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ST. PAUL PARK

SMALL AREA PLAN

PREPARED FOR:

City of St. Paul Park
Washington County

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Table of Contents

Existing Conditions Analysis.....	1
Overview of Existing Conditions	2
Highlights of Previous Plans and Studies	2
Small Area Observations	3
Market Analysis	3
Review of Socioeconomic Data.....	3
Review of Existing Markets.....	4
Developer Interviews.....	4
Key Findings and Conclusions	5
Transit-Supportive Principles.....	5
Small Area Vision	6
Development Scenarios	7
St. Paul Park Road & Summit Avenue	10
Broadway Avenue & Summit Avenue.....	10
City Hall Site	11
Hastings Avenue	13
Mobility Improvements	14
Priority Corridors	14
Implementation Strategies	14
General Strategies	15
Implementation Challenges.....	15
Overcoming Challenges	16
Site Specific Strategies: City-Owned Site Adjacent to City Hall	16

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St. Paul Park Small Area Plan

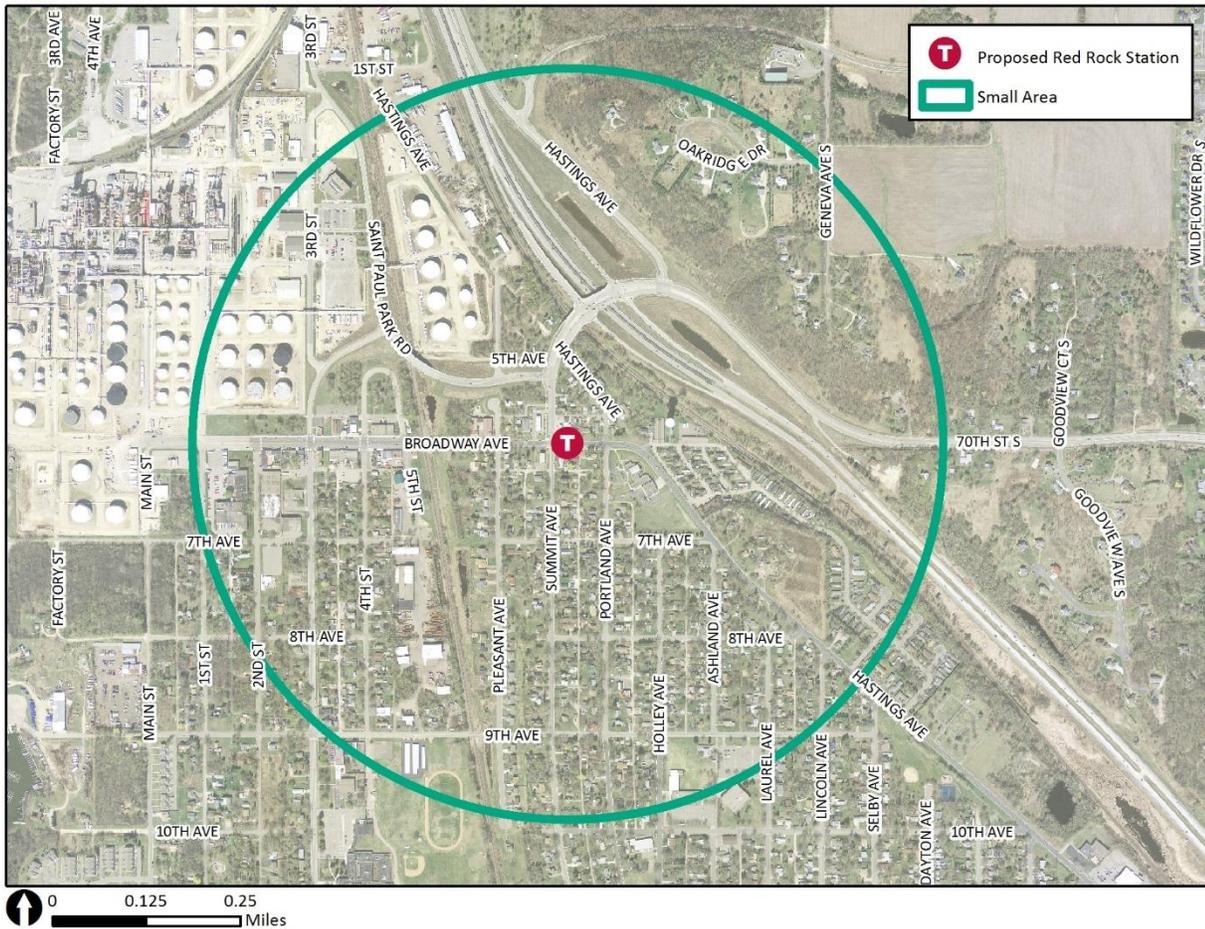


Figure 1: St. Paul Park Small Area

The following small area plan was developed for the City of St. Paul Park with support from Washington County Regional Railroad Authority. This planning process was an outcome of one of the recommendations from the Red Rock Corridor Implementation Plan to work with cities along Highway 61 to update comprehensive plans with consideration given to increasing population and employment density within the proposed station areas.

The goals for this small area planning process were to:

- Support the comprehensive plan process
- Support the character and vision of the community
- Stimulate economic development and redevelopment
- Improve connection through the community
- Identify transit-supportive strategies to build potential ridership

Existing Conditions Analysis

The existing conditions analysis provides an overview of the plans and studies that have been done to date in the St. Paul Park small area and documents the existing urban landscape of the small area. This information provides the foundation upon which the small area plan was built. While highlights of the existing conditions analysis are found in this plan, more detailed

information can be found in the Cottage Grove & St. Paul Park Existing Conditions Memo posted on the Red Rock Corridor website.

OVERVIEW OF EXISTING CONDITIONS

The St. Paul Park small area includes a mix of residential, commercial, and industrial uses. There is a distinct “main street” commercial district along Broadway Avenue, and the refinery also has a large presence within the small area. The St. Paul Park small area is a historic town center that has the potential to be a walkable transit-supportive environment.

Bicycle and pedestrian networks in the small area are currently incomplete; however, the relatively low traffic counts in the area and the existing grid pattern west of Highway 61 contribute to the potential for creating a strong walkable environment. Additionally, the larger parcels in the small area have the potential to become small and more walkable as redevelopment and development occur.

Several contaminated sites in the small area, particularly along Broadway Avenue, could pose challenges to redevelopment but may also provide funding opportunities for site remediation.

HIGHLIGHTS OF PREVIOUS PLANS AND STUDIES

Plans and studies reviewed include notes from the St. Paul Park Planning Commission comprehensive plan workshops, the Interchange of Highway 61 & County State Aid Highway (CSAH) 22 Washington County Memorandum, the St. Paul Park Development Analysis, Washington County’s Comprehensive Housing Needs Assessment Update, and the Red Rock Corridor Implementation Plan.

Washington County Comprehensive Housing Needs Assessment Update, 2017

Washington County’s Comprehensive Housing Needs Assessment Update, produced by Maxfield Research and Consulting in March 2017, projects housing demands for submarkets in Washington County from 2017-2030 and provides recommendations on the amount and types of housing that need to be built to satisfy demand. The study also identifies areas for potential housing development.

St. Paul Park Planning Commission Comprehensive Plan Workshops, 2016 & 2017

The land use changes explored during the meetings reflected the goals of the St. Paul Park small area plan and the future Red Rock Corridor. For example, the land around the proposed station was changed to mixed-use, allowing for commercial development with residential above. Additionally, the loss of the Rivers Edge Area, which was the site proposed for a 1,900-unit residential development, emphasizes the importance of effectively using the open space and undeveloped land that is available within the St. Paul Park small area.

The Interchange of US Highway 61 & CSAH 22 Washington County Memorandum, 2016

This memorandum, written by SEH in 2016, evaluated existing traffic operations at and around the interchange of Highway 61 and CSAH 22 in St. Paul Park. The high volume of truck traffic documented in the memo could have a negative impact on potential development if not addressed.

Red Rock Corridor Implementation Plan, 2016

High-level station area plans were developed as part of the Implementation Plan to help identify station area land uses that could support improved transit ridership. The St. Paul Park Station Area Planning Report suggested a transit-oriented development (TOD) zoning overlay near the proposed station as well as the intensification of development at the intersections of Broadway Avenue & Summit Avenue and St. Paul Park Road & Summit Avenue.

St. Paul Park Development Analysis, 2013

The St. Paul Park Development Analysis, developed by Stantec in 2013, includes several cost efficient and easily implementable suggestions for the development of St. Paul Park’s downtown. The analysis also contains valuable best practices and successful development case studies of communities with similar geographies to St. Paul Park. Lastly, the development analysis highlighted the need for a small area plan, since St. Paul Park’s downtown is vulnerable to collapse if key businesses leave.

SMALL AREA OBSERVATIONS

Accessibility

Access to the regional highway network from the St. Paul Park small area is good given the proximity of the Highway 61 interchange at 70th Street & Summit Avenue. Highway 61 connects to Interstate 494 about three miles to the north and Interstate 94 seven miles to the north. Hastings Avenue provides an alternate route southward into Cottage Grove, and St. Paul Park Road provides an alternate route northward into Newport. However, St. Paul Park is primarily situated between Highway 61 and the Mississippi River and is further constrained by two rail lines, the refinery, and a bluff on the east side of Highway 61. Therefore, movement in and out of the community is limited to a small number of routes, which serves to isolate the small area from adjacent communities and other nearby destinations.

St. Paul Park has missing segments of sidewalk, of which the most notable are along Broadway Avenue. Specifically, the railroad crossing is a physical barrier for non-motorized travel between the small area and downtown. Generally, a lack of sidewalk connectivity makes it challenging and uncomfortable to navigate the small area as a pedestrian.

Visibility

The traffic volumes along Summit Avenue between Highway 61 and Broadway Avenue are just over 15,000 vehicles per day (2015 traffic count). A traffic volume of this magnitude is able to support a variety of retail uses. Moreover, the vantage point travelers have after exiting Highway 61 onto Summit Avenue provides excellent views of many of the parcels along this brief stretch of roadway.

Traffic volumes dissipate quickly when one moves away from the Broadway Avenue and Summit Avenue intersection. No other streets in the small area have volumes above 3,500 vehicles per day. This suggests that the opportunities for retail are limited in this planning area and that other residential or industrial uses are more appropriate.

There are some parcels along Hastings Avenue that may have good visibility from Highway 61. With nearly 50,000 vehicles per day on Highway 61, this level of visibility will likely affect the future land use of these sites. However, the sites are not especially accessible from Highway 61. Therefore, industrial or high density residential uses are likely the type of development that would trigger interest among developers.

Neighborhood Amenities

There are limited neighborhood amenities in the small area that would serve to entice future residents or employers. The closest public parks are Heritage and Whitbred Parks about one mile south of the small area. The Mississippi River is located less than a mile west of the planning area, but access is limited, especially from Broadway Avenue, which would be the most intuitive route to the river.

Market Analysis

The market analysis informs the planning process and provides stakeholders with data and analysis of the short- and long-term market trends that will shape and shift opportunities in the St. Paul Park small area. Important market factors related to demographic trends, economic trends, real estate supply and condition, and the opinions of real estate experts were evaluated and used to identify key findings and draw conclusions. While highlights of the market analysis are found in this plan, more detailed information can be found in the Cottage Grove & St. Paul Park Small Area Plans Market Analysis Report posted on the Red Rock Corridor website.

REVIEW OF SOCIOECONOMIC DATA

St. Paul Park has grown at a consistent, relatively slow rate in recent decades since it is mostly developed with little room to accommodate new development, except in the form of redevelopment. However, recent annexations of undeveloped areas will likely add anywhere between 700 and 1,000 persons each decade through 2040, resulting in a growth rate that will be higher than Cottage Grove, Washington County, and the 7-County Twin Cities Metropolitan Area.

Data related to age distribution (an older profile that is declining) and household type (a rapid rise in single person households) for St. Paul Park indicate that the area is about to or is already undergoing a transition from older households to younger

households. The older age profile for St. Paul Park is also related to a relatively lower household income compared to the other small areas – households age 65 and older tend to have lower incomes because they often are no longer working.

Finally, homeownership is relatively high in St. Paul Park compared to the broader region due to lack of rental housing.

REVIEW OF EXISTING MARKETS

The current and foreseeable conditions of the housing, retail, and office markets in and near St. Paul Park were reviewed to determine the ability of the current supply to meet market demand in each of these sectors.

Housing Market

Residential development in St. Paul Park has been limited in the past several decades, primarily since most of the city had been developed before 1970. Periodic annexations that have supported residential development have resulted in primarily single-family and townhome construction. The apartment vacancy rate in St. Paul Park matches that of the broader region (at or below 5 percent) and indicates a possible demand for rental units.

The Cottage Grove submarket (which includes the communities of Cottage Grove, St. Paul Park, Newport, and Grey Cloud Island Township) has a calculated need of nearly 7,800 housing units through 2040. Over 63 percent, or roughly 4,900 of those units, would be considered transit-supportive. While adding this housing, it will be important to provide a variety of housing styles at various price points that appeal to a range of household types.

Retail Market

Strengths of the downtown market that would support retail include the architecture and quaint, small town character; a diverse variety of existing restaurants and taverns; investments by the city and private owners; and existing, nearby transit service. Weaknesses include its small size; low traffic counts; low visibility from Highway 61; no connectivity to the river; undeveloped gaps; and inadequate pedestrian lighting. Because of these weaknesses, downtown St. Paul Park could be vulnerable to collapse if some of the key businesses were to vacate.

Currently, the St. Paul Park small area has 11 retail properties with a combined total of approximately 60,000 square feet. There are no prominent anchors that serve to drive traffic to the retail district. According to CoStar, a commercial real estate data provider, there currently are no vacancies. As a result, there are no spaces actively marketing that would gauge average lease rates.

Office Market

While job growth in the Cottage Grove and St. Paul Park area has consistently outpaced that of the metropolitan area and the United States over the last 15+ years, there are only 0.04 knowledge sector jobs (jobs that don't involve physical production) for every household (jobs in the knowledge sectors typically contain the most office-based jobs). Currently, St. Paul Park does not have any multitenant office properties.

Office demand in the Red Rock Corridor is closely related to the needs of the local household base. Therefore, it is assumed that as the local household base in the Red Rock Corridor increases so will the demand for small office space. Currently, there is approximately 21 square feet of office space in the corridor for every household in Cottage Grove and St. Paul Park. Assuming the amount of office square feet per household will decline over time, and assuming a future household base of 20,600, this will translate into a need for roughly 350,000 total square feet of office space – an excess demand for 48,000 square feet over the next 25 years or so. In other words, this would be equivalent of three new small office buildings (16,000 square feet) every six to eight years.

DEVELOPER INTERVIEWS

Five real estate professionals familiar with Cottage Grove and St. Paul Park were interviewed for their perspective on the market for housing, retail, and office uses both at a macro level as well as specifically within the St. Paul Park small area.

There was agreement among those interviewed that there is demand for affordable and senior housing in the St. Paul Park small area, although interviewees felt that public financial support would be required for affordable housing development.

Interviewees felt that the St. Paul Park small area is not a market for office space, but that it might be possible in the short-term to support pedestrian-oriented retail areas on a small scale.

KEY FINDINGS AND CONCLUSIONS

The following are key findings and conclusions regarding the short- and long-term market opportunities for transit-supportive development in the St. Paul Park small area.

Overall Factors Influencing Market Demand

Given the area's lack of recent development, poor visibility from Highway 61, limited destinations, and general "off-the-beaten-path" character, the development community has generally bypassed St. Paul Park. However, one catalytic project of a significant size or at a prominent location could change that dynamic.

Short-Term (Less than Five Years)

The housing market, especially multifamily housing, in St. Paul Park is extremely strong but untested. St. Paul Park mostly consists of older single family homes and, thus, lacks the breadth of housing options found in other communities. City-owned land can be an incentive to help catalyze new housing development.

Due to the lack of sizable sites, low traffic counts at key locations, and poor visibility from Highway 61, the short-term retail potential is smaller in scale and likely limited to one or two convenience-based retailers located at the intersection of Broadway Avenue & Summit Avenue.

Additionally, since St. Paul Park does not have a strong retail district, it will not compete well for the development of new purpose-built office space. Demand for any office needs would likely be better met by adapting existing structures or, at minimum, allow flexible land use categories that could accommodate office space.

Long-Term (More than Five Years)

Factors that will influence the demand for housing in St. Paul Park include its closer proximity to the metropolitan area core, availability of sites in the small area that could accommodate significant development should the property owners decide to sell, and the high multifamily housing demand through 2040.

Long-term retail potential is likely limited to what could be achieved in the short-term given constraints in the amount and location of appropriate retail locations. Better connections between the Broadway Avenue & Summit Avenue intersection and the existing downtown area may result in new investments and potentially support a wider variety of retail uses.

Long-term office space demand is unlikely in the St. Paul Park small area without any significant change to the transportation pattern and redevelopment opportunities. The underutilized, highly visible parcels along portions of Highway 61 present an opportunity to potentially capture some of that demand, if they were made available.

Transit-Supportive Principles

Based on the existing conditions and market analysis of the small area, as well as engagement with the public and stakeholders, the transit-supportive principles found in Table 1 were developed to guide the St. Paul Park small area.

Table 1: Transit-Supportive Principles for the St. Paul Park Small Area

Mobility & Connectivity	Create a consistent pedestrian network throughout the small area
	Establish a bicycle network within the small area
Parking	Encourage parking to be organized secondary to the pedestrian environment
	Support shared parking agreements
	Encourage bicycle parking to be included with new developments
Diversity of Land Uses	Increase the diversity of housing options in the small area through the support of multifamily and senior housing
	Support additional commercial development along Broadway Avenue, Hastings Avenue, and Summit Avenue (north of Broadway Avenue)
Density	Allow for densities of at least 40 units per acre within the small area
Design	Introduce pedestrian-scale lighting, wayfinding, plantings, and street furniture along Broadway Avenue
	Increase street connectivity as large sites redevelop
	Encourage pedestrian-oriented site designs
	Introduce public gathering spaces

Small Area Vision

The following vision was written for the St. Paul Park small area based on public and stakeholder input:

The vision for the St. Paul Park small area is to maintain the city’s small town feel, while building on the traditional street grid pattern with transit-supportive development. Broadway Avenue will be reinforced as the city’s main street as sidewalks are connected between the east and west ends of the street and mixed-use redevelopment occurs at the eastern end of the street. A range of housing options will be provided, and an additional park and gathering space will provide desired community assets. Improvements to bicycle and pedestrian infrastructure throughout the small area will improve mobility for those living and working in the area.

Development Scenarios

As part of the market analysis for the plan, the assessed property value per square foot was investigated for the parcels within the small area. This information is displayed for the St. Paul Park small area in Figure 2.

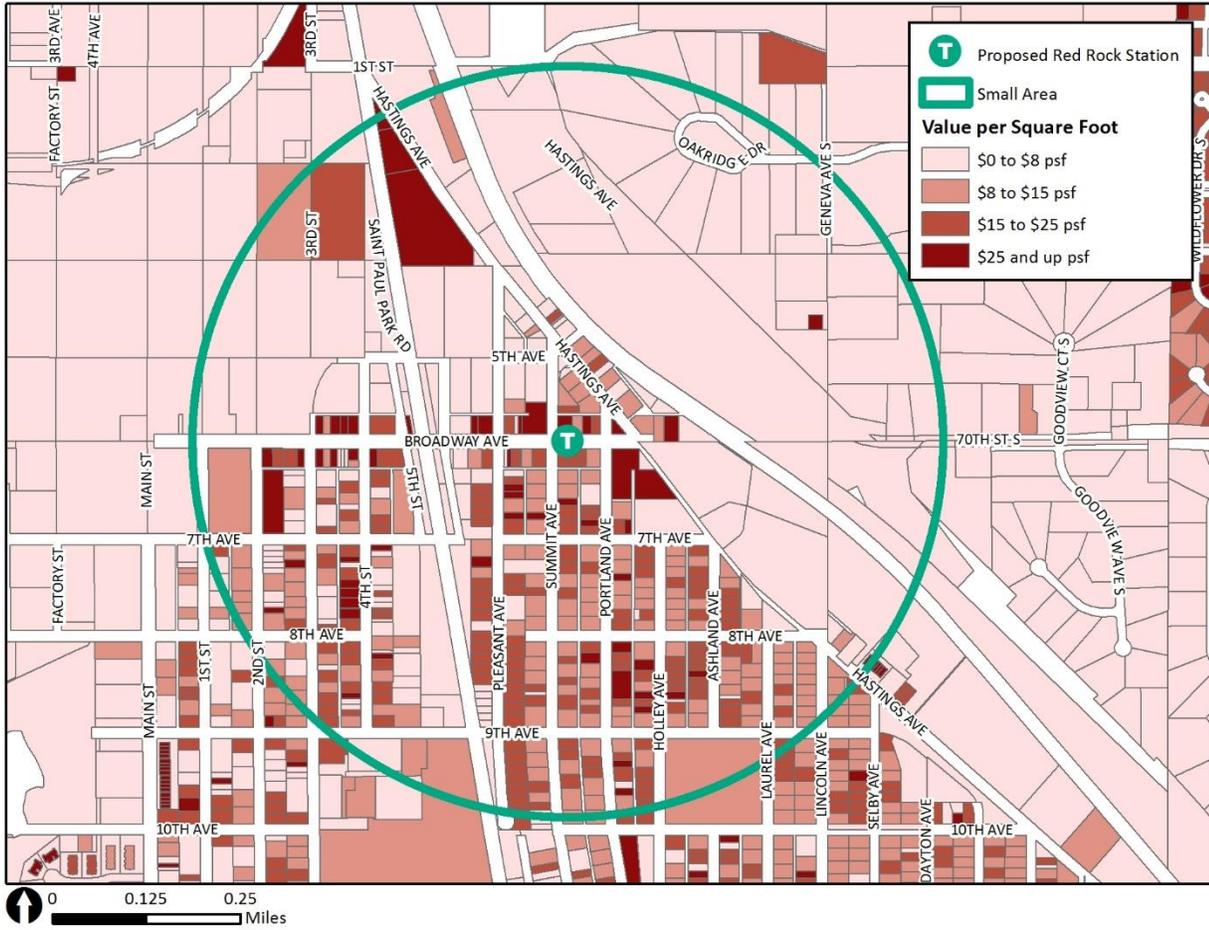


Figure 2: Assessed Property Value per Square Foot by Parcel in the St. Paul Park Small Area

The existing conditions and market analysis was used to identify potential opportunity areas within the St. Paul Park small area. These areas are shown in Figure 3. The purpose of this analysis was to identify potential project areas that may be of interest to developers in the near- to medium-term. It is important to note that the participation of existing property owners, through sale of the property or some other form of collaboration, is a critical condition for any new development to proceed. This analysis did not evaluate the views of existing property owners and does not imply that identified development opportunity sites will be redeveloped, or should be redeveloped. It does not take away or diminish the rights of property owners to keep ownership of their properties or to sell their properties to whomever they choose. Talking to existing property owners would be an important early step in further exploring the development potential of any of these sites.

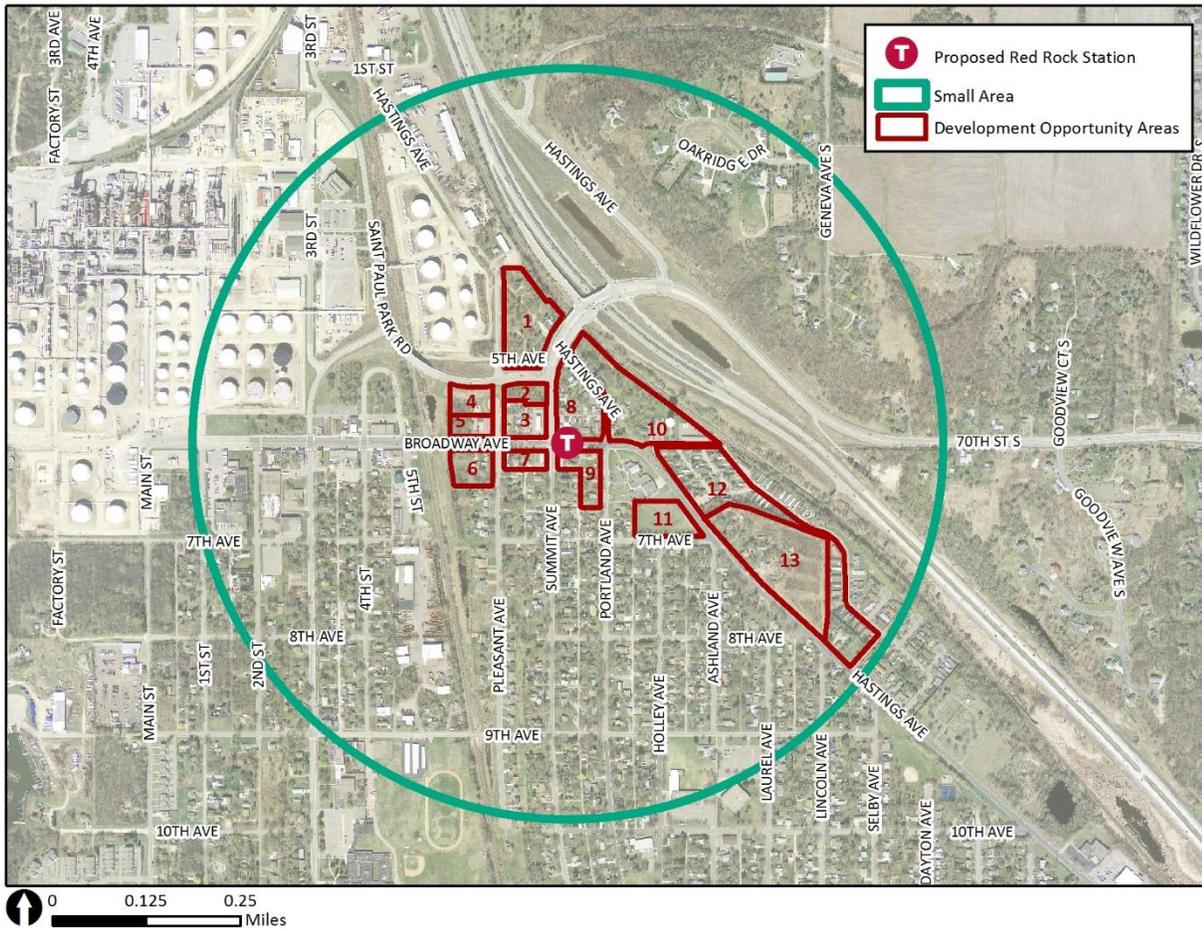


Figure 3: St. Paul Park Small Area Potential Opportunity Areas

The potential opportunity areas were then further classified as areas likely to change and areas to possibly change. The areas identified as likely to change are those that developers would likely be interested in first. These classifications are depicted in Figure 4.

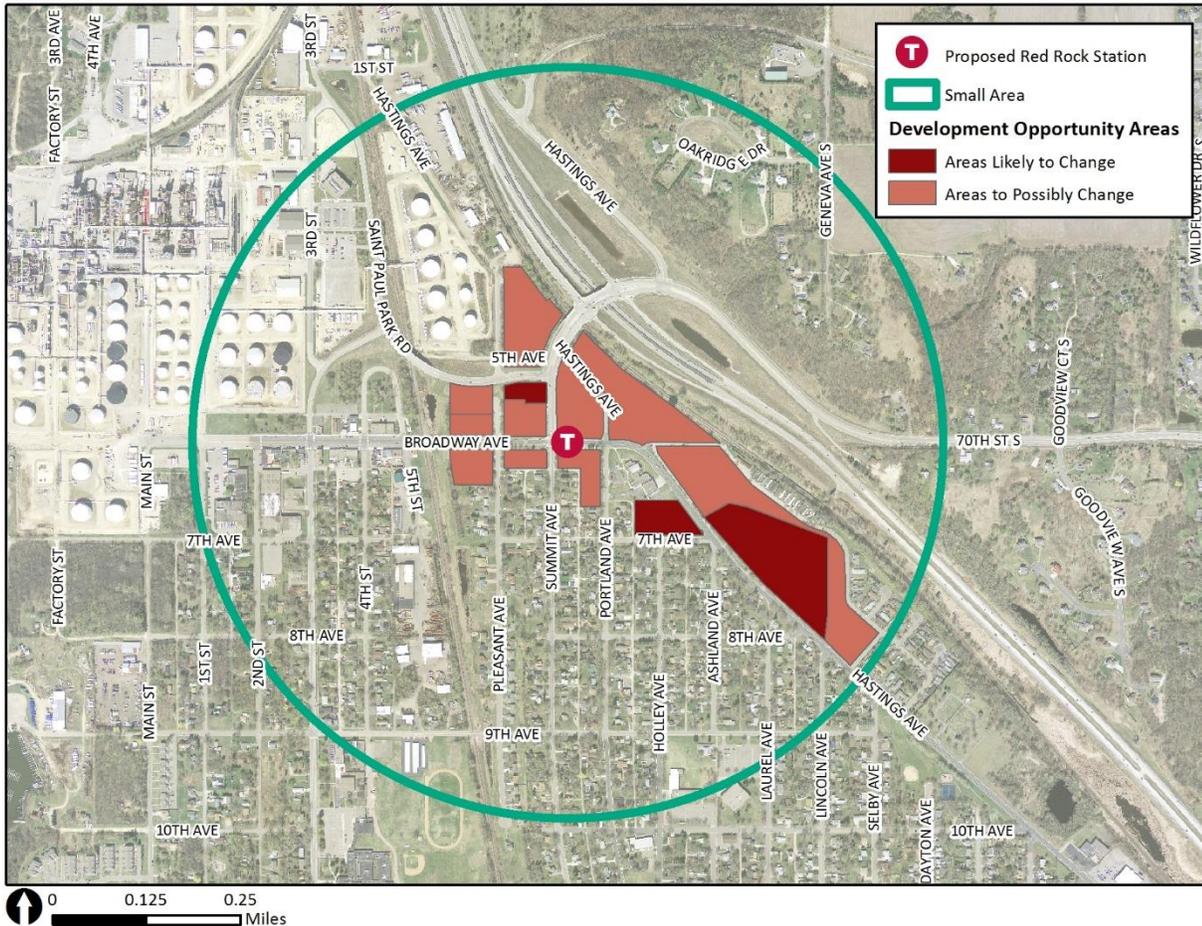


Figure 4: St. Paul Park Small Area Opportunity Area Classifications

The potential opportunity areas were further thought out into development scenarios to visualize how such developments could look into the community, provide additional housing and retail options, and affect the city’s tax base. The development scenarios created are located near the intersection of Broadway Avenue & Summit Avenue, city hall, and along Hastings Avenue. Each of these locations offer a variety of conditions and opportunities, including fee simple public ownership, vacant parcels, and underutilized sites. St. Paul Park is fortunate to have sites that are ready for investment, such that with a little effort the city can significantly increase the potential for transit-supportive development and provide for a broader range of housing choices. The proposed development scenarios are based on 5, 10, and 20 year increments that reflect current market conditions in the short-term and are more visionary in the long-term.

ST. PAUL PARK ROAD & SUMMIT AVENUE

The city owned parcels (0.73 acres of land) at St. Paul Park Road & Summit Avenue are currently zoned B2 (retail business district)/B3 (auto-oriented business district) and are guided in the draft comprehensive plan for mixed-use (10+ dwelling units/acre). A second single-family parcel could also be included in this scenario to allow for slightly more useable floor area and required parking. The development scenario shown in Figure 5 is proposed as a one-story commercial development that could accommodate approximately 10,000 square feet. Access would be from Summit Avenue along an existing public alley/easement that would connect to Pleasant Avenue.

- Site: 0.73 acres
- Building Square Footage: 10,400 square feet
- Parking: 46 spaces

Just west of the Super America a new multifamily building is shown that would contain approximately 36 units.

- Site: 0.55 acres
- Units: 36



Figure 5: Development Scenarios Near St. Paul Park Road & Summit Avenue and Broadway Avenue & Summit Avenue

BROADWAY AVENUE & SUMMIT AVENUE

Expanding the commercial base at Broadway and Summit is a priority for the city. Two sites are also shown in Figure 5 on either side of Summit Avenue on the south side of Broadway Avenue. A former Masonic Lodge building and a building referred to as the Park Chalet are both currently vacant, and the Masonic Lodge is currently for sale. These sites represent mid-term options that could provide small and medium sized multi-family development that responds to the residential scale and character of the area.

Masonic Lodge:

- Site: 0.3 acres
- Units: 14

Park Chalet:

- Site: 0.6 acres
- Units: 42

Just west of the Masonic Lodge site a multi-family building is shown as a replacement for three single-family houses. This building would front windows, entries, and balconies onto Broadway Avenue, reinforcing the streetscape and creating a more walkable environment.

- Site: 0.55 acres
- Units: 36

A mixed-use building that provides commercial/retail uses on the corner and units above and along Broadway Avenue is shown at the northwest corner of Broadway Avenue & Summit Avenue. This would be a 2-3 story building that would have a more residential character with pitched roofs, dormers, and modest bay widths.

- Site: 0.6 acres
- Building Square Footage: 6,000 square feet
- Units: 38

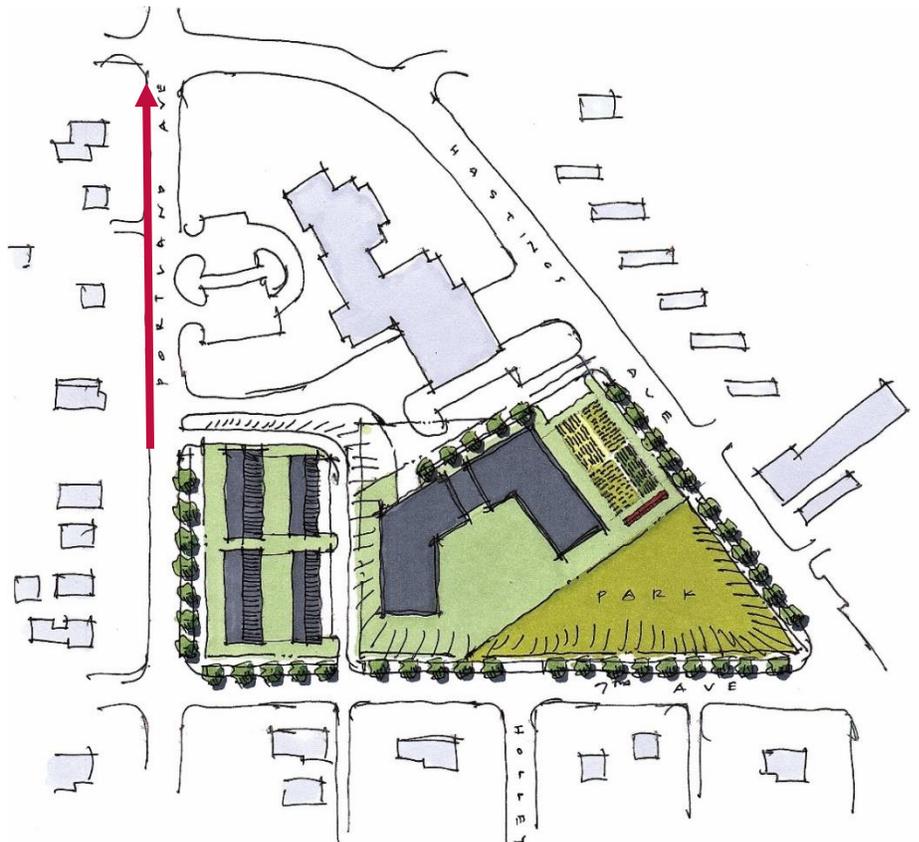
Two smaller sites are shown to accommodate a 'court' type development, smaller units that provide one-level living, at the intersection of Broadway Avenue & Portland Avenue. These units could be appealing to seniors, single-person households, or empty-nesters.

- Sites: 0.21 acres
- Units: 8

CITY HALL SITE

The City of St. Paul Park owns a 2.2-acre site south of the city hall that is currently undeveloped and includes a small community garden. The development scenario proposed for this site (shown in Figures 6 and 7) would include two 3-story multi-family residential buildings, while maintaining the community garden and dedicating the southeast corner of the site as a small city park. The community garden is proposed to be located along Hastings Avenue and could possibly be expanded if needed. This site could be developed in the short-term over the next two to three years, depending on market conditions. The city, if desired, could make the land available at a very competitive price and would have the flexibility of developing one building at a time.

- Site: 2.2 acres
- Buildable Area: approximately 1.5 acres
- New Community Park: 0.6 acres



- Units: 72 (36 per building)

Just west of the city site are three residential lots (totaling 0.72 acres) that

could be redeveloped in the 5-10-year timeframe and are shown as attached townhouse units. These would be rear-loaded, using the existing alley for access and loading.

- Site: 0.72 acres
- Units: 10

Figure 6: Development Scenario Near St. Paul Park City Hall



Figure 7: Rendering of the Development Scenario Near City Hall

HASTINGS AVENUE

Two large, primarily undeveloped sites along Hasting Avenue between 7th Avenue and 8th Avenue could accommodate a significant transit-supportive development (as shown in Figure 8). These sites are zoned R1 (single-family residential district) and combined total approximately 10.5 acres, making it the largest redevelopment site in the city and along the Red Rock Corridor. Responding to the topography and surrounding uses, the proposed development could include dedicated senior uses as well as three other residential building types that respond to the broader market conditions and demands. A circular drive is shown at the north end of the site that includes a unique pyramidal-roofed farm house that is proposed to be replicated as a program building and connected to a new senior residential campus.

The farm house is used as a template for scale and size to create a series of small apartment houses and townhouses fronting Hastings Avenue that maintain the current setback and character of the single-family neighborhood. An arrangement of three multi-family buildings and eight townhouse buildings are located behind the apartment houses and townhomes and are arranged around a central green space.

- Site: 10.5 acres
- Senior Commons Building: 2,700 square feet
- Senior Campus: 26 units
- Small Apartment House: 4-unit buildings with 32 total units
- Townhouse Units: 38
- Multifamily Units: 120



Figure 8: Development Scenario Along Hastings Avenue Between 7th Avenue and 8th Avenue

Mobility Improvements

Mobility improvements within the St. Paul Park small area would be beneficial for those walking and bicycling throughout the small area as well as for connections to the proposed Red Rock Corridor bus rapid transit (BRT) station. As indicated in Figure 9, mobility improvements are identified throughout the small area. While there are a few existing sidewalks within the small area, there are gaps in the sidewalks on Broadway Avenue and 3rd Street. These gaps should be addressed to provide a consistent pedestrian network for those moving throughout the small area.

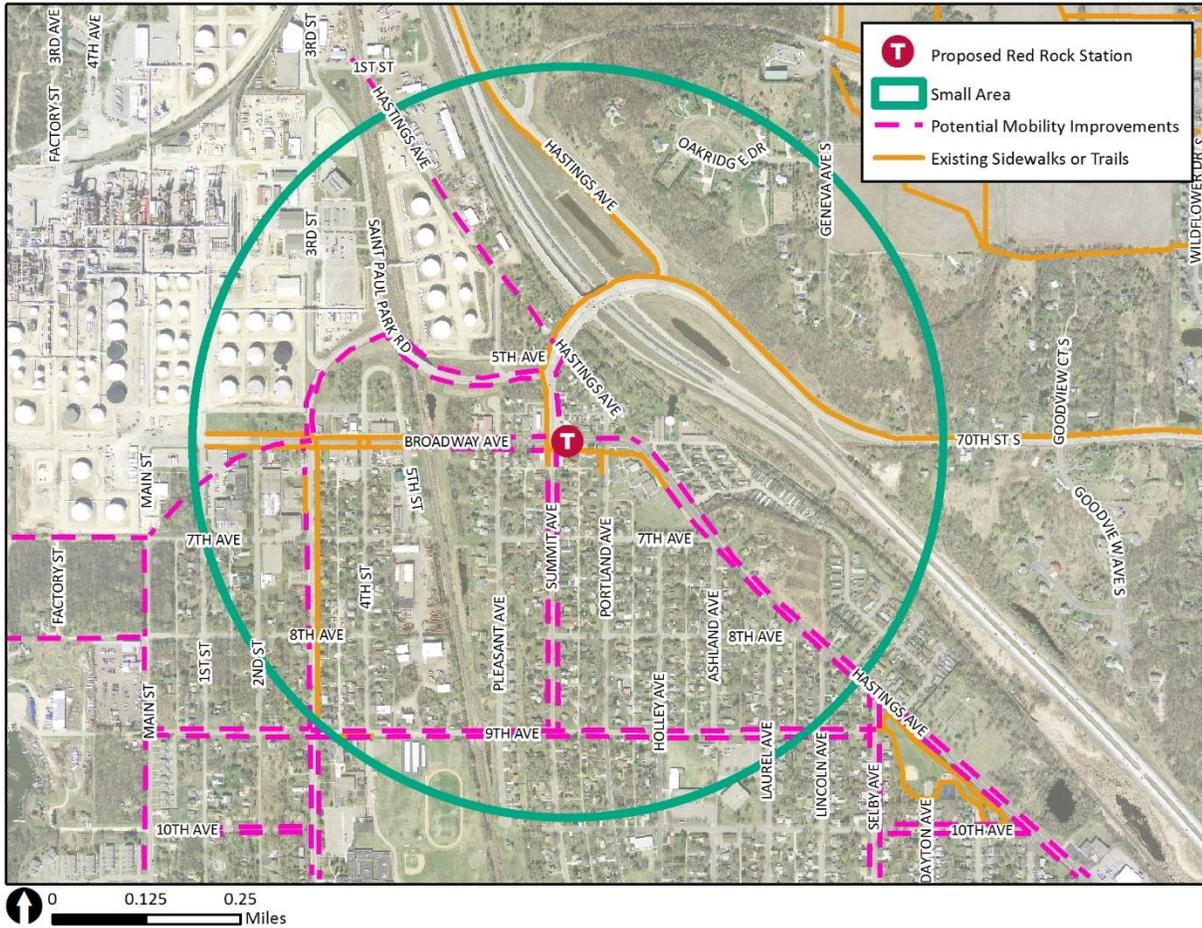


Figure 9: Proposed Mobility Improvements within the St. Paul Park Small Area

PRIORITY CORRIDORS

The corridor of highest priority for mobility improvements within the St. Paul Park small area is Broadway Avenue. Several businesses and restaurants, as well as the proposed Red Rock Corridor BRT station (located east of the Broadway Avenue & Summit Avenue intersection), are located along this street, so it is a priority to connect the sidewalks on Broadway Avenue and provide a safe and inviting environment for pedestrians. Since Broadway Avenue is a wide street (approximately 80 feet wide between Front Street and 5th Street and 50 feet wide between 5th Street and Summit Avenue), bicycle infrastructure is also recommended on this roadway. Summit Avenue is a north-south priority corridor for pedestrian and bicycle improvements. This street bisects the small area, is a segment of the Mississippi River Trail, and connects to the proposed Red Rock Corridor BRT station.

Implementation Strategies

The St. Paul Park small area presents opportunities for placemaking (creating a unique identity for the area) and development that would increase the vibrancy of the area around the station, enhance its value to the community, and build population and

transit ridership. This section of the plan offers implementation strategies for proposed improvements to move this plan to actionable change.

The recommended implementation strategies build on research, analysis, and engagement—including market research, observations of development trends, interviews with developers, and discussions with the project steering committee and the public. Site-specific recommendations also draw on the outcomes of the December 5, 2017 Implementation Workshop, which gathered implementation leadership at the city and county levels to brainstorm how to implement development concepts for Cottage Grove and St. Paul Park small areas.

GENERAL STRATEGIES

Some general implementation strategies for encouraging transit-supportive development in the St. Paul Park small area are as follows:

- Financial Strategies
 - Create tax increment financing (TIF) districts as requested by developers for sites within the small area
 - Bond to help developers secure a low interest rate
 - Dedicate resources to help secure land for transit-supportive developments
- Regulatory
 - Amend zoning or create zoning overlays that allow for mixed uses and at least 40 units per acre in the small area
 - Create or amend site plan regulations to require developers to construct pedestrian infrastructure from the door of their building to the sidewalk or trail along the street
 - Require bicycle parking at new developments within the small area
 - Create design guidelines for the small area so that development and redevelopment maintains the character desired by the community
 - Encourage parking to be oriented second to the pedestrian environment within the small area
- Policy
 - Establish economic development as a priority and share this priority with other departments
 - Connect small area plans and economic development chapter of the comprehensive plans
 - Make transit-supportive policy statements in the land use, housing, and transportation chapters of the city's comprehensive plan and specifically refer to the Red Rock Corridor and building ridership in the corridor
 - Review role of and potentially expand responsibilities for Economic Development Authority
 - Complete process to determine best use for proposed development sites
- Promotion
 - Identify advocates for transit-supportive developments and communicate consistently
 - Participate in a corridor-wide economic development strategy
 - Educate the public and city councils regarding transit-supportive development
 - Host developer panels to discuss development opportunities within the small area
 - Advertise potential development or redevelopment opportunities
- Land Assembly
 - Support land acquisition for transit-supportive developments
- Public Improvements
 - Fund enhanced streetscaping, public art, or community spaces within the small area
 - Maintain infrastructure to quality standards to entice continued and additional development
 - Create a consistent pedestrian network throughout the small area

IMPLEMENTATION CHALLENGES

Achieving the development vision for the St. Paul Park small area will be challenging for several reasons, including:

- **It's not a marquee location.** While the St. Paul Park small area has some strengths, only premium suburban locations are seeing multifamily development in today's market in the absence of public support.
- **Lack of precedents.** The lack of recent development in the area means that the area is off the radar of Twin Cities developers. That introduces uncertainty for developers because there are not rent precedents that developers can use to

estimate their future rental income. However, while there has not been recent development in St. Paul Park, the Red Rock Square development in Newport, which was fully leased before it opened, provides a precedent for affordable housing in the South Washington County area.

- **The highest impact development locations face additional challenges.** The most impactful development concepts may be those immediately adjacent to the proposed Red Rock Corridor BRT station because those developments remake the key Broadway Avenue & Summit Avenue intersection. However, those sites face challenges associated with the acquisition of multiple parcels and relatively high total acquisition costs.

OVERCOMING CHALLENGES

The following are some approaches that may be utilized to address these challenges and advance the development vision for the St. Paul Park small area:

- **Build the market by starting with projects that are most straightforward.** The city-owned property next to city hall is a good option for development. The large opportunity site on the east side of Hastings Avenue could also be a straightforward development site, if and when the property owners reach a point where they are interested in selling the property. High-quality development on these sites can set a design standard for new developments in the city and highlight the opportunities in St. Paul Park to the development community. If a market rate development was built on one of these sites, it would also establish rent rates that could be used by developers to estimate returns on subsequent developments.
- **Make mobility improvements.** Mobility improvements, such as an improved sidewalk network in the small area, can contribute to the attractiveness of the area to developers. Adding sidewalks is the priority mobility improvement, but adding other pedestrian amenities, such as pedestrian-scale lighting, benches, and street plantings also would enhance key corridors.
- **Set high design standards for new developments.** Establishing development objectives and design standards for development at retail, industrial, and office sites puts the City of St. Paul Park in a stronger position to achieve development that improves the attractiveness of the small area and leads to subsequent high-quality development.
- **Expand the retail site at the St. Paul Park Road & Summit Avenue.** Acquisition of adjoining property to the currently city-owned site at the intersection of St. Paul Park Road & Summit Avenue would make it possible to expand this development site. A larger site would provide space for offering additional retail options to St. Paul Park residents and might allow for a higher-quality development design, since there would be fewer constraints affecting the design alternatives.
- **Prepare to play a financial role in supporting new development.** Public financial support will likely be required for each proposed development identified in the small area. Improving the area's identity and attractiveness will help in the attraction of subsequent development, but that is not likely to make the area so desirable that development can occur on a strictly market basis. Specific steps that can be taken to anticipate plan-related development financial support include:
 - Estimating the likely public sector financial support for future redevelopment projects through a pro forma analysis
 - Preparing a development finance toolkit in anticipation of development
 - Evaluating and determining a reasonable pace of public sector development and placemaking investment that can be sustained over coming years
 - Adopting a communication strategy about development-related goals and the anticipated actions that may be required to attract and shape development. The communication should clearly convey the idea that cities need to invest in themselves over time or a process of decline may set in.

SITE SPECIFIC STRATEGIES: CITY-OWNED SITE ADJACENT TO CITY HALL

Site Characteristics

The development concept for the city-owned site adjacent to city hall envisions the assembly of four properties, with a combined land area of around 130,000 square feet. The cumulative assessed value is approximately \$490,000, or \$3.80 per square foot. The largest property is 96,000 square feet in area and is owned by the City of St. Paul Park. The other properties are single-family homes fronting on East 7th Avenue & Portland Avenue and privately owned by three different property owners.

Foundation for Success

The site has a desirable and visible frontage on Hastings Avenue and is also close to the proposed Red Rock Corridor BRT station and other amenities along Broadway Avenue. Most of the site is already in public ownership, and the site has sidewalks that

connect it to Broadway Avenue. Additionally, the development concept retains the community sledding hill as part of a set of outdoor open space amenities.

Challenges

One potential challenge for this site is that site assembly depends on the willingness of the three homeowners to sell their properties at reasonable prices. Additionally, this site faces the general market challenges of the area. Further, public financial support is likely to be needed in order to attract development.

Implementation Strategy

Readiness is a key consideration for attracting development, including actions such as public site acquisition, consensus building about the future of the site, appropriate rezoning, and clearly defining the expected development concept and design standards. Developer interest can then be solicited through informal outreach to developers or through a formal Request for Qualifications (RFQ) or Request for Proposals (RFP) process.

A concept level financial analysis of the desired development concept can provide a clearer sense of the public financial support that will be required. It may be helpful to explore affordable and workforce housing models or senior housing models because of the need for such housing and the alternative set of financial resources that they may provide.