

Chair:
Dan Erickson

Commissioners:
Evan Cordes
Ed Von Holtum
Kyle Lassen
Liz Johnson
David Radziej
Vacant
Vacant
Vacant

Council Liaison:
Brenda Holden



**Economic Development
Commission
September 7, 2016
8:00 am to 9:30 am
City Hall**

Address:
1245 W Highway 96
Arden Hills MN 55112

Phone:
651-792-7800

Website:
www.cityofardenhills.org

City Vision

Arden Hills is a strong community that values its unique environmental setting, strong residential neighborhoods, vital business community, well-maintained infrastructure, fiscal soundness, and our long-standing tradition as a desirable City in which to live, work, and play.

Agenda

CALL TO ORDER

1. Call To Order

2. Approval Of The Agenda

3. Minutes

- 3.A. Approval Of Minutes

Documents:

[06-01-16 EDC MINUTES.PDF](#)

4. Unfinished And New Business

- 4.A. 2016 State Of The City

Documents:

[MEMO.PDF](#)

5. Updates

- 5.A. Rice Creek Commons (TCAAP) Update

Documents:

[MEMO.PDF](#)
[ATTACHMENT.PDF](#)

5.B. Commission Members

5.C. Council Liaison

5.D. Staff Comments

6. Adjourn

ADJOURN

A quorum of the City Council may be present at this meeting.



**CITY OF ARDEN HILLS, MINNESOTA
ECONOMIC DEVELOPMENT COMMISSION
JUNE 1, 2016 8:00 AM
CITY HALL -- 1245 WEST HIGHWAY 96**

CALL MEETING TO ORDER

Chair Erickson called the meeting to order at 8:05 am

ROLL CALL

Present: Chair Dan Erickson and Commissioners Liz Johnson and David Radziej

Also Present: Senior Planner Matthew Bachler; Council Liaison Brenda Holden; and Deputy Clerk Julie Hanson

1. APPROVAL OF AGENDA

It was the consensus of the Commission to accept the agenda as presented.

2. APPROVAL OF MINUTES

It was the consensus of the Commission to accept the May 4, 2016 meeting minutes as presented.

3. UNFINISHED AND NEW BUSINESS

A. State of the City

Senior Planner Bachler stated that this year's State of the City event will consist of a business-focused event in the morning at Flaherty's, and he noted there are four proposed dates for the event in September. The resident-focused event will take place in the evening in August or September and will have an open house format with an emphasis on the TCAAP redevelopment project.

Senior Planner Bachler indicated that advertising and promotion would be similar to methods used previously, but noted that the City now has a larger social media presence, and so Facebook and Twitter would be relied on more heavily than in past years. He noted that **Chair Erickson** suggested the City consider using an online reservation system such as Eventbrite for the business event. This system would provide not only a registration feature but would also generate reminders to those that signed up.

A discussion ensued regarding delivery of postcards regarding the State of the City events and it was noted that property owners, both residential and commercial, receive this notification. The EDC members will also go directly to the businesses to deliver the postcards in person.

Chair Erickson asked for statistics regarding Facebook and Twitter outreach.

Senior Planner Bachler stated he could provide this information at a future meeting.

Chair Erickson suggested a stronger online presence regarding event promotion such as a separate page on the City's website.

Council Liaison Holden asked about notifying employees of local businesses, versus notifying one individual only within the company by postcard.

Chair Erickson stated that an online tool such as Eventbrite would increase the outreach potential as it would also allow any business professional within the organization to access the information.

Senior Planner Bachler stated notification is generally provided to the community relations individual at the larger companies such as Land O' Lakes and Boston Scientific.

A discussion ensued regarding potential topics that Land O' Lakes or Boston Scientific could present at the business-focused event.

A discussion ensued regarding the format for the business-focused event, noting that the program will include a presentation from the TCAAP Master Developer (Alatus), MnDOT/Ramsey County, and either Boston Scientific or Land O' Lakes (or potentially both companies), as well as time for networking and Q&A sessions.

B. Business Retention and Expansion Program

Senior Planner Bachler stated the EDC previously supported the recommendation that the City focus on the Red Fox-Grey Fox Business District for its business visits in 2016. The visits will include non-retail businesses that were not visited in 2015 and include three new businesses expected to move into this district.

Senior Planner Bachler indicated the targeted businesses would receive the general BRE survey questions as well as supplementary questions that include transportation issues, changes in the business district, and why new companies have chosen to locate to Arden Hills. He also said the visits would be coordinated with the St. Paul Area Chamber of Commerce (SPACC) and Greater MSP to determine if either has plans to visit the same companies in order to avoid duplication.

Senior Planner Bachler stated City staff will notify the EDC of all scheduled visits and while not required, Commissioners would have the option of attending if they so choose.

A discussion ensued regarding relating questions from the general BRE survey to each individual company's services and needs.

4. UPDATES

A. Rice Creek Commons (TCAAP) Update

Senior Planner Bachler stated the Joint Development Authority (JDA) selected Alatus as the Master Developer for the TCAAP redevelopment project and noted the JDA will enter into a Master Development Agreement with Alatus. Following finalization of a Master Development Agreement, Ramsey County will enter into a Purchase Agreement with Alatus.

A discussion ensued regarding residential and commercial development in the TCAAP area.

B. Commission Members

Chair Erickson stated that Evan Cordes has expressed interest in becoming an EDC member.

Senior Planner Bachler noted that he would contact Mr. Cordes, Chair Erickson, and Council Liaison Holden to schedule an interview.

C. Council Liaison

None.

D. Staff Comments

Senior Planner Bachler stated the next EDC meeting is scheduled for July 6. He said typically in the past this meeting was cancelled due to being a holiday week. He noted that the next regular meeting would be on August 3.

It was the consensus of the Commission to cancel the July 6, 2016 meeting.

ADJOURNMENT

The meeting adjourned at 9:10 am

Dan Erickson, Chair

Matthew Bachler
Senior Planner



MEMORANDUM

DATE: September 7, 2016 **EDC Agenda Item 4.A**
TO: Economic Development Commission Chair and Commissioners
FROM: Matthew Bachler, Senior Planner
SUBJECT: 2016 State of the City

Discussion

The State of the City event has been scheduled for Thursday, September 29th, 7:30 to 9:00 a.m. at Flaherty's Arden Bowl. Representatives from the TCAAP Master Development Team, Land O'Lakes, and MnDOT will be providing updates to the community. There will also be time for questions and networking following the presentations.

City staff has begun advertising for the event. This has included posting a news item on the City's homepage, promoting the event on the City's Facebook page, and City Council meeting announcements. An Eventbrite page has been setup to allow attendees to RSVP for the event. A link to the Eventbrite page has been included on the City's homepage. Additional promotion that will take place includes advertisements in the Shoreview-Arden Hills Bulletin, a city-wide postcard mailing, and an email invitation to the City's business and stakeholder contact list.

City staff has contacted CTV and they will be assisting with audio/visual support again this year. CTV will also be filming the event for future rebroadcast. Staff will be meeting with CTV on September 9th to further discuss event logistics.



ARDEN HILLS
MEMORANDUM

DATE: September 7, 2016 **EDC Agenda Item 5.A**
TO: Economic Development Commission Chair and Commissioners
FROM: Matthew Bachler, Senior Planner
SUBJECT: Rice Creek Commons Update

Meetings

- City and County staff, Ehlers and the Master Developer held their weekly project meetings on August 10th, 17th and 24th.
- On August 15th the City Council and JDA held a joint meeting to review the preliminary plans from the Master Development Team.
- On August 22, 2016, the City Council held a work session with the Master Development Team to go over the proposed plan in more detail. They overviewed both the single-family residential and multi-family residential developments and provided a comparison of the approved Master Plan to their proposal. They overviewed changes in park development (i.e. size, location, etc.) and discussed Town Center concepts. The next work session scheduled with the Council is on September 19, 2016. At the meeting they will be providing requested information and plan updates based upon feedback received from the City Council.

Communications/Media

- On August 9, 2016 the communications subcommittee (Grant, Wicklund), along with staff (Iverson, Kvilvang) interviewed four (4) communication consultant groups. Based upon those interviews, they are recommending hiring Zipko Strategies and Connelly Kuhl as the communications consultants for TCAAP. On August 29, 2015, the Council will be asked to allow staff to negotiate and enter into a contract with them for services. It is anticipated that they will be at a future work session with the full Council to discuss priorities for TCAAP communications.
- The attached articles were printed in relation to TCAAP following the Joint JDA meeting on August 15th and the work session with the Council on August 22nd.

Star Tribune

Developer's vision for Arden Hills mega-site gets pushback

Developer proposes town center with 12-story buildings.

By [David Peterson](#) Star Tribune

August 15, 2016 — 10:57pm

The company chosen to oversee one of the biggest developments in the state is asking the suburb of Arden Hills to move its City Hall onto the site and to approve residential buildings as high as 12 stories.

Developer Bob Lux of Alatus LLC on Monday outlined the company's vision for a town center on hundreds of acres at the site of the old Twin Cities Army Ammunition Plant.

Anticipating criticism, Lux told City Council members, "please don't throw things at me."

It has long been clear that crunch time for the megaproject would arrive when a private developer with its own money on the table laid out the type of density and intensity it would need to make Rice Creek Commons profitable.

The idea of building a new City Hall and perhaps also a library and museum drew instant pushback.

"Not sure about moving City Hall, sorry," said Council Member Brenda Holden. "We're in the middle of our community right here. That doesn't hold my interest."

Others were willing at least to consider it, but the idea of residential towers met a lot of resistance.

Lux and his colleagues outlined a project whose town center would resemble Santana Row, the celebrated Parisian-style development in San Jose, Calif., with waterfront amenities recalling the band shell area on Lake Harriet in Minneapolis.

Another model for a town center featuring movie theaters and restaurants would be St. Louis Park's West End.

"People from North Oaks and White Bear Lake would be coming here for entertainment and meals," Lux said. "The people who designed West End are working for us and learned some lessons from it."

The informal workshop, which also involved commissioners from Ramsey County, a key partner in the project, is expected to be the first of a sequence stretching into autumn.

The key to making the new project a walkable, pleasant environment, the developer stressed — rather than "seas of parking lots" — would be a mass grading of the entire property. That would

allow for large stretches of underground parking below commercial and multifamily sites while creating fill to be used elsewhere.

“You would have no competition almost anywhere in the metro area,” he said, adding that the site is within easy driving distance of both big downtowns.

Negotiations, in effect, over the height of buildings began almost at once: It has long been clear that where Ramsey County is comfortable with an urban village, Arden Hills prefers something more suburban.

Asked what he can make work, Lux said that financially speaking, “eight stories would be the minimum” for some town-center areas. “I know it works with 12; if capped, 10 to 12 I know could work, I’d probably say 10. Tour some projects with me and I think you’ll be more comfortable with the height.”

He described the build out as a 10-year process. Alatus won the right to become master developer after a competition against some of the region’s and the nation’s biggest firms, promising a visionary, even “spectacular,” addition to the suburban landscape.

Arden Hills Mayor David Grant murmured: “Eight to 12 stories, we’d need a lot of conversation on that — as well as perhaps the apartments” the developers also propose — promised as “high-end, not low-income.”

Finance and Commerce

Alatus talks tall buildings, high density at TCAAP

By: [Janice Bitters](#) August 16, 2016 12:15 pm [0](#)

An early look at master developer Alatus' draft plan for the state's largest superfund site left some Arden Hills officials shifting in their seats Monday over the increased density and taller buildings than planners had envisioned.

"I feel like you're trying to build a mini-Minneapolis here in my suburb," Arden Hills City Council Member Brenda Holden said at a meeting. "I worry about this for a suburb."

The former Twin Cities Army Ammunition Plant site has [a master plan](#), created by a Joint Development Authority between the city and Ramsey County, which calls for buildings reaching up to 65 feet, or about six stories, and a maximum of 1,431 units throughout the 427-acre site.

But if Minneapolis-based Alatus has its way, the site's early phases would include a town center anchored by a grocery store eventually surrounded by up to 1,500 high-end residential units, a hotel, a theater and 16,000-square-feet of restaurant space in mixed-use buildings. Later phases would add up to 466 single-family homes and townhouses.

Condominium buildings reaching as high as 12 stories would be built near the entertainment and retail, helping to create an active town center to draw homeowners in the later stages, Alatus Principal Bob Lux said at the meeting.

Lux noted he wants to build condos at the site despite state laws that have made many developers shy away from them in recent years. Existing statutes allow condo owners to sue developers and others involved in the projects for defects up to a decade after the units are built.

"If you had asked me two years ago if I'd ever stand in front of a body in Arden Hills and say that we would consider doing condominiums there, I would have said absolutely not," Lux said. "I am convinced, from the research that we are doing, that there is a need for condominiums."

But in order to limit liability to the developer and its team of more than 30 planners on the project, Lux said the condominiums need to be built with concrete, which is more expensive than other building materials and not as cost-effective in shorter buildings.

"You eliminate 90 percent of those [liability] problems if you start with concrete," Lux said.

If city and Ramsey County planners can't envision at least 10-story condominium buildings at the site, condos won't likely make it into the final draft of Alatus' plan, Lux added.

One of the primary goals of the redevelopment, planners and the developer agree, is to increase the tax value of the site, also known as Rice Creek Commons. The land has been vacant and undergoing a \$22.5 million soil cleanup and remediation for the past three years.

Alatus' plan would increase the tax value "significantly," Lux said.

"We believe with the development we are proposing that we will increase the value ... in the hundreds of millions of dollars, if we can execute on it the way that we're planning, the way that this team has committed to doing," he told planners.

The Joint Development Authority, Arden Hills City Council and Alatus will continue to meet through September to iron out the details before a final draft is released. As of Tuesday, the developer was already beginning to refine plans in response to the feedback Alatus received, Lux said in a statement Tuesday.

But not all parts of Alatus' draft proposal Monday elicited concern from planners. The developer wants to create a walkable environment with an underground parking system throughout the town center and hopes to attract a bus rapid transit line to the site to draw more tenants and visitors.

A pedestrian-friendly bridge would be built over a major road that runs through the development to keep the site feeling like one cohesive development. The stream running through the property would be fashioned similar to the [Chain of Lakes in Minneapolis](#), which includes lakes Harriet and Calhoun, with bike trails that connect to other regional paths.

Lux likened the proposed town center to St. Louis Park's West End shopping and entertainment center, but noted that the developer was taking lessons from the commercial development to make the Rice Creek Commons even better.

"When you drive by [West End] they're putting up six-story, after six-story, after six-story development, and that to me is not very exciting," he said. "It's not looking at it in a visionary fashion ... and none of this plan is designed as just building a building."

Alatus is working with RSP Architects on the project, which also designed the West End development and is helping to distill those lessons, Lux said.

David Sand, chair of the Joint Development Authority, said Monday he was on board with the principles Alatus is using for the first phase of development.

"That is a good mix of development that will attract people that live there in close residential [neighborhoods], plus people ... who want to utilize the commercial and recreation area," he said.

Star Tribune

Arden Hills nervous over urban-style plan for former Army site

Plan for former Army site in Arden Hills has much higher density than officials wanted.

By [David Peterson](#) Star Tribune

August 22, 2016 — 11:11pm

The developer chosen to oversee the creation of a new megaproject on the abandoned 400-acre Army ammunition site in Arden Hills is seeking to make it far more urban than the city has planned.

Minneapolis-based development firm Alatus LLC envisions 250 fewer single-family homes than are called for in the city's master plan — and as many as 795 more apartments and condos.

"You realize you've bypassed Minneapolis and St. Paul at this point for overall density," Mayor David Grant told senior members of the development team on Monday night.

Alatus chief Bob Lux responded that the quest is for vitality. "A place where the streets aren't empty, but have people on them," he added. "I know there are challenges with density; but there are also benefits."

During the first informal workshop between the two sides last week, it emerged that Alatus wants to build multifamily structures as tall as 12 stories — an idea that drew pained reactions from some council members.

"If I buy a million dollar house on the hill," said Council Member Brenda Holden, "I end up looking at skyscrapers. They want to see green."

"We're not downtown," said Council Member Fran Holmes, adding that she worries about the site coping with traffic from that many people.

The other partner in the project, Ramsey County, which bought the land, long has warned that greater density would be needed and even desirable, both to allow the developer to make money and to create enough activity on the site to justify mass-transit investments.

Ramsey County Commissioner Rafael Ortega last winter predicted that "the tiebreaker will be to put this before the development community, at which point both of us — city and county — will face the reality of what's doable."

Planners hope that the new A Line transitway, offering frequent, light rail-like bus service, can be extended north past Roseville's Rosedale Center into Arden Hills. The odds for that improve when the number of potential riders grows.

Monday night's session led to a consensus that council members should go on a tour to see what the proposed building products look like close up. .

"We could talk density for hours," the mayor said at one point. "We will need to come back to this probably more than once."

Alatus argued that the high density represents just a sliver of the totality of Arden Hills. "We need some volume," Lux said, "to make this work."

City staffers said they expect to have informal work sessions on Sept. 19, Oct. 3 and Oct. 17 to nail down a compromise and move toward the formal approvals needed.