

City of Minneapolis
Request for Committee Action

To: Community Development & Regulatory Services
Date: 8/25/2015
From: Community Planning & Economic Development
Prepared by: Miles Mercer
Presented by: Miles Mercer
File type: Action
Subcategory: Contracts & Agreements

Subject:

Downtown East Commons Concept Design Approval and Implementation

Description:

- a) Approving the concept design for the Commons;
- b) Authorizing Green Minneapolis to undertake a fundraising campaign to support the design, construction and operation of the Commons;
- c) Authorizing agreement(s) with Green Minneapolis and Ryan Companies for construction of an initial phase of enhancements to the Commons consistent with the Concept Design; and
- d) Authorizing amendments to the existing loan and disbursement agreements for the Commons project consistent with this action.

Previous Actions:

July 19, 2013, the City Council authorized staff to negotiate term sheets consistent with the general conceptual framework for the broader Downtown East project. October 4, 2013, the City Council established a Park Committee to formulate a vision for the new green space. December 13, 2013, the City Council approved a term sheet with Ryan Companies and the Minnesota Sports Facilities Authority for the Downtown East project and adopted resolutions related to the financing. August 29, 2014, the City Council accepted a Pre-Development grant (LCDA-TOD) from the Met Council for design work of the Commons. December 11, 2014, the City Council approved a Memorandum of Understanding with the Minneapolis Park & Recreation Board providing for the conveyance and lease back of the Commons. January 16, 2015, the City Council authorized staff to enter into a contract with Hargreaves Associates for the design of the Downtown East Commons. April 3, 2015, the City Council authorized an amendment for continued project management services. June 5, 2015, the City Council authorized a contract for owner's representative services.

Ward/Neighborhood/Address:

Ward 3
Downtown East and Downtown West
425 Portland Ave S and 521 4th St S

Background/Analysis:

One component of the broader Downtown East project is the development of a green space on one and two-thirds of the blocks. This space is currently referred to as the "Downtown East Commons."

Earlier this year the City hired a landscape architectural team led by Hargreaves Associates to design improvements to the Commons. Over the following months, Hargreaves and the City team engaged the community and its project partners on use and design ideas for the space through surveys and public and targeted meetings. This engagement led to a concept design for the Commons that Hargreaves presented at a public meeting in late May.

Key features include a great lawn; program and garden zones; native Minnesota plantings; a natural landscape that encourages children to explore and play; an iconic water plaza and pavilion; a park support building; and vibrant, treed promenades. Together, these features provide a flexible framework, within which diverse programs and uses can occur.

Since May, Hargreaves and the City team have solicited comments and advanced the details of the design. Those details will be reviewed as part of the City's typical regulatory approval process. However, as the owner of the project, this action seeks City Council approval for the general design direction the concept design sets for the Commons.

To implement the design, the City is working with Ryan Companies on the build out of the Commons and with Green Minneapolis to fund those improvements. Under existing agreements, Ryan Companies is already obligated to clear the site and make basic site improvements prior to conveyance of the improved property to the City. The City is to acquire this improved property by July 1, 2016. Under the proposed approach, Ryan Companies would make further improvements to the property as designed by the Hargreaves team. Ryan will already be mobilized and completing demolition and construction work on the site and can cost-effectively incorporate additional scope. Ryan will complete this additional scope at no fee as a donation to the project. The schedule goal is to complete as much of the build out as possible by July 1, 2016 and minimize the amount of construction work needed after that date. The phasing, however, will be tied to the availability of funding.

Green Minneapolis is leading the philanthropic fundraising effort to pay for capital and a reserve for initial operating costs of the Commons. Green Minneapolis is a nonprofit conservancy formed by the Minneapolis Downtown Council to facilitate parks and greening downtown. On August 13 Green Minneapolis and the Commons' Fundraising Committee announced the first round of cash and in-kind commitments for the Commons totaling \$7 million. The City is funding \$2 million of this amount through approved contracts for design and project management costs. Green Minneapolis will distribute other available funds for the purpose of supporting the City and its obligations to construct and operate the Commons.

The City, Ryan, and Green Minneapolis will enter into one or more agreements and amend other existing agreements to develop the Commons in accordance with the attached term sheet. Staff intends to return to the City Council later with recommendations on operating arrangements for the Commons and, if sufficient funds have been raised through the capital campaign, a proposal for additional buildout of the Commons.

Financial Review:

No financial impact.

Funding for the interim enhancements construction work and a reserve for initial operating costs will come from the fundraising effort of Green Minneapolis. Staff will return to the City Council if any future appropriation requests are needed related to the project.

Attachments:

1. Downtown East Commons concept design images
2. Term sheet

