



RAMSEY COUNTY

Ramsey County Board Workshop:

Riversedge (Riverfront Property) Master Developer Update

Economic Growth and Community Investment Service Team
Community and Economic Development Department

July 23, 2019

Start time: 1:30 p.m.

220 Courthouse, Large Conference Room

Agenda

1. Introduction
Ryan O'Connor, County Manager
Kari Collins, CED Director
2. Overview of Due Diligence Process
Josh Olson, Redevelopment
Manager
3. Master Developer Presentation
Bane Gaiser, AECOM
Brian Dusek, AECOM
Stephen Knowles, AECOM
Jeff Rhoda, AECOM
4. Questions

Saint Paul Riversedge

Due Diligence Recap
July 23, 2019

Purpose of Workshop

- Provide introductions
- Revisit County goals for redevelopment
- Invite AECOM, preferred developer, to provide a recap on due diligence activities to date
- Seek County Board concurrence of the project vision, preferred developer and advancement of project implementation activities and development agreement negotiations

Sponsors

Ryan O'Connor, County Manager

Johanna Berg, Deputy County Manager, Economic Growth and Community Investment

Staff Project Team

Kari Collins

Josh Olson

Martha Faust

Lee Mehrkens

Amy Schmidt

John Siqveland

Consultants

Mikaela Huot, Baker Tilly

Sara Swenson, Goff Public

Riverfront Vision

- Bold and architecturally significant befitting this iconic location
- Maximize development potential
- Expand the tax base and create jobs
- Enhance vitality through public amenities and prominent public realm
- Use development of the site to connect people to the river
- Anchor the River Balcony into design and programming of the site
- Establish an active ground level including on the river façades
- Use site and design buildings to maximize views of the river valley
- Extend public rights-of-way from the downtown through the site to the river
- Demonstrate innovations in environmentally sustainable design
- Design with the site's context in mind and as a continuation of the urban fabric

Selection of AECOM

- Request for Development Interest (RFDI)
 - Board Workshop – November 2018
- Preliminary Development Agreement and Initiation of 6-month due diligence period
 - January 22, 2019
- Board check ins
 - March 12, 2019 & April 9, 2019
- Established City-County Working Group

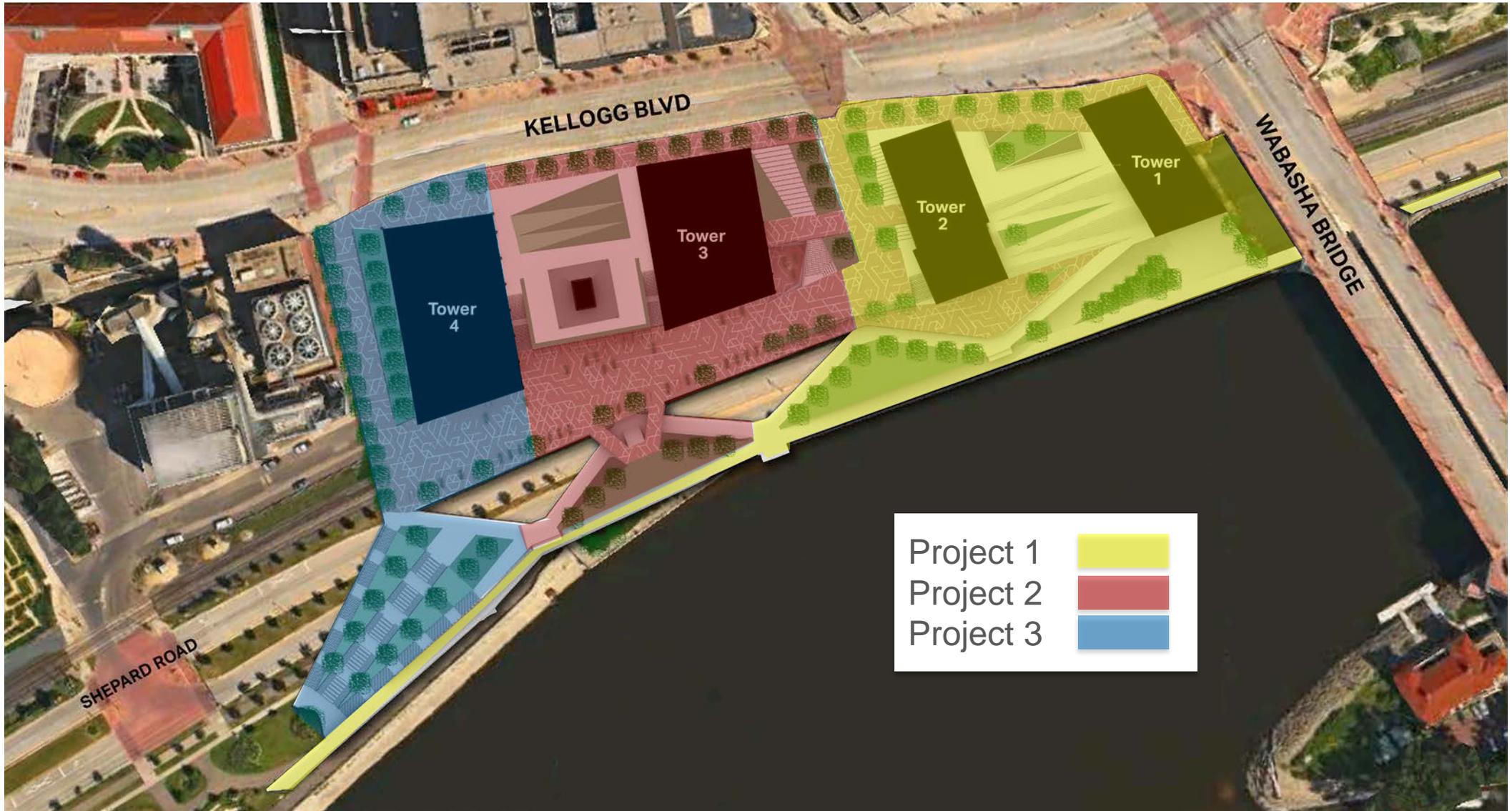
Goals of Due Diligence Period

- Market Feasibility
- Regulatory / Entitlement Feasibility
- Financial Feasibility

Project Overview



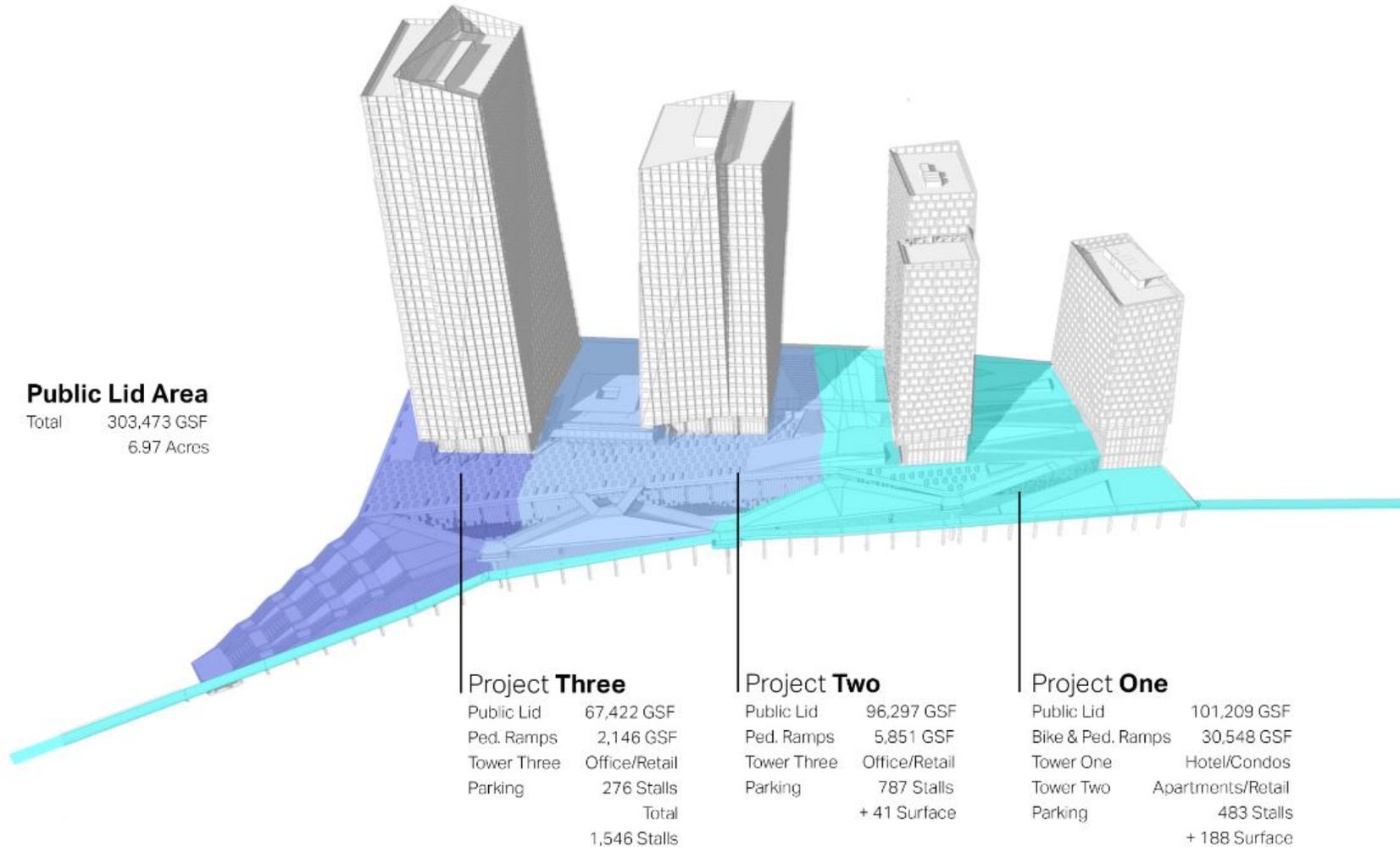




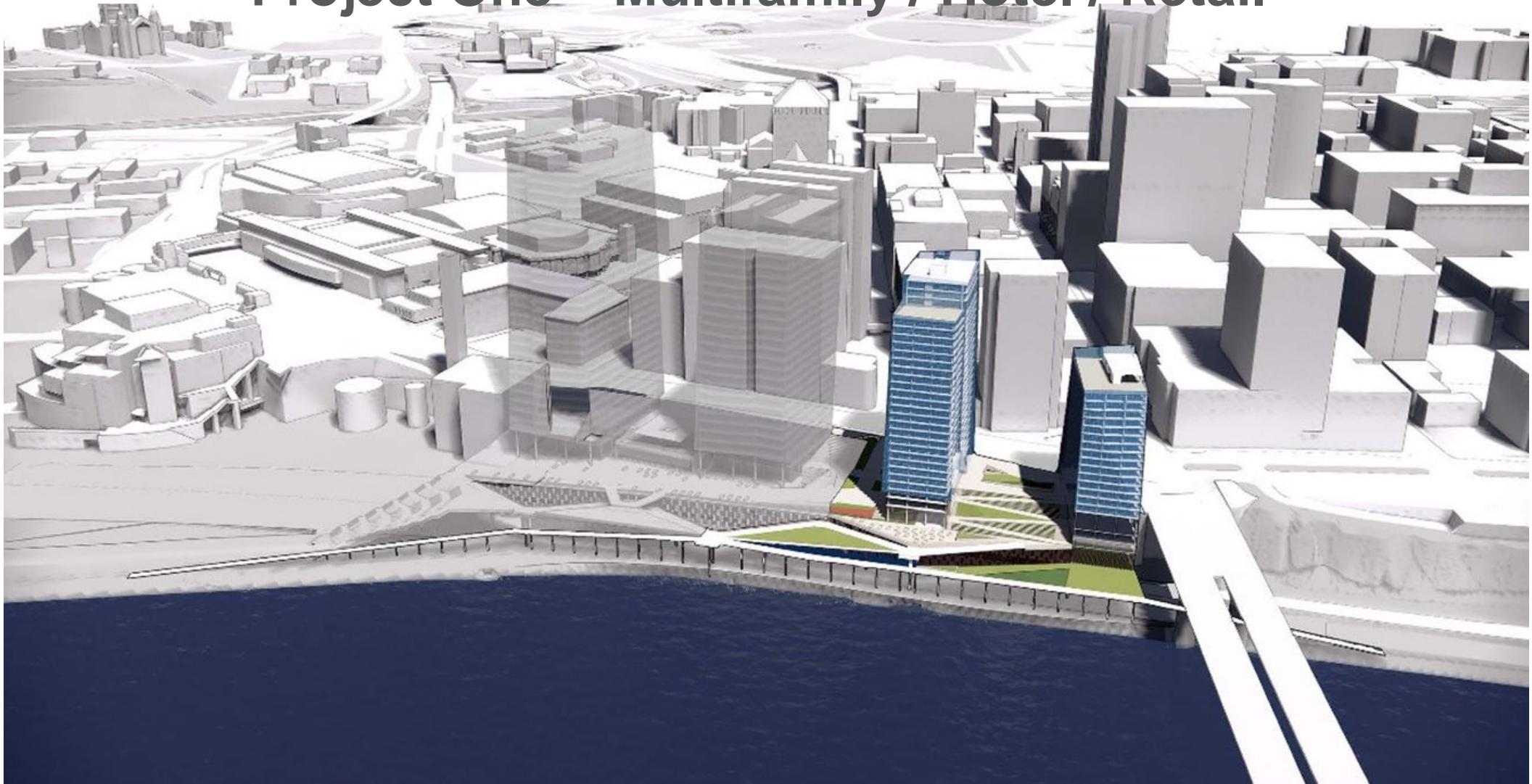
Riversedge Program

Project 1	Total Program
<p>Tower 1 Hotel :168 Keys Condo: 56 Units Retail: 4,000 SF</p> <p>Tower 2 Apartments: 350 Units Retail: 7,500 SF</p>	<p>Four Towers Hotel :168 Keys Condo: 56 Units Rental Apt: 350 Unites Retail: ~30,000 SF Office: ~950,000 SF (two towers)</p>
<p>Parking: 500 Spaces</p>	<p>Parking: Up to 1600 Spaces</p>
<p>Public Realm Lid: 4.7 Acres</p>	<p>Public Realm Lid: 9.73 acres</p>
<p>Construction Start: 2020/2021</p>	

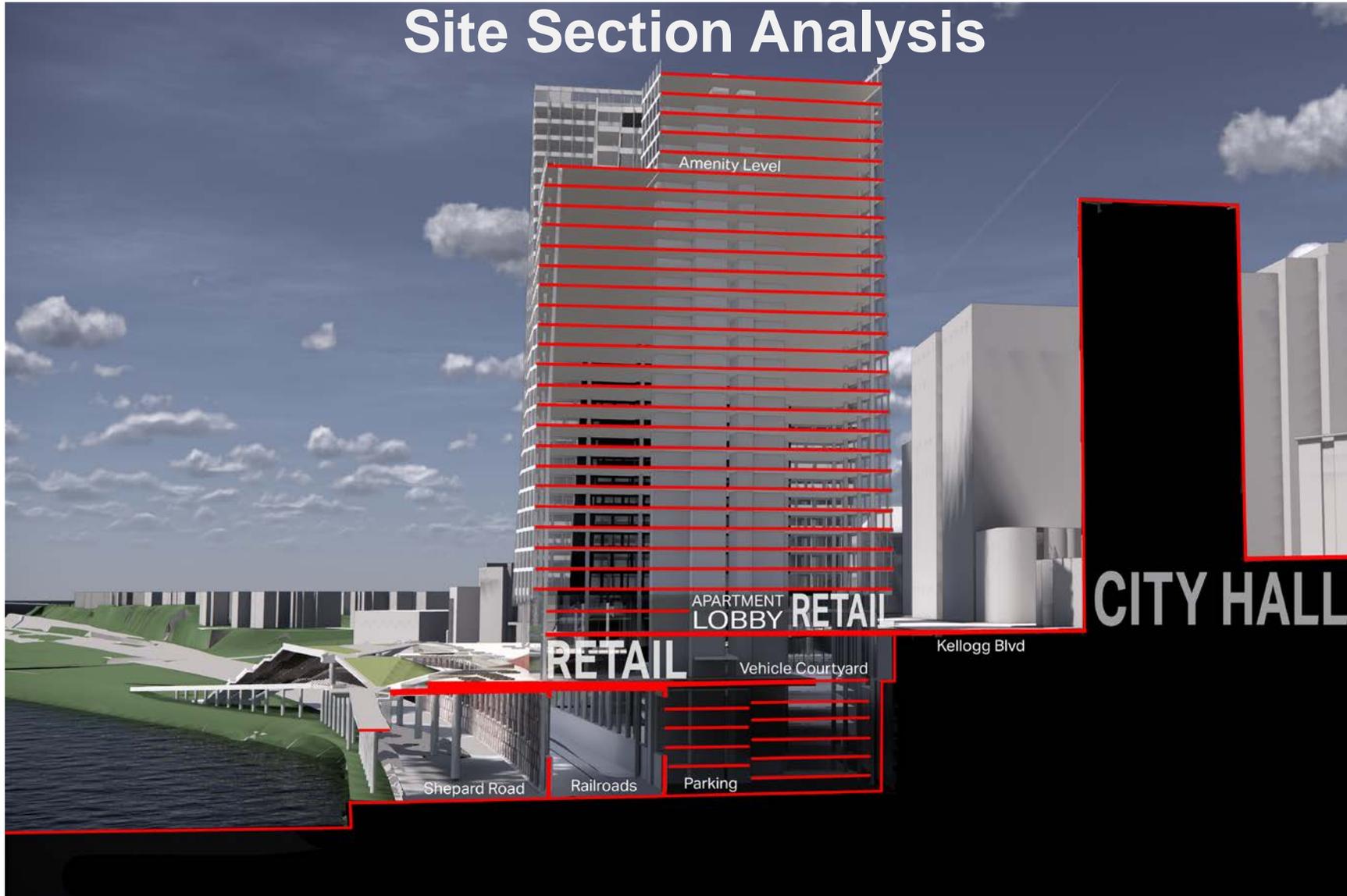
Conceptual/Schematic Design



Project One – Multifamily / Hotel / Retail



Site Section Analysis



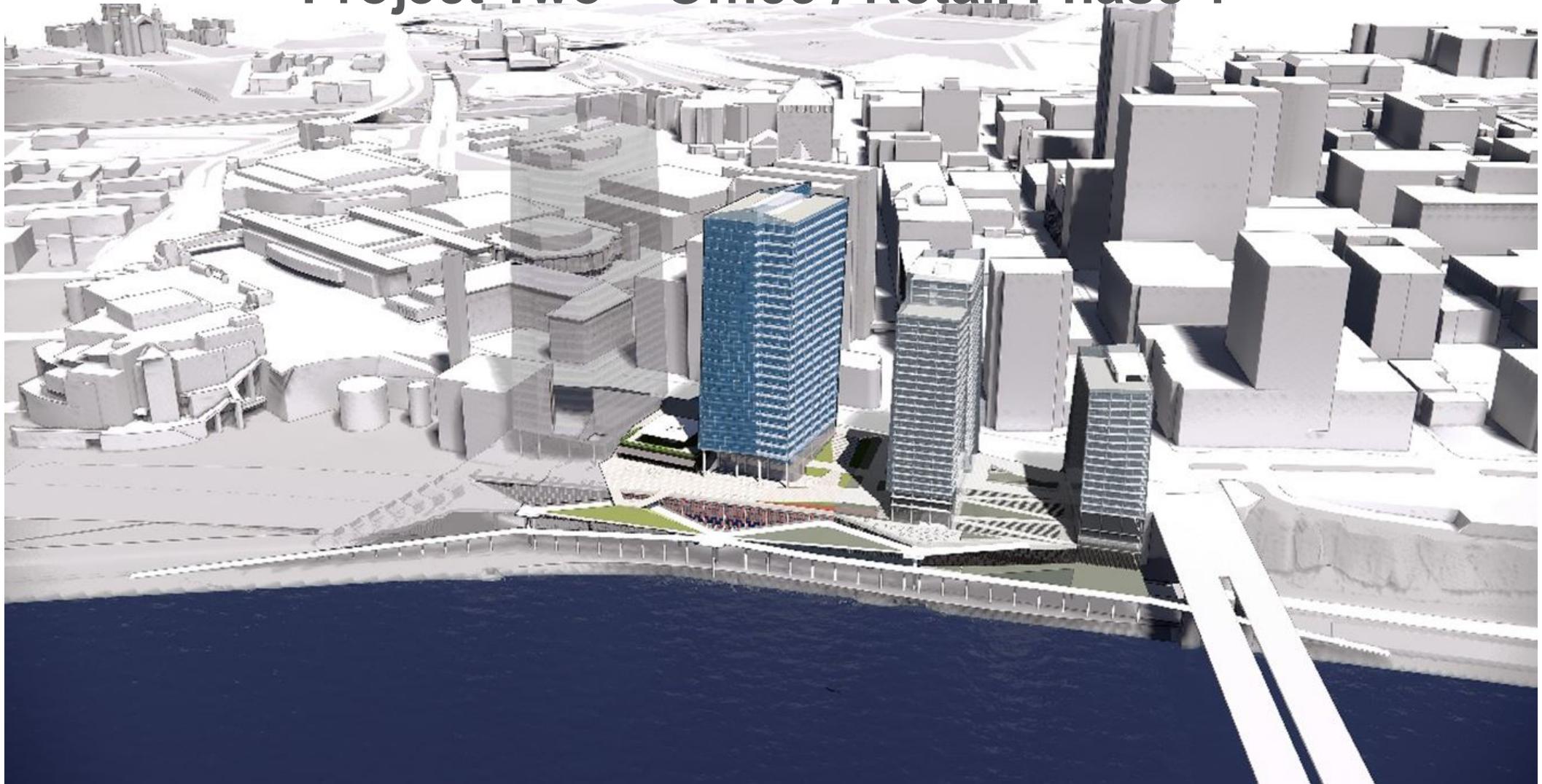
Panoramic from Hotel Rooftop



Panoramic from Apartment Roof Deck looking Southwest



Project Two – Office / Retail Phase 1



Panoramic from Office Tower 1 Rooftop



Project Three – Office / Retail Phase 2





Market Feasibility

- Walker Associates (parking)
- GVA Marquette (multi-family / retail / hotel)
- JLL (Office – Projects 2 and 3)

Regulatory / Entitlement Feasibility

- Zoning / site plan approval / environmental process (City of St Paul)
- Rail corridor air rights (UPRR, CPR)
- High-voltage power line relocation (Xcel)

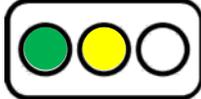
Financial Feasibility

- Private development feasibility (parking and towers)
- Public subsidy (lid, public realm)
- Other sources

Financial Feasibility

	Project 1	Full Project
Private Participation Debt, Equity	\$230M	\$708M
Public Participation	\$48M	\$80M
TOTAL	\$278M	\$788M
Public Contribution %	17%	11%
Tax Base Generation		\$13.5M - 16.3M per year
Public Realm (Lid) created	4.71 acres	9.73 acres

Assessment of Project Feasibility

	<u>Project 1</u>	<u>Project 2/3</u>
• Market Feasibility		
• Regulatory Feasibility		
• Financial Feasibility		

Critical Next Steps

- Rail Air Rights Acquisition (Timing, Key Milestones)
- Office Offer Packet and Marketing / End User Prospect Engagement
- Financial Partnerships
 - State Bonding
 - City of Saint Paul Engagement
 - Affordable Housing
 - Market Street Extension (Traffic Study)
 - Public Realm Design
- Design Development
- Public Engagement

Rail Easement Timeline

1	Initial railroad engagement and presentation of concepts	March - April, 2019
2	Confirmation of Project Requirements	May - June, 2019
3	Engineering Agreements	June - July, 2019
4	Preliminary Engineering and Feasibility Investigations	July - December, 2019
5	Railroad investigative findings on confirmed or new requirements	January - March, 2020
6	Confirmation of project scope and requirements in final design/documents	April - June, 2020
7	Projects assigned to railroad works groups for oversight during construction	July, 2020 - July, 2021
8	Project 1 completion - local engineering /maintenance assume post-project operations	August, 2021

Affordable Housing

- Affordable Housing Trust Fund
 - \$5M in set aside contribution – Project 1
 - Allows creation of County Affordable Housing Trust Fund
 - Deepens impact by:
 - Responding to regional supply deficits
 - Targeting geographic areas lacking affordable housing
 - Addressing financing gaps in affordability levels (i.e. ~30%AMI)
 - Allows County to be more strategic with use of funds
 - Consider programing to address both affordable housing and housing affordability
 - Other options considered:
 - St Paul HOME Funds, Saint Paul Housing TIF, Abatement

Board Direction and Next Steps

- Concurrence with project vision/developer?
- Concurrence with preferred developer (AECOM)?
 - Direct developer and staff to initiate an implementation plan focused activities
 - Public engagement
 - Continuation of design
 - Regulatory submittals/clearances
 - Negotiation of development agreement
 - Return to Board with continued check ins
- Timing of Board action steps
 - Amend Preliminary Development Agreement
- Other County Board direction to staff
- Questions?

