

## **Appendix 3      Financial Information, and Resources Available for Planning and Implementation**

### **City and MPRB resources during Phase 1 redevelopment planning**

During the coordinated planning process, the City and MPRB will assign appropriate staff people to work with the Master Developer throughout the process, e.g., to explore and evaluate redevelopment options, facilitate community engagement and formulate implementation plans.

The City and MPRB expect that during the planning process the Master Developer will be investing in a variety of activities, e.g., market research and preliminary development design. In recognition of this investment, both the City and MPRB plan to seek budget allocations that can be used during the process to allow the them to fund costs such as preliminary engineering and cost estimating that the two public parties would expect to incur as part of the planning.

### **Funding resources for implementation**

As noted in Section VI., the goal of the coordinated planning process is the formulation of a Coordinated Plan that is acceptable to all three parties and that also outlines a general implementation plan. As part of these discussions, the City and MPRB are willing to consider a number of options, including those outlined below.

#### City Resources

The City will explore, but cannot yet commit to, whether any City funds will be available to fund new infrastructure needs. However, the City is open to exploring the possibility of using [tax increment financing](#) to cover eligible infrastructure and other implementation costs. The City also is open to considering adjusting the land purchase price if the Master Developer agrees to complete infrastructure and/or other costs that typically would have been the City's responsibility. As noted elsewhere, the City expects to consider zoning changes that will accommodate the Coordinated Plan.

The City also has funding tools that may be helpful in financing the Phase 1 private development. These include the [Grow North program](#) to encourage job-intensive business development in North Minneapolis, [business loan programs](#) and [housing loan programs](#).

#### MPRB Resources

MPRB receives funding from various sources for its regional park system and is open to dedicating significant portions of that funding over a number of years to the construction of regional park capital improvements on the UHT site. The MPRB also is open to allowing a private "destination" to lease land within the park boundaries (i.e., on the river side of the parkway and potentially with direct access to the river). Finally, the MPRB acknowledges that if 10% of the total site is dedicated for park use (in accordance with Minneapolis Code of Ordinances, Sections 598.340 to 598.420 and Chapter 15 of the Park Board Code of Ordinances) at no cost to the MPRB, then the payment of a [parkland dedication fee](#) related to the private development will not be required.

### Possible Other Resources

The City and MPRB also are open to working with the Master Developer to pursue any grants and funding available from other parties for which the public and private aspects of the implementation might be eligible. Examples might include:

- [Brownfield remediation grants](#) from the State of Minnesota, Metropolitan Council and Hennepin County
- Infrastructure grants from the [EDA Public Works](#), [Minnesota DEED Redevelopment](#) and [Hennepin County EDIF](#) programs
- [Mississippi Watershed Management Organization stormwater management capital grants](#)
- [Minnesota Historical and Cultural Heritage Grants](#) for historic preservation and/or interpretation (as well as possible federal and state historic tax credits for historic preservation)
- [Minnesota bond-funded grants](#) for infrastructure, park site preparation and park improvements
- Private fundraising, perhaps with the assistance of nonprofits such as the [Minneapolis Parks Foundation](#) and [Friends of the Mississippi River](#)

### **2013 appraised value**

In 2013, the City of Minneapolis contracted for the completion of an appraisal to determine the fair market value of the UHT site. This appraisal found that the land was worth from \$7.65 per square foot (for business park redevelopment if the developer were responsible for dedicating land for public improvements and constructing those public improvements) to \$14.00 per square foot (for non-residential mixed-use development if the City retained responsibility for dedicating land for public improvements and constructing those public improvements).

At an appropriate point during the coordinated planning process, the City will secure an updated appraisal to inform discussions about appropriate land conveyance terms.