

## Request for Committee Action

**To:** Zoning & Planning  
**Referral to:** Community Development & Regulatory Services  
Transportation & Public Works  
**Date:** 9/15/2015  
**From:** Community Planning & Economic Development  
**Prepared by:** Haila Maze, CPED  
**Presented by:** Kjersti Monson and Haila Maze, CPED  
**File type:** Resolution  
**Subcategory:** Select a subcategory.

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**Subject:**

Resolution Supporting the Redevelopment of the University Avenue Innovation District

**Description:**

Approve resolution supporting the redevelopment of the University Avenue Innovation District

**Previous Actions:**

None

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**Ward/Neighborhood/Address:**

Ward 2  
Prospect Park-East River Road

**Background/Analysis:**

**Overview:**

Pursuant to a previous City Council action creating the Innovation District designation as a tool, attached is a draft City Council designating the first one of these districts (with an accompanying map).

The Innovation District concept has been developed through the ongoing planning efforts in the area around University Avenue SE, centering on the Prospect Park LRT Station Area but including other adjacent areas as well. In collaboration with the City's planning efforts in this area, a number of community partners have formed the Prospect North Partnership, which is working together to support redevelopment in the context of a sustainable and innovative district. As part of this ongoing process, the Prospect North Partnership has identified that designating an innovation district would assist in establishing an identity and standards for the redevelopment of the area.

Council Member Cam Gordon's office has taken the lead in bringing forward this resolution in support of this intent. The overall goal is to demonstrate how the City can work in this area to assist with the implementation of innovative concepts.

This resolution does not allocate additional City resources to an Innovation District, identify potential districts beyond the University Avenue one, or change any regulations impacting this area. Some conversations about these items are ongoing, but they haven't occurred to date.

Per staff direction at the August 11, 2015 CD&RS committee meeting, where this item was continued for two cycles, this RCA now has an additional background document providing more information on the financial implications of the plan and its relationship to identified City priorities.

**Purpose and Intent:**

The intent in developing an Innovation District designation is to acknowledge and plan for locations that would benefit from a district approach to redevelopment and supporting regional systems. Redevelopment in Minneapolis often takes place on an individual site basis, making it difficult to achieve district-level outcomes. The Innovation District structure provides a framework for those goals, and the collaboration needed to achieve them.

The Innovation District title is based deliberately on an emerging national model for urban redevelopment. As defined by the Brookings Institution in a recent report entitled “The Rise of Innovation Districts: A New Geography of Innovation”:

A new complementary urban model is now emerging, giving rise to what we and others are calling “innovation districts.” These districts, by our definition, are geographic areas where leading-edge anchor institutions and companies cluster and connect with start-ups, business incubators and accelerators. They are also physically compact, transit-accessible, and technically-wired and offer mixed-use housing, office, and retail. Innovation districts are the manifestation of mega-trends altering the location preferences of people and firms and, in the process, re-conceiving the very link between economy shaping, place making and social networking. Our most creative institutions, firms and workers crave proximity so that ideas and knowledge can be transferred more quickly and seamlessly. Our “open innovation” economy rewards collaboration, transforming how buildings and entire districts are designed and spatially arrayed. Our diverse population demands more and better choices of where to live, work and play, fueling demand for more walkable neighborhoods where housing, jobs and amenities intermix.

The innovation district idea here, as it is currently conceived, has emerged over the past couple years of discussion among stakeholders in the Prospect North/University Avenue area. There has been a tremendous amount of involvement at all levels (neighborhood, city, county, regional – public and private) in planning for that future of that area. The unique convergence of opportunities around the new Green Line LRT, the University of Minnesota’s main campus and their Biodiscovery Zone, and underutilized industrial land in the area led to an exploration of concepts of how to define this opportunity and move forward with implementation.

The innovation district location was the site of past City planning for bioscience business development, but due to the recession and other factors related to infrastructure planning, those early ideas did not move forward. The concept today is much broader than that, leveraging the more recent trends of businesses seeking to locate near walkability and transit; the rise of innovation districts as R&D moves away from siloed campuses and into amenitized urban districts, consideration of “next city” concepts for district systems and sustainability, and the continuing evolution of public private partnership as a strategy for delivering enhanced urban places.

The development of this resolution acknowledges that the complicated work of developing an innovation district may require additional resources and tools that are not currently in place. The resolution sets the stage for decisions to allocate these, in support of redevelopment goals.

**Other Related Actions:**

The boundary of the University Avenue Innovation District (shown on the attached map) intentionally crosses into the City of St. Paul. This is the result of ongoing involvement by St. Paul in the discussion, and in their interest in the innovation district concept. St. Paul Council Member Stark, along with various St. Paul staff, has been at the table to represent their issues and interests, including joint action on designation of a district. The City of St. Paul has adopted its own resolution in support of the Innovation District concept, on a similar timeline to the Minneapolis review process. The joint action of the two cities to adopt resolutions and commit to innovation in this area elevates the district to a place of regional significance.

The Minneapolis Planning Commission reviewed the draft resolution at their Committee of the Whole meeting on June 18, 2015. While the Planning Commission does not typically take formal action on draft City Council resolutions, they agreed to submit a letter to City Council in support of the innovation district resolution. This letter is attached.

**Future Related Actions:**

The resolution will designate the Prospect North University Avenue as the first innovation district in Minneapolis. Its creation will open the door to identifying others in the future, elsewhere in the city.

At this point, the adoption of the resolution would not require specific implementation steps. However, in the future it could be used to support a number of additional actions listed in the resolution, including but not limited to support for additional staff time, funding, regulatory changes, capital project prioritization, economic development assistance, or other assistance.

While these requests may be supported by this resolution, they will also need to be evaluated on their own merits and in the context of other competing priorities for resources.

**Financial Review:**

**No financial impact.**

**Attachments:**

1. Resolution of the City of Minneapolis Supporting the Redevelopment of the University Avenue Innovation District
2. Map of proposed University Avenue Innovation District
3. Letter from Minneapolis Planning Commission in support of resolutions
4. Resolution Background and Considerations brief