



To: Mayor and City Council Members

Agenda Item #: WS III.

From: Bill Neuendorf *Bill Neuendorf*
Economic Development Manager

Action
Discussion
Information

Date: December 17, 2013

Subject: 50th and France Parking and Wayfinding Improvements
Project Update – December 2013

Action Requested:

Discussion of anticipated parking and wayfinding improvements, including

- prioritization of repairs and improvements and
- willingness and ability for City to fund a portion of the capital costs.

Information / Background:

The City has been studying the parking and wayfinding needs in the 50th and France business district with Kimley-Horn Associates since August 2013. Multiple property and business owners have been heavily involved in the study so that the needs of these stakeholders can be fully understood. Kimley-Horn has been tasked with delivering a Feasibility Study in December 2013.

The consultants and Parking Advisory Team have identified a menu of proposed repairs and improvements that are deemed essential for the long-term vitality of the business district. The proposed work focuses on the Advisors highest priority: repair and improvements to the existing ramps with only minor (surface parking) expansion at this time. The Advisors have temporarily set aside details of the future expansion of the North parking ramp so that the immediate repair needs can be resolved in a timely fashion. Expansion plans are expected to be refined in the next phase.

The preliminary cost of the proposed work exceeds the threshold that the tenants could likely bear, if the full cost is assessed to the local businesses. The business owners are willing to move forward with limited repairs but request that the City consider stepping in as a financial source so that a more robust menu of improvements can be implemented to keep 50th and France prosperous and desirable in the competitive marketplace.

The following points may be helpful as the City considers how to proceed with this project.

- When local leaders created the original Improvement Plan for 50th & France in 1974, the City and local business owners worked in partnership, sharing costs and responsibilities.
- Since the 1970's, the construction costs of public parking ramps were funded by the Edina HRA with the local businesses bearing responsibility for operations and maintenance.

- Prior parking expansions used incremental tax revenue generated from the 50/France TIF District. This District expired in 2009 and is no longer active.
- The 2011-2012 Walker Parking Study anticipated that the property owners would bear the full cost of repairs and expansion. The cost and disruption associated with that prior strategy were not supported by the impacted property owners and that concept failed to move forward.
- Incremental taxes from the Centennial Lakes TIF District, although limited, are available and could possibly be directed to public improvement projects anywhere in the Southeast Edina Redevelopment Project Area (including 50th & France).

The members of the Parking Advisory Team also note the following points as the Council considers public improvements to 50th and France:

- Many civic events occur at 50th & France, making this commercial intersection Edina's unofficial 'downtown' to many residents.
- Residential neighborhoods around 50th & France are thriving, due in part to their proximity to the successful and desirable business district.
- Tenants and their customers have many choices in this highly competitive retail landscape. Levels of taxation and public amenities vary from one location to the next. Application of special tax assessments must be manageable to the individual businesses so that successful retailers continue to populate 50th and France.
- The tax assessed value of commercial properties at 50th & France has risen by 20% in 2014. The resulting tax increase has many owners concerned about the ability to operate successful businesses with a regular tax increase plus a special tax assessment.

The attached documents summarize the current findings. The consultants and members of the Parking Advisory Team will be present at the Work Session to present the work completed to date and to discuss possible strategies to move forward.

Attachments:

Guiding Principles (1-page) and Project Overview and Update (12 pages)

**CITY OF EDINA
50th & FRANCE DISTRICT
PARKING AND WAYFINDING IMPROVEMENTS**

GUIDING PRINCIPLES

In order to maintain and enhance the 50th & France district vision, to be the pre-eminent destination for the discerning consumer desiring a charming neighborhood experience, the following improvements should be made to the parking system and public areas that support the viability of the local businesses.

- *Provide **adequate number of parking stalls** to accommodate employees and customers*
- *Provide **clean, well maintained, safe, welcoming and accessible** parking structures*
- ***Optimize the use of existing parking** using appropriate parking management best practices*
- *Provide an effective communication system to **help customers navigate to available parking stalls***
- *Provide opportunities to **access the district via non-motorized means** such as Metro Transit on foot and by bicycle*
- *Provide a streetscape that is well maintained, accessible, safe, and continues to **reinforce the unique character and identity of the district***
- *Have a **sustainable financing mechanism** for annual maintenance, periodic repairs and future replacement*
- ***Mitigate construction impacts to businesses during construction**, including no construction from October 23 through January 1 and during the Edina Art Fair.*



City Council Work Session

December 17, 2013



50th & France Parking and Wayfinding Improvements

 Kimley-Horn
and Associates, Inc.

December 17, 2013 Work Session





Agenda

- Project Understanding
- Project Process
- Proposed Improvements
- Financing



Project Understanding

- 50th & France is a Premier Neighborhood Shopping and Dining District
- Improve Parking Capacity and Ramp Conditions
- Cost Effective Solutions
- Mitigate Impacts During Construction
- Designed with Buy-In From Stakeholders





Project Process

- ✓ Develop Guiding Principles (Handout)
- ✓ Engage Stakeholders
 - ✓ Open House on September 18
 - ✓ 6 Project Advisory Team Meetings
 - ✓ 9 Focus Group Meetings
 - ✓ Parking Improvement Survey
 - ✓ Customer Survey
- ✓ Develop and Select Alternatives
- ❑ Develop Sustainable Financing Plan
- ❑ Determine Project Phasing and Schedule





Proposed Improvements

Essential Repairs

\$1,300k Ramp Repairs and Maintenance

\$1,400k Paint Ramps

\$ 600k Landscape and Paver Maintenance

\$ 60k Screen Garbage Areas

\$3,400k TOTAL ESSENTIAL REPAIRS





Proposed Improvements

Competitive Improvements

- \$2,000k Elevators in Middle and South Ramps
- \$ 650k Increase Lighting Brightness
- \$ 350k Stairwell Cameras and Panic Phones
- \$ 300k Parking Wayfinding System
- \$ 175k Automatic Irrigation System
- \$ 140k Pedestrian Walkway Enhancements

\$3,650k TOTAL COMPETITIVE IMPROVEMENTS



Proposed Improvements

Parking Expansion

\$ 350k Surface Parking (Former Edina Realty and Hooten Cleaners Sites)

\$ 350k TOTAL PARKING EXPANSION

Surface parking is interim parking expansion solution pending feasibility of mixed use ramp



Proposed Improvements

Enhanced Annual Operations and Maintenance Costs

- \$ 250k Current Annual Assessment
- \$ 80k Districtwide Ambassadors
- \$ 35k Holiday Season Parking Strategies
- \$ 30k Ramp Power Washing
- \$ 50k Enhanced O&M for New Systems

\$ 450k ENHANCED ANNUAL O&M COSTS





Financing

Preliminary Cost Estimates

\$3,400k Total Essential Repairs

\$3,650k Total Competitive Improvements

\$ 350k Total Interim Parking Expansion

\$7,400k TOTAL CAPITAL COST

\$ 450k ENHANCED ANNUAL O&M COSTS



Financing

Revenue Source (100% Assessment Approach) Special Assessment of Land Owners

Financing Assumptions

- \$7,400k Total Capital Cost
- \$450k Annual Maintenance Cost
- 340,000 Square Feet of Leasable Space
- 20 Year Term at 3.86%

Preliminary Assessment Rates for 100% Assessed

\$1.63 / Square Foot Capital Cost

\$1.33 / Square Foot Annual O&M

\$2.96 / Square Foot TOTAL Annual Assessment

Financing

Revenue Source (Suggested Proposal)

Special Assessment Plus City Contribution

Land Owners Essential Repairs	City Parking Expansion	Land Owners? Shared? Competitive Improvements
- Repairs and Maint	- Surface Parking	- Elevators
- Paint		- Lighting
- Landscape		- Cameras & Phones
- Garbage		- Wayfinding
- Annual O&M		- Irrigation System
		- Ped Enhancements
\$3,400k (\$0.75/sf) plus \$250k (\$0.72/sf) O&M	\$350k	\$3,650k (\$0.80/sf) plus \$200k (\$0.61/sf) O&M



Questions?

