



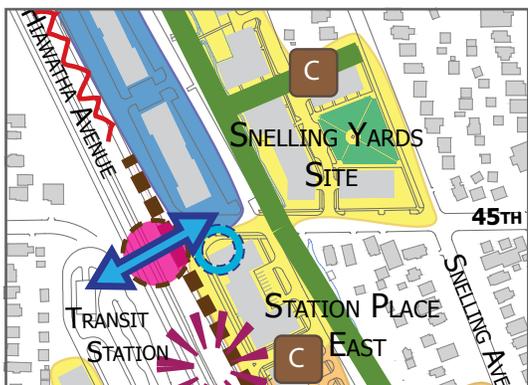
# Snelling Yards Development

## PROJECT DESCRIPTION

The Development team proposes to offer an inter-generational campus of senior and workforce affordable rental housing, oriented to accommodate the existing Hiawatha Corridor transit infrastructure, but with an eye towards seeding the first connective block of bike and pedestrian access between the Sabo Bridge and Minnehaha Park. A compelling package of green space and public amenities, coupled with high performance sustainable development practices makes for a demonstration project of extraordinary value.



CREDIT: MINNPOST



CREDIT: 46TH AND HIAWATHA TRANSIT ORIENTED DEVELOPMENT STRATEGY



Our design, construction methods and shared amenities will be high quality. We will provide no less than 25% unit masonry exteriors, with architectural grade metal and durable cement exterior materials, high performance sound mitigation engineering, and quality interior finishes that rival “market-rate” properties. Eyes on the street – with units focused on the entire perimeter as well as the proposed greenway lay the foundation for the next evolution in LRT corridor development. Our housing choices are complimentary to the neighborhood’s need, with a large and growing “age-in-place” population rooted in single-family housing, and an even larger entry-level workforce that desires quality housing near transit access between jobs at the airport, VA, University or downtown. Each of the housing offerings will add vibrancy to the Longfellow neighborhood and address a chronic shortage of need-specific housing — at a variety of price points.

### SITE COMPONENTS

The buildings will share a “Green Commons”, connecting Snelling Avenue via an open pocket park built over an infiltration storm water gallery. The storm water management system will remove no less than 70% Total Suspended Solids (TSS) with opportunities to upgrade to 90% TSS if the Mississippi Water Management Organization will support a demonstration project.

The pocket park will be ringed by linear rain gardens infiltrating our surface and guest parking areas, and providing walking pathways through the building grounds to the Greenway. Each building will have a plaza and patio area which opens to the Green Commons and Greenway, and making walking path connections between 44th and 45th Streets for access to LRT. The opposing entrances to each building from the Green Commons will have intensive green roof elements to slow the rate of roof flow to the storm system.

## PROJECT DESCRIPTION, CONTINUED



### PUBLIC RIGHT-OF-WAY

Presently, it appears that the northerly portion of what serves as an alley at 44th Street is actually “fee title” of the Snelling Yards property. This “stub alley” serving the five single family homes at 44th Street would be re-constructed as a fully functional 14’ wide public alley, providing dedicated public ROW between Snelling and 44th, facilitating trash collection and snow removal by regular city forces, as well as vehicular access to the below grade, guest and surface parking areas of the project. This will be a dramatic improvement to the public presentation of services. The opportunity to clean up the entire 44th Street “view shed” from Hiawatha to Snelling, should improve property values for neighbors. The alley construction would be proposed to be funded by an Elwell Law Assessment with our proposed developed receiving a substantial portion of the assessment cost for the benefiting improvements.



### PHOTOVOLTAIC SOLAR

It is the intent of the Development team to incorporate a 40Kw Photovoltaic Solar system on at least one of the two building rooftops. The 40Kw system would in part be facilitated by the Minnesota-Made Solar Rewards Program and is subject to the qualification and award of certain federal and state tax credits, energy equipment rebates and power purchase agreements administered through the Minnesota

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Commerce Department. The Development team is uniquely qualified to pursue this feature, as both the Broadway Flats and Mill City Quarter projects have a 40Kw Solar system integrated in them. Few housing development teams in the Twin Cities have the combined solar and tax credit experience to integrate such a system into an affordable housing project.

### BUILDING COMPONENTS

Each building will have first floor common areas and amenities including lobby, fitness center, community/clubroom with kitchen, business center, package and mail center, trash and recycling facilities, leasing/management offices and exterior patio and garden spaces on the Green Commons. Shared facilities are planned as part of the inter-generational focus of the project. Connections from Green Commons to our Pocket Park will provide for an outdoor pergola and a public art component. The Development team will set aside matching funds for both Longfellow neighborhood funds and the Minneapolis Art Commission grants to facilitate a locally commissioned art sculpture.

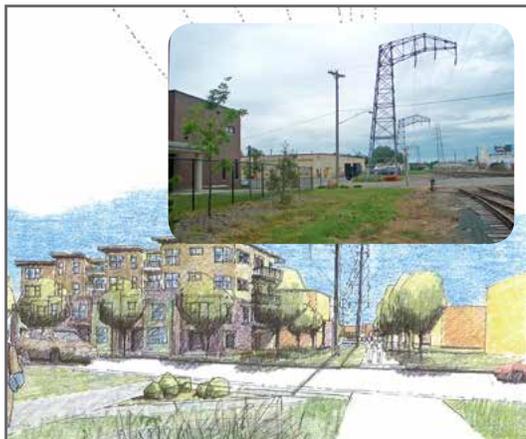
One and two bedroom units averaging 725 to 750 and 930 to 950 square feet respectively will feature complete kitchens with full sized cooktop/oven, over cooktop microwaves, refrigerator/freezer, dishwasher, and disposal. Countertops will be solid surface materials with banding, and cabinets will be solid door construction. Some units will have either islands or peninsula kitchen layouts, while others will be galley style. An emphasis on closet space, both at entry and in the main body of each unit will be provided. Up to 35% of the apartment homes will have deck or balconies.

First floor units adjacent to the future Greenway will have dual entrances from the interior corridor as well as patio walk-out entrances. This “eyes-on-the-street” approach will also offer adequate landscape separation and screening so that three connections to the Greenway — one per building and one at the Green Commons can be built. Additionally, the apartment homes will feature larger and “warehouse style” window sizes in an effort to address that particular historical vernacular of the area.



THE FRANKLIN LOFTS WALK-OUTS, MINNEAPOLIS

## PROJECT DESCRIPTION, CONTINUED



CREDIT: 46TH AND HIAWATHA TRANIST ORIENTED DEVELOPMENT STRATEGY

### LOCAL HIRING INITIATIVE

Our team believes in local hiring whenever possible, and providing job training and career advancement opportunities to women, minorities and disadvantaged individuals. The development team has a unique relationship with Summit Academy OIC that has been field tested for the last 24 months and is applicable to this project. Summit Academy is a Minneapolis-based regional leader in workforce development, educational services, training initiatives and employment policy innovation. Summit provides vocational training and in particular has a strong construction trades recruitment and training program for both women and minorities who wish to enter the trades' career path. Principals of the Development team and Frana Companies have worked with Summit Academy to provide a steady pipeline of Summit trained graduates to Frana, and many

of these candidates have been placed on the Development team's worksites. Currently, 71% of the first year placements are still working satisfactorily on the Development team sites. Some Development team principals have also funded start-up micro grants to Summit Academy graduates, enabling the purchase of tools, work clothing and assorted start-up equipment.

### FUTURE GREENWAY ELEMENTS: MINNESOTA COMMERCIAL RAILROAD COOPERATION

A lofty project municipal planning goal is the Greenway connection from the 29th Street rail corridor over the Sabo Bridge and on to Minnehaha Park. Our project is ready to provide the "demonstration block" for how future development will – on a block-by-block basis, become a reality. Our team is in a unique position to facilitate the starting vacation of certificated spur rail lines in the corridor. We have successfully worked with the MN Commercial Railroad in the development of Stone Arch Apartments, securing track abandonment, meeting rail engineering surcharge requirements and generally coordinating apartment construction while an operating railroad was in service. We know the railroad principals, have worked with them for years, and believe we are ideally suited for partnering with the City in securing abandonment of certain blocks of track south of 42nd Street.

### ENVIRONMENTAL ANALYSIS

As part of the RFP process, the Project team has reviewed the available environmental information provided by the City. While the Phase I and Phase II investigations did not report evidence of significant impacts, no testing of shallow soil, likely to be encountered as part of redevelopment, was completed. One hundred years of historical use, including the historical presence of large (30,000 gallon) aboveground storage tanks and long-term equipment and vehicle maintenance, will have caused some impacts to the site. While widespread, significant contamination appears unlikely, much of the shallow fill soils at the property

may require special handling. Remnant petroleum contamination, buried building foundations and debris and other impacts will be encountered as part of site excavation.



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The Project team is aware of this and well versed in the regulatory and remediation requirements associated with sites such as this. In fact, we typically search out these types of sites because of our expertise in this area and our ability to manage these additional issues within typical construction. The time necessary to address these potential issues has been built into our proposed schedule and will not hinder our ability to complete the project within the timeframe and budget we have allocated.



## PROJECT DESCRIPTION, CONTINUED

Based on the proposed schedule for the RFP process, the Project team intends to complete additional environmental investigation activities over the winter with the intention of pursuing brownfield cleanup and TOD redevelopment grants in the spring 2018. This project team has a high level of success in obtaining funding from these programs on other projects in Minneapolis, including the Mill City Quarter site. Funds from these programs are typically awarded in summer and late fall 2018, fitting into our proposed project schedule.

### CONSTRUCTION METHODS: ENERGY SAVINGS INNOVATION

Our team believes that the site is perfect for an innovative construction technique known as panelized assembly. Traditional on-site framing, which is wasteful and subject to weather limitations, can be replaced with pre-fabricated walls fully provided by Frana Companies from their Wall Plant and fabrication facility in Rosemount. The elimination of weather exposure waste and cold weather productivity loss, coupled with the efficient performance of the product as a hard, durable and easily finished product, makes for cost savings and economy of assembly. Traditional drywall (interior) and any exterior finish can be field installed over these panels, making for flexible and competitive completion of the project.

### GREEN COMMUNITIES

The project will meet the Minnesota overlay for Green Communities standards, and have multiple demonstration features for green/sustainable building practices, including storm water infiltration, rain gardens, green roofs and energy efficient design. It is the practice of the development team to contract with Xcel Energy's Energy Design Assistance (EDA) program. Using the services of The Weidt Group — a regionally respected energy consultive practice — we expect to fully model our building design to minimize electrical and fuel consumption and conserve resources. We subscribe to best management practices in the selection of energy efficient appliances and fixtures.

### AFFORDABLE HOUSING

*Neighbors ask... "What is Affordable Housing?"*

Tax Credits provide PRIVATE funding for the development of housing by allowing an investor (usually the partners or partnership that owns the housing) to take a federal tax credit equal to a percentage of the cost incurred for development of the housing project.

Development capital is raised by selling the credits to an investor or, more commonly, a group of investors. To take advantage of the credit, a developer will typically propose and complete the project, certify its cost, and rent-up the project to tenants who meet certain income limits. The tenants must be certified as income eligible each year. The developer agrees to limit rents for 30 years to rent tables that are indexed to the area median income.

The program's structure as part of the tax code ensures that private investors bear the financial burden if properties are not successful. This pay-for-performance accountability has driven private sector discipline to the program, resulting in a foreclosure rate of less than 0.1% — a percentage far under comparable market-rate properties. As a permanent part of the tax code, the tax credit program necessitates public-private partnerships, and has leveraged more than \$75 billion in private equity investment for the creation of affordable rental housing.



## **BENEFITS OF THE PROJECT**

This joint venture project affords a number of touch-points for City policy that provide excellent benefits to the Public. In tabular form, those items include:

1. Connection of the street grid to the proposed Greenway.
2. Compliance with neighborhood master plan, district zoning and transit corridor design standards.
3. Public amenity connection to Minnehaha Park and River Road walking and biking trails.
4. Public Art and Pocket Park amenities establishing an important contribution to the city streetscape.
5. Low profile, appropriately massed structures contributing to the street edge and complimentary to the existing urban landscape.
6. Creation of approximately 11 FTE jobs dedicated to the development project, ranging in wages from \$12/hour to over \$100,000.
7. Creation of approximately 8 permanent FTE property management/maintenance positions between the apartment homes, parking and management components of the project at scales between \$24,000 and \$55,000 a year.
8. Thoughtful traffic and parking design that minimizes intersection loading and air pollution from car idling.
9. 253 quality, affordable housing units in the district.
10. High-quality, hands-on local management with decades of experience and credibility in dealing with rental tenants, private owners and property management.
11. Environmentally-sensitive construction methods emphasizing recycling, energy and resource conservation, and high-performance building components.
12. Operationally efficient lighting, HVAC, and water usage, with emphasis on sustainable building design, and Green Communities building standards.
13. High-performance storm water and solar resource recovery program.
14. Efficient and appropriately screened guest, visitor, resident and staff parking.
15. Upgrade 44th Street Alley to serve five (5) single-family homes and the project.
16. Innovative local hiring initiative and supportive training program.
17. Experienced railroad corridor development team with “track” record!
18. Resolve and remediate any environmental issues left on the site.
19. Provide Hour Car parking station accessible for residents and neighborhood.
20. Well-organized, experienced development team. We do this together all the time!