

CITY OF NEW HOPE
4401 XYLON AVENUE NORTH
NEW HOPE, MINNESOTA 55428

City Council Minutes
Work Session Meeting

July 20, 2011
Council Chambers

CALL TO ORDER The New Hope City Council met in work session pursuant to due call and notice thereof; Mayor Hemken called the meeting to order at 7:00 p.m.

ROLL CALL Council present: Kathi Hemken, Mayor
John Elder, Council Member
Andy Hoffe, Council Member
Eric Lammle, Council Member
Daniel Stauner, Council Member

Planning Commission present: Jeff Houle, Chair
Jim Brinkman
Roger Landy
Sandra Hunten
Sunday Onadipe
Tom Schmidt
Eric Skalland

Staff present: Kirk McDonald, City Manager
Curtis Jacobsen, Director of Community Development
Eric Weiss, Community Development Assistant

Developers' Roundtable Following introductions, Ms. Sherri Buss, project manager with TKDA, reviewed the steps the city has taken thus far in relation to the TOD study and reviewed the key principles of the City Center Vision, which was adopted in June. Ms. Stacie Kvilvang, Ehlers Associates, introduced the panel of developers which included Tim McShane – McShane Development, Bill Beard – Beard Group, Keith Janz – Real Estate Equities, and Ron Mehl – Dominionium.

Ms. Kvilvang commended the city for its work and for taking the step of inviting developers in for a discussion.

Mr. McShane also commended the city for its work but suggested more work needed to be done, specifically the need to lay out what land use needs the city has. This would include a break out of retail, office, housing, and public space. He suggested that City Center needs to be more inviting, possibly through the creation of a central court. He commented on the lack of synergy between sites and the need to create better internal access.

Mr. Beard agreed and suggested that left alone City Center will deteriorate. Currently, City Center sits precariously at a tipping point. He offered the idea of adding trails and focusing on an identifying asset for the area. An anchor retailer would be needed to spark redevelopment. The entire “super block” would need to

be redeveloped. The retail market has changed drastically in the last few years and retailers are only picking the best opportunities. Cities will need to remain patient. If a big box retailer was interested at one point, they are likely still interested.

Council Member Stauner asked the panel if there are retailers that are currently not in Minnesota that are looking to expand in the state. The answer from the panel was that there are a very limited number of those opportunities and an anchor would be needed to attract such a tenant.

There was a discussion regarding retail site selection. Demographics, income, traffic, neighboring retail and housing, and density all play a factor in site selection. In higher density locations, such as New Hope, retailers are able to locate their locations closer together.

Council Member Stauner explained that there is a concern with purchasing sites around the city without a plan for redevelopment because doing so would take the properties off the city's tax roll. The developer panel responded that the city needs to take a risk to entice and encourage development. It is an excellent time to purchase property with such low property values.

The panel discussed potential layout of redevelopment. It was suggested that senior housing would best be placed on the north end of the super block and rental housing could be closer to the main streets. A park would be a huge asset to both developments. It was suggested that there may be a market for approximately 50 senior housing units and up to 150 rental units. The two developments would require approximately 5 acres and 6 acres respectively, although the creation of a nearby public space or greenway could reduce that amount. An anchor retail tenant could require 13-15 acres. Office is a potential use but would not generate high rental rates. A potential land swap with Life Time Fitness was suggested to encourage a new fitness facility.

In closing, the developer panel commended the city for its "realistic, refreshing approach" but reiterated that the area will need an anchor tenant and a gathering space, plaza, park or greenway to help create a sense of place and generate activity. The panel suggested an appropriate set of next steps to include determining land uses and approximate amount and size desired, acquire land, and become greater champions of the City Center Vision.

ADJOURNMENT

The Council, Planning Commission and staff thanked the developers for their time and input. The meeting was adjourned at approximately 9:30 p.m. as there was no further business to come before the Council at its work session.

Respectfully submitted,

Eric Weiss
Community Development Assistant