

Transformative Development Action Strategy

ULI Minnesota

RCM: Regional Council of Mayors

Reinvesting in the Region: An Action Plan to Make It Easier to Do Better.

“How do we make the hardest development easier to do?”



In the world of real estate investment, the continual challenge is to understand new trends, capitalize on new market opportunities, and direct investment funds in strategic ways. No time in recent memory has been as complex or as subject to detailed analysis as our current time---or changing as rapidly.

What's Next? Real Estate in the New Economy, ULI Publication, 2011.

Overview: Leaders in the Minneapolis-Saint Paul region recognize that the world has changed; the old development models no longer meet diversifying market preferences or embrace emerging opportunities. In order to help their region compete, ULI Minnesota in partnership with the Regional Council of Mayors (RCM) created a targeted list of strategies to encourage transformative development. They examined the rules and incentives that guide the real estate market and produced an action strategy targeting the region's development culture, regulations, and incentives. *Reinvesting in the Region* proposes “a bold new toolbox to catalyze transformative investments.”

Opportunity: *Develop an action strategy focused on reaching goals for a more productive, sustainable, and inclusive metropolitan region through examining the political culture, regulatory environment, and incentives for transformative development.*

Role of District Council: ULI Minnesota members representing the private sector and the RCM co-led development of the action strategy and participated in strategy development meetings. District Council staff coordinated the process. Staff activities included planning and scheduling committee meetings; gathering and presenting relevant materials to the committee; conducting outreach; writing drafts for committee review; and arranging for next steps to support strategy implementation.

Budget Estimate: \$25,000-\$35,000 and an in-kind contribution of District Council staff time.

Timeframe: Twelve months

Reinvesting in the Region

An Action Plan to Make It Easier to Do Better

SUMMARY

Outcome

How can we make it easier to redevelop, reuse and renovate in our developed communities, using scarce public dollars to attract private investment, grow jobs and build tax base for the wellbeing of our region?

Implement a Bold New Tool Box



Reinvesting in the Region organizes actions according to four key strategies:

1. Regional Goals, Resources and Collaboration

Align, integrate and leverage regional goals and resources; support strong cross-jurisdictional leadership, partnerships and coordination.

2. Local Government (Re)Development Policies and Practices

Implement (re)development policies and practices that support thriving, sustainable communities.

3. Land Assembly

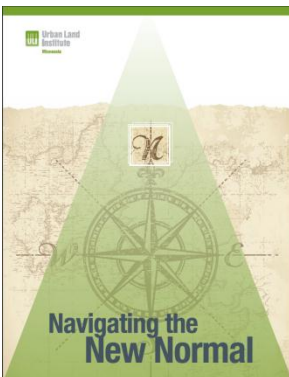
Strengthen site acquisition tools and financing to support assemblage of key (re)development sites under multiple ownership; in some cases enable a long term hold.

4. Financing and Tools

Strengthen tools, funding programs and mechanisms by expanding local government's ability to create and implement redevelopment ready sites.

Tools for the New Tool Box

Reinvesting in the Region is well on its way to implementation, with several of the new tools already available or under development:



- ✓ **Navigating the New Normal Workshops:** A two-hour, interactive workshop for city officials that provides a practical approach to the new challenges of (re)development.
- ✓ **(Re)Development Ready Guide:** A guide for local governments that provides a checklist for establishing (re)development policies and practices.
- ✓ **Reality Check™ 2.0--An Investment Strategy for the Greater MSP Region:** Under development for 2012-2013.
- ✓ **Housing Tool Box:** An online guide covering state and local housing policy and best practices created in partnership with the Center for Housing Policy.

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CREATING THE ACTION STRATEGY

Origins

Reinvesting in the Region rose out of the work of the ULI MN/RCM Connecting Transportation and Land Use Systems (CTLUS) Initiative, a multi-year effort launched with the support of the ULI/Curtis Regional Infrastructure Project. For 2012, CTLUS (pronounced “cut loose”) is co-chaired by Jay Lindgren, Dorsey and Whitney, and Mayor Terry Schneider, Minnetonka.

CTLUS examines how to strengthen the coordination between land development and transportation systems to create more transportation choices and increase access to walkable urban and suburban communities. CTLUS sponsors regular committee meetings attended by a broad base of transportation and land use professionals representing the private, public, and non-profit sectors.

The CTLUS advisory committee prioritized creating the action strategy and provided an important resource and touchstone throughout the *Reinvesting in the Region* strategy development process.

Actions for an Outcome

Early in the process, CTLUS participants agreed to keep the action strategy focused on a concrete outcome (see plan summary) and to discipline the process by regularly returning to the outcome. Tasks formed around selecting and aligning tools and processes to support the outcome. Project partners carefully weighed potential strategies for inclusion, holding frank discussions about the feasibility and near-term impact of proposed strategies.

Developing the Actions

A core group of CTLUS participants provided the necessary leadership, while ULI staff shepherded the strategy from origins to completion. Staff acted as midwives for ideas and as gatekeepers, fulfilling the commitment to keep the strategy short, action-oriented, and focused on the outcome.

CTLUS committee meetings engaged a broad-based group of public and private sector leaders. CTLUS leadership and ULI staff harnessed a range of wisdom from the private sector, including interviews for a special research report on redevelopment (see side bar). Staff also conducted one-on-one interviews with project partners to flesh out specifics, critique recommendations, and review drafts. The Regional Council of Mayors and ULI Minnesota’s management committee provided periodic input.

Consensus that the action strategy should concentrate on four key strategies (see summary) proved to be the key turning point leading to widespread acceptance.

Implementation

Many of *Reinvesting in the Region*’s recommended strategies are already garnering support. Project partners are developing the strategies into tools ready for use, a testimony to the action strategy’s powerful promise to transform land development.

Research Report

Redevelopment in the Twin Cities: A Developers’ View, 2011.

“The rules are not set up to deliver what we want.”
—A Twin Cities developer on the hurdles to mixed-use, walkable development.

ULI Minnesota, with support from the Family Housing Fund, conducted interviews with ten developers who routinely do redevelopment projects in the Twin Cities metro area. The interviews, analyzed in the above report, informed the *Reinvesting in the Region* process.

Toolkit for Impact

Creating a Transformative Development Action Strategy

Product

Transformative Development:

The definition of “transformative development” provides the foundation for the strategy’s outcome(s).

Action Strategy:

- Contains outcome(s) and actions.
- Short and focused (4-8 pages).
- Actions are doable in the present:
 - ✓ How can partners have an impact in one-to-five years?
 - ✓ What can partners do **now** that will move the needle on transformative development?
 - ✓ What two or three actions are both feasible and likely to attain significant results?

Process Principles

Outcome orientation: The process begins and ends with the desired outcome. Partners come on board because of their interest in the outcome and form a coalition of the willing and enthusiastic. The outcome, as a touchstone, is used to explore and select actions that align government, developer, and investor tools and processes.

Participation: The strategy development process should create a platform, such as a committee, that brings together a broad base of leaders from the public, private, and non-profit sectors. Participants work together to develop and vet actions that can be carried out under the partnership model. Partners take joint ownership of the strategy and share responsibility for implementation.

Leadership: A strong core leadership group is required to shepherd the strategy through the partnership-driven process. The core leaders believe in the *advantages of forming a learning community and the wisdom of the group*. Staff support also needs to be committed to the process and to pulling the wisdom of the committee and project partners. Trusted and skilled leadership at the staff level is crucial to maintaining momentum and successful completion.

Advisory Committee Meetings: Regular committee meetings--open to committed partners, conducted according to a circulated agenda, and focused on some aspect of the desired outcome--provide transparency and credibility for the strategy development process.

Partners

Partners represent public, private, and non-profit leaders in the region:

- Representatives of private capital and private developers
- Elected officials
- State and city executive professionals with relevant land use, transportation, or development responsibilities
- Non-profit developers and intermediaries

Learn More

ULI Minnesota welcomes inquiries on developing a Transformative Development Action Strategy. Contact Caren Dewar, Executive Director, at caren.dewar@uli.org or 612-338-1332.