PORTLAND AVENUE DESIGN ESSAY

According to forecast models, Minneapolis and the seven county region is expected to gain over 900,000 residents in the next three decades, making it one of the fastest growing regions in the nation. Due to its growth, the region, and more importantly Minneapolis as a city, will need housing as well as commercial opportunities for its growing population.

Portland Avenue development plan, especially phase one is intended to address immediate market demands. Phase two and phase three are based on projections of supply and demand. Their timing is contingent on future market demand and their deliveries can be postponed or expedited based on their performance. The overall plan for this district builds upon the new football stadium and riverfront as a catalyst for economic development.

After determining the land values for each block, we decided to use $32 per square foot as a basis for land acquisition costs, and therefore, the existing value of the project area is $32,176,928. After the end of phase 3 the projected value of the project will be $1,806,432,453, which was determined by taking the net operating income and dividing by a 6.5% cap rate. The project area is currently in a TIF district, which ends in 2020. TIF funding has been appropriated based on the development program for the years 2015 through 2020, with a total funding of $97,929,079. Only the projects being completed between the years of 2015 and 2020 will be producing a source of revenue for the project. The financing sources before additional underwriting were determined on a basis of 35% of the total cost for equity sources and 65% of total costs for financing sources or loans.

In order to create an inviting neighborhood at the beginning of the project, we have decided to provide primarily rental housing in the first phase. The second phase is both rental and owner housing, while the third is primarily owner occupied. We project that these units in the third phase will be able to capture a higher sale price because of the proximity to the river as well as the thriving destination of the nearby Portland Avenue and entertainment district. The affordable housing will be built in 2016 and contain 120 rental units. The land acquisition costs will be offset by Minneapolis’s High Density Corridor Housing Plan. The 500-car parking structure is located on Block F, which is connected to an anchor grocery store to service the neighborhood.

We decided not to acquire the historic Armory building, because the owner Doug Hosking is currently sketching out a $16 million renovation plan. This plan will utilize the building as an event space as well as an office space. The final financing tool for Portland Avenue is to utilize the existing billboard revenue and increase it. This will be achieved by adding three large digital billboards near the specialty retail center, as well as small digital advertising kiosks throughout the district, which will also be used for wayfinding. With this initial investment of approximately $500,000, this advertising program will produce $1.8 million annually.

PORTLAND AVENUE FINANCING ESSAY

This new pedestrian and bike friendly neighborhood is the solution of breaking away from signature monolithic tall buildings, which make narrow streets, seem colder and dull. Using earth as an artist’s canvas on the site with plazas placed along this main street, inspires people to interact with and enjoy the district. The title “Portland Ave” re-assigns the role of this primarily vehicular-focused street into the main artery of life and activity of the Downtown East.

Do to the area’s proximity to the Hiawatha Light Rail Line, the future Central Corridor Rail Line, the new football stadium and the Mississippi riverfront, Portland Ave will be the new entertainment district of Minneapolis. With government offices and the main downtown on one side and university across the river, this district has the potential to act as a bridge between the two zones, both from entertaining and socio-cultural aspects. The main focus is the event center which would build off of the historic armory being converted into an event venue.

The design concepts used in the system of plazas and open space are artful hardscapes which maintain continuity throughout the site, natural and locally quarantined stone used as a paving material along with water features placed at the two ends of the site along Portland Ave. The sculptures installed are abstract models of the Minneapolis towers made out of re-use construction girders and covered with creepers and vines. One can actually sit inside this enclosed space and marvel at the surrounding areas.

The overall built pattern includes mid-rise buildings along Portland Ave, with a hotel next to the Armory which is eight stories tall. The blocks along Washington Ave are primarily residential utilizing the nearby view of the river. Creating a Live/Work/Play environment will help urban growth and make it safer for pedestrians, visitors and residents. Opening new retail stores and commercial offices along with urban dwelling units will invite people to invest in this neighborhood.

One of the major design strategies was converting Portland Avenue from a four-lane street into a pedestrian oriented one-lane, two-way brick paved street. Intermediate separation between pedestrian zone and vehicular zone is created by LED bollards aligned with street trees. On a daily basis, the street can be used as normal functioning two-way street, and during events, the whole space can act as one big platform and encourage social interaction.

The sustainable design practices include rain water harvesting underground tanks with suitable modification to allow water from huge of piles of snow to get collected and reused for irrigation. Green roofs not only increase the green cover but also help aesthetically to create rooftop courtyards. These sustainable initiatives will attract investors as well as future residents.