

ULI Minnesota

Regional Council of Mayors

Advisory Services: It's About Trust

Public officials and private sector partners praise innovative ULI Minnesota workshops

Urban Land Institute Minnesota's Advisory Services offer public officials and private sector partners a chance to step out of the day-to-day routine and into a new kind of "civic space" where development alternatives can be analyzed in a wider, deeper, more collaborative context.

Since 2011, 45 cities across the region have participated in ULI Minnesota's "Navigating Your Competitive Future" workshops. The two-hour sessions are aimed at elected and appointed officials as well as city staff and private sector development, design and finance professionals. Each session offers a fact-based, nonpartisan examination of the current and future real estate market challenges tailored to fit the values and goals of a particular city.

An additional 7 cities have completed Technical Assistance Panels (TAPs) since 2009, which provide an unbiased, interdisciplinary panel of volunteer real estate professionals who address a specific project, development or policy issue. This option allows cities to broaden the benefits received through the two-hour 'Navigating' workshop with deeper analysis on a specific development area.

Trust is developed across public and private sectors.

"The workshops are opportunities for City officials to ask questions of real estate professionals in an environment where neither party has anything at risk. This is a new kind of civic space. The developers are neither seeking anything nor defending anything and City officials are not under any pressure. It allows for a spirit of inquiry and exploration that is too often not possible when both parties are advocating specific positions."

**ULI MN Governance Chair John Breitinger
United Properties**



Changing Demographics. New Market Preferences.

The intent of ULI Minnesota's Advisory Services workshops is to help cities fulfill their desired development potential in ways that are financially, environmentally and socially responsible. The intent is also to help private developers, architects and public finance consultants appreciate the challenges facing public officials.

A coach for cities.

"ULI's role is like a coach for cities. They help you figure out your goal and how to get there, and then how to hold yourself accountable."

Jamie Verbrugge
City Manager, Bloomington

A workshop might, for example, help city leaders understand why a new housing development has failed to fit the current market, or why a certain street corner remains undeveloped despite persistent efforts.

Of special interest is the profound shift in the housing market in recent years. Changing demographics, new market preferences and economic uncertainty have altered the housing landscape in ways that have left some cities unprepared. The Advisory Services programs give cities the tools they need to grapple with these challenges.

Making an Impact: Insights from Participants

A review of the workshop series included conversations with a dozen past participants illuminating a number of insights, among them:

Understand and respond to changing markets. The workshops are beneficial to cities and counties as they plan complex projects. For example, drawing on information from its workshop in September 2015, Bloomington adopted a new strategy for reviving failing neighborhood commercial nodes by adding housing and new types of businesses.

Regarding the Southwest Corridor TAP:

"Thanks to ULI MN and all involved in the TAP for the Blake Station. It gave us more than a few things to think about. That is success to me."

Kersten Elverum, City of Hopkins

On the value of new ideas from the private sector needed after years of planning:

"Thank you for all the hard work in pulling the TAP together. I think the panel gave us informed and thoughtful feedback on the concepts and provide new insights for consideration, which is exactly what we were after."

Katie Walker, Hennepin County

Affirm market knowledge. More than on any other topic, workshop participants agreed that information from experts had a big impact on elected officials.

"There were a few hard truths about the housing market that went down better because it came from real estate professionals."

Laurie Hokkanen, City Manager, Victoria

Support a full range of housing choices. Cities need to consider a wider variety of housing options, styles, price points and rental-ownership ratios to match the shifting market. This means accommodating aging populations, a shrinking middle class and the preferences of younger millennials and boomers for more proximity, walkability, affordability and variety in their neighborhoods and less auto dependence in their lives.

“ULI MN’s support of the Regional Council of Mayors along with its advisory services program has provided invaluable benefit to the City of Edina, resulting in a deeper understanding of the importance of providing a full range of housing in our community. The expert content, data driven presentations, and connections to private sector market information all contributed to the City’s unanimous decision to support the Beacon Homeless Youth Project and to adopt a new housing policy.”

Jim Hovland, Mayor, City of Edina

“With the assistance of a ULI MN Technical Assistance Panel (TAP), our city has moved forward on a key redevelopment project that expands rental housing options for residents. The TAP provided immeasurable assistance and was vital in guiding the strategic direction for the property.”

Sandra Martin, Mayor, City of Shoreview

Invest in public infrastructure. The importance of good streets, streetscapes, transit service, utilities, parks and trails can’t be underestimated. After a ‘Navigating’ session in 2012, Coon Rapids learned there was an economic reason to provide funding to build trails to connect its park system and successfully passed a Park Bond in 2013. Columbia Heights realized that to attract better redevelopment along Central Avenue, stricter design guidelines and nuisance codes would have to be enacted and enforced.

“Junk cars and stacked tires don’t impress prospective retailers.”

Joe Hogeboom, Development Director, Columbia Heights

Be inclusive. Bloomington and Coon Rapids named their school systems as important development tools, saying school representatives should be involved in future workshops. Maplewood wants to find a way to involve Somali, Hmong and other ethnic populations in city affairs.

“We need to reach out.”

Melinda Coleman, City Manager, Maplewood

Get out of your bubble. Too often cities fail to realize that they can learn from their neighbors. Columbia Heights has identified Robbinsdale as a model for human-scale development; Bloomington admires Hopkins’ success in developing a community gathering place.

Collaborate. The workshops provide an opportunity for real estate professionals to use their expertise, learn from each other and collaborate to provide impactful information that moves plans forward to development. After a TAP at two specific station areas along the Southwest Corridor:

"I was most impressed with how we collectively dove into each station and tackled a big ask in a short amount of time. I think it speaks to the talent/experience of everyone and our passion/commitment to our respective crafts. I look forward to the next opportunity to collaborate with all of you again in the very near future. "

Brent Webb, Sherman Associates, Inc.

Be patient. Council members sometimes want to impress voters quickly within their terms, but development moves at its own pace and responds to a market that politicians don't always understand. Often, new development has to be staged gradually in order to match a city's optimal long-term vision.

Properly assess risk. Cities must know when it's useful to subsidize development and when it's not. Caution is often a virtue.

"Sometimes the greatest risk is taking no risk at all."

Mark Ruff, Municipal Advisor, Ehlers

Follow up. To accommodate frequent turnover on city councils and appointed boards, participants were unanimous in calling for an updated workshop every two to three years for every city that wants one.

"You've got to have a vision for your community and pursue it. These workshops keep us on track."

Grant Fernelius, Development Director, Coon Rapids

Promote your city. Drawing from the Columbia Heights workshop, the city launched a branding campaign that's drawing fresh attention from developers.

"The world can easily pass you by unless you're proactive about development."

Joe Hogeboom, Development Director, Columbia Heights

An Opportunity to Give Back

These workshops have also benefited more than 66 private sector volunteers who have donated thousands of hours of their time and talent. ULI MN Governance Chair John Breitinger notes, "It is an opportunity for senior real estate professionals to volunteer - giving valuable advice and insight and in the process improving their communities. These are experts who are generally not available for hire - a unique and very important source of market information for Cities who participate."

"It was a fantastic experience that seems to have made a real difference for our client communities."

Max Musicant, The Musicant Group

"It was a rewarding experience and valuable time spent. Keep up the good work."

Tony Barronco, Ryan Companies US, Inc.

"This was an incredible experience. The people, the process, the brainstorming. Such fun and so well organized. Once again ULI MN is impressive!"

Patty Gnetz, US Bank

Building trust. Building our future.

"Our public and private sectors learn from each other. Indeed, the broader aim is to build a bridge to civic trust on how to stay competitive in a changing global economy. An informed dialog will lead us to a more resilient and thriving future."

Caren Dewar

Executive Director, ULI Minnesota