Organizes and conducts **meetings**
 - ▶ Directs **outreach programs**
 - ▶ Conducts **Technical Assistance Panels (TAPs)** and **Advisory Service Panels (ASPs)**

ABC RAMPS TAP

A ULI Minnesota Technical Assistance Panel for Minnesota Department of Transportation

April 15-17, 2019

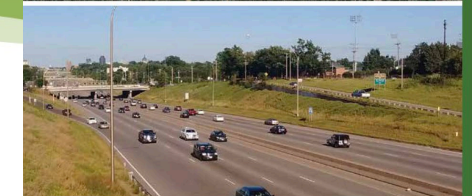


ADVISORY

Services Panel Report

St. Paul Minnesota

March 18-23, 2018



Urban Land Institute



LITTLE CANADA RICE STREET CORRIDOR

A ULI Minnesota Technical Assistance Panel for the City of Little Canada, Minnesota

June 4 & 5, 2024

minnesota.uli.org

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What is a Technical Assistance Panel?

ULI MN conducts Technical Assistance Panels (TAPs) at the request of a community or public agency to provide an unbiased, interdisciplinary panel of volunteer real estate professionals who address a specific project, development or policy issue.

The design of the Advisory Services program is highly immersive and experiential so that panelists can truly understand a community before making recommendations to advance its needs. By bringing together national and local experts, Technical Assistance Panels (TAPs) bring the benefits of lessons from other communities facing similar challenges around the country while still maintaining a grounding in the local context. TAPs include emphasis on three important areas: engagement with the sponsor, engagement with the community, and an expert deliberative process.

ULI Minnesota Relevant Experience

ULI Minnesota has conducted more than 20 TAPs over the past 15 years, with over 120 real estate leaders bringing their time and talent to address pressing challenges facing communities.

These TAPs are supported by our robust network of Advisory Services work, including Navigating Your Competitive Future Panels, Urban Plan for Public Officials, workshops, and training sessions for municipal officials and staff, and senior leadership councils on a range of topics.

With the assistance of the ULI Minnesota TAP, the City has been able to move forward on a key redevelopment project that expands rental housing options for residents. The TAP provided immeasurable assistance and was vital in guiding the strategic directions for the property. – Mayor Sandra Martin, City of Shoreview

Thank you all for being there, it exceeded our expectations exponentially!! Such a great group of amazing experts who really dug into our questions! – Corrin Wendell, City of Little Canada

Pre-Panel Process

1. The Sponsor engages ULI Minnesota to provide insight on a land use or policy challenge.
2. ULI Staff recruits Chair(s) from membership.
3. A Steering Committee of Sponsor Staff, ULI Staff, Chair(s), and potential other key stakeholders begins planning the panel, including finalizing 3-4 key questions for the panelists to consider.

Sponsor Responsibilities

- Working as part of Steering Committee to define the scope of work and questions for the panel to address
- Providing meeting facilities for the panel
- Preparing study area maps and briefing materials in advance of the TAP
- Preparing list of local stakeholders to be interviewed by the TAP panel
- Leading a tour of the study area
- Hosting a reception on the first day and providing breakfast and lunch for the panel during work days
- Conducting a briefing at the beginning of the panel
- Being available for panel questions, if necessary, during the closed-session discussions
- Attending presentation to review preliminary recommendations
- Reviewing and commenting on draft panel report

Steering Committee Responsibilities

- Defining the scope of work and questions for the panel to address
- Identifying, vetting, and recruiting potential panelists, ensuring a diverse range of perspectives and expertise
- Providing recommendations on materials to include in the briefing book
- Providing recommendations for stakeholders to include in the interviews; assisting with outreach to the identified stakeholders
- Assisting with planning and logistics
- Attending presentation to review preliminary recommendations

Chair Responsibilities

- Reviewing and providing input on TAP agenda and work plan prepared by ULI MN staff
- Leading the discussion at pre-TAP conference calls and/or meetings with the Sponsor
- Reviewing briefing book materials before they are distributed to the panel
- At receptions or dinners, speaking on behalf of ULI MN, introducing panelists and describing the TAP assignment.
- During the TAP:
 - Convening the TAP and describing its objectives
 - Guiding the work and discussions of work teams
 - Emphasizing the need for the panel to focus on the questions posed by the sponsor
 - Leading the discussion regarding the preparation of materials for the post-TAP presentation
- Reviewing the first draft TAP report and providing edits and recommendations; further reviewing the second draft and signing off on the final report
- Leading the formal presentation of the panel's final report and recommendations to the TAP sponsor

Panelist Responsibilities

- Fully committing time and attention to the panel, attending all sessions and actively participating
- Reviewing background materials in advance of the panel and asking clarifying question if needed
- Conducting interviews with stakeholders, recording insights, and maintaining confidentiality
- Participating in deliberations, formulating recommendations, and preparing the materials for the presentation to the sponsor. This can include providing drawings, sourcing images, illustrative examples, and data, and compiling the slide deck.
- Reviewing the second draft TAP report and providing recommendations
- Participating in presentations of the recommendations as the chair requests

ULI Staff Responsibilities

- Scheduling and participating in preparatory meetings, including steering committee, meetings with Sponsor, and advance panelist meetings
- Working with the panel chair(s) to plan the agenda for the TAP
- Working with the Sponsor to ensure that adequate space is reserved and communicating the required technology needs
- Compiling the briefing book materials into a user-friendly format for the panelists
- Assigning staff roles and engaging contractors as needed (project management, technical writing, etc)
- Securing permissions for illustrative images
- Inviting stakeholders to participate in interviews and scheduling them
- Securing reimbursement for panelist expenses
- Handling contracts and invoices
- Publishing the finalized report to ULI Knowledge Finder and arranging for distribution
- Scheduling a follow-up interview one year after the TAP's completion

Process

- Panel reviews briefing materials in advance
- Tour of study site
- Conversations at reception
- Sponsor presentation to panel
- Stakeholder interviews
- Panel recommendations
- Presentation & written report



Example Slides from Recent Report



TAP Overall Guiding Principles

- ▶ Use City-owned sites as catalysts for surrounding properties.
- ▶ Prioritize improved pedestrian connectivity from each site to nearby amenities and residences for a safe and walkable environment.
- ▶ Establish an identity or long-term vision that is emblematic of the character of the community including branding, tagline, and visual cues.
- ▶ Capture activity on each site that supports the local economy, including but not limited to, tax base, diverse commercial services, and increased households.

Housing Rent Viability

Multifamily Cost Analysis

Land Price per Unit		20,000
Cost of Construction		250,000
Total Cost Basis		270,000
Expected Profit Margin	20%	54,000
Total Basis		324,000

Sample Townhome Sales

304 Manitoba	355,000
2786 Quebec	403,000

Apartment Income Analysis

Expected Return on Cost	7%
Required Rent per Unit	22,680
Per month	1,890
Average Rent PSF Required	2.91

Current Market Rents

Ansel Rents	2.73
McMillan Rents	2.28
Bujold Projected New Rents	2.00

Townhomes and Income Restricted Units Funded by Bonds are Most Viable

0 First Bank Drive - Site Activation Pilot Examples



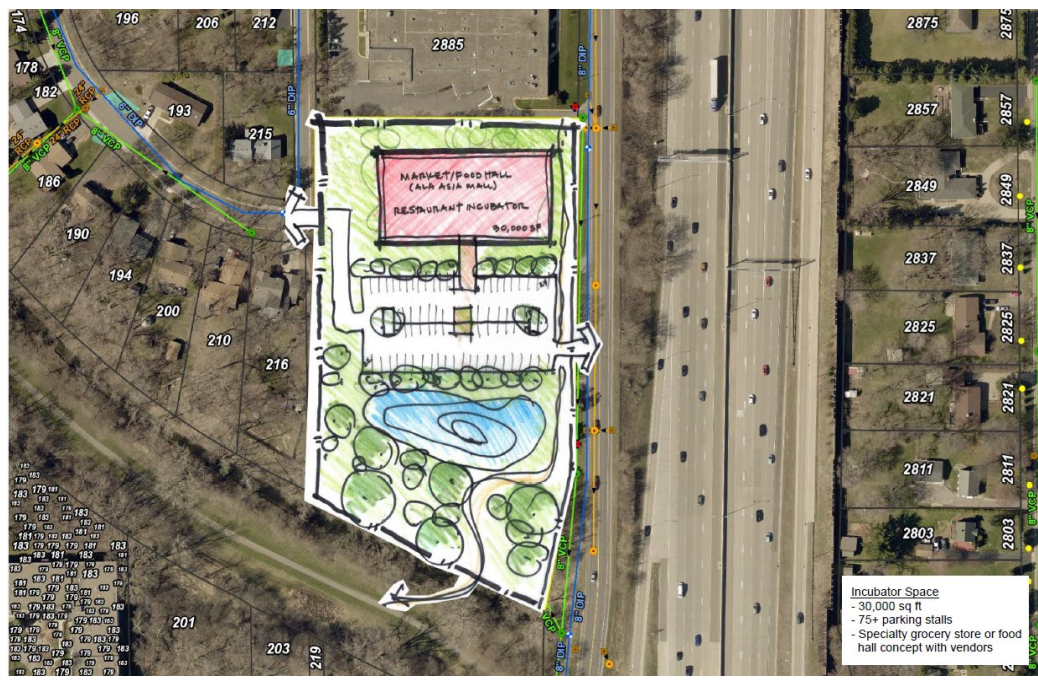
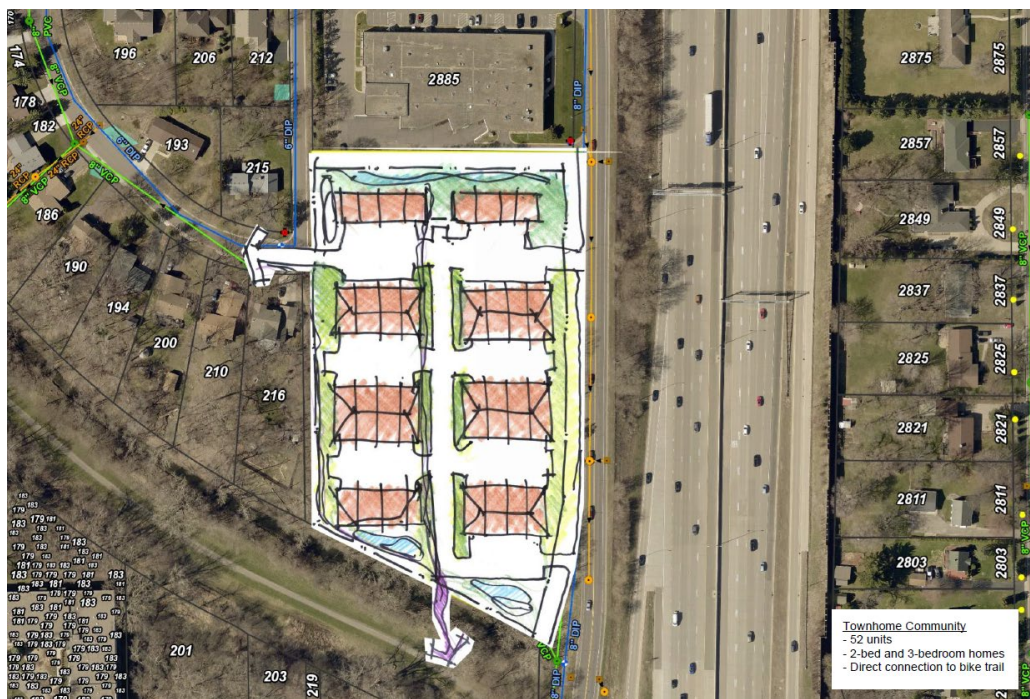
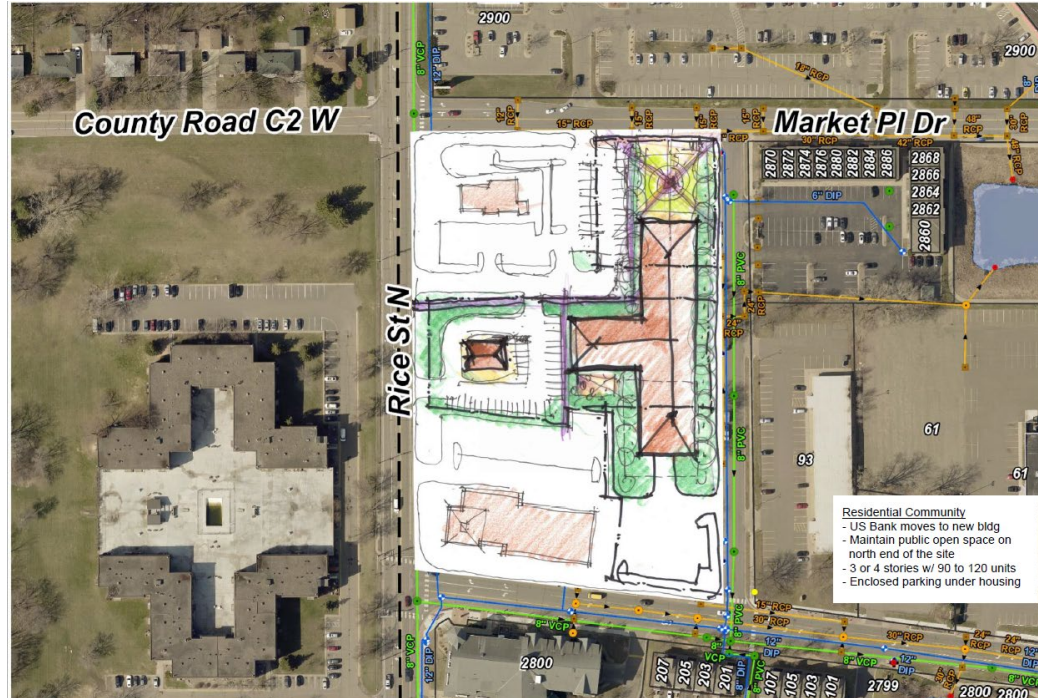
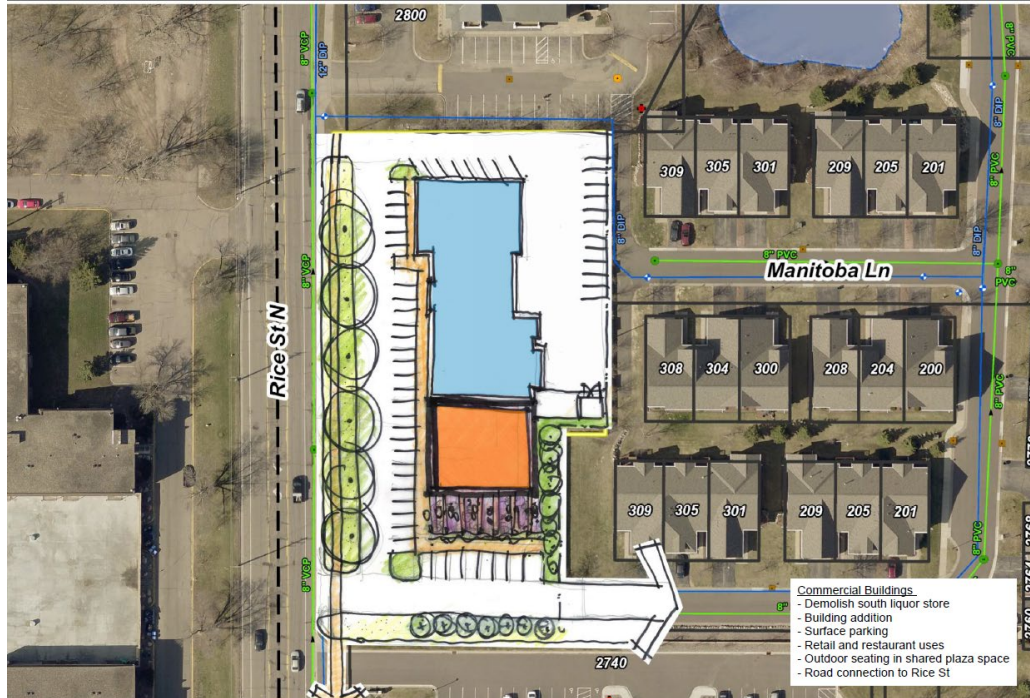
Pop ups at Central Station, St. Paul

Winter Market at Lyndale Gardens, Richfield

Both activations took place on formerly vacant sites

Activation Example: Texa-Tonka (St. Louis Park)





2828 Rice Street: Key Takeaways

- ▶ 3-5 years
 - ▶ Hold on to site until Rice is reconstructed
 - ▶ Get into use agreement with next door building to use the site, may lead to sale
- ▶ 5-10 years
 - ▶ Try to sell after Rice gets reconstructed
 - ▶ Negotiate with new developer for higher and better use of liquor store site
 - ▶ Future development is likely focused on commercial

Prioritize Placemaking and Walkability

- ▶ Create design workbook with standards for the public realm to guide new private development along Rice Street and Little Canada Road
 - Streetlights
 - Sidewalks and landscape buffer (all new projects should be required to put in sidewalks and landscape buffer) along right of way and to any buildings that are set back from the street
 - Street furniture
 - Trash facilities
 - Building façades

Next Steps

- ▶ Create Station Area/Small-Area Plan for the Town Center
 - ▶ Focus on public realm and programming improvements and relationship to development potential
 - ▶ Design BRT station-area
 - ▶ Develop public-private partnership framework – i.e. what the City is able to offer to a private developer to achieve the development it wants to see
- ▶ Develop design standards for Rice Street and Little Canada Road
- ▶ Develop Small-Area Plan for 2828 Condit Site
 - ▶ Reconsider traffic engineering
 - ▶ Create framework for public realm improvements
 - ▶ Develop public-private partnership framework

Investment

- ▶ Starts at \$17,500, depending on project scope
- ▶ Factors include length of panel, number of panelists, local versus out of market panelists
- ▶ Panels are usually 1.5 – 3 days, though can be up to 5 days

Q&A

ULI - Comparison of Options

1.5 Days - Panelists

- Identify and recruit a panel of 4-6 cross-sector local industry professionals who will address the City's questions at a workshop and respond to the City with its findings and recommendations.

1.5 Days - Reports

- Following the conclusion of the panel, prepare a summary report within two months containing its findings and recommendations. (Report from a recent 1.5 day TAP.)
After completion of the final report, present the report and its findings to the City's elected and appointed officials and staff.

1.5 Days- Questions

- Working with the steering committee, select questions for the panel to address (2-3)

2.5 Days - Panelists

- Identify and recruit a panel of 6-9 cross-sector industry professionals who will address the City's questions at a workshop and respond to the City with its findings and recommendations. Up to 2 panelists may come from outside the Minnesota area, if need for outside expertise is identified.

2.5 Days - Reports

- Present a preliminary report of findings and recommendations at the end of the panel; the steering committee will determine whether this is public or internal to City personnel.
- Following the conclusion of the panel, prepare an in-depth report within three months containing its findings and recommendations. (Report from a recent 2.5 day TAP.)
- After completion of the final report, make a public presentation of the findings and recommendations, if requested.

2.5 Days – Questions

- Working with the steering committee, select questions for the panel to address (3-5)

1.5 Days vs 2.5 Days – Agenda

Day 1 - Appears to be the same

Day 2 – 2.5 Days Adds

- Sponsor presentation of study and introduction of issues
- 2 more hours of stakeholder interviews
- 2-hour panel working session
- Day 3 – 2.5 Days Adds
 - 4 more hours for panel working groups
 - In general, more hours discussing questions
 - 30 more minutes for presentation to the sponsor