MINNEAPOLIS 2.0: LOCAL advocates an alternative supplement to the city’s traditional downtown. Living, Working, Co-generation, Agriculture and Leisure (Local) proposes a new direction for Downtown East with diverse functionality and a 24-hour community where there is access to shared green space, clean energy, locally-grown food, mixed-income housing, and mixed development including office, residential, entertainment and recreation uses within a street- and pedestrian-focused downtown. M2L’s objective is to complement the city’s business-oriented Downtown West.

Recognizing the ceremonial potential suggested by the Vikings Stadium’s Master Plan and the Hiawatha Line, Fifth Street is celebrated as the major linkage to Downtown West bringing M2L into the core of downtown, Nicollet Mall, the Target Center and new development to the west. Building on the Minneapolis Armory as a major city asset and architectural jewel, this site commands the intersection of the Fifth Street linkage with a proposed north-south Green Promenade stretching from Interstate 35W to the Mississippi riverfront. This 70’ wide dual promenade along Fifth Avenue as mixed-development, and one block below R as mixed residential development.

MINNEAPOLIS 2.0: LOCAL is proposed in three phases. Phase 1 (blocks F, G, H, I, K, L and O) surround the Viking’s Stadium because of its value-added potential to boost demand for hotel and entertainment uses experienced by many other cities. Block L, the Armory, will anchor the local food market and help reinforce Fifth Avenue as the linkage to Downtown West. Block O is the site for the proposed energy plant. With Phase 1’s envisioned economic generator and stability, Phase 2 (blocks A, M, N, P, Q and R) extends the green infrastructure and adds more functionality to the area with mixed-use commercial and market-rate and affordable residential development. After year 10, land value around M2L development should increase to incent the development of blocks B, C, D and E as luxury apartments, the conversion of the two underutilized blocks to the east of the Armory fronting onto Fifth Avenue as mixed-development, and one block below R as mixed residential development.

MINNEAPOLIS 2.0: LOCAL uses a traditional project financing structure incorporating construction loans, equity investment, and public subsidies spread across two construction phases. With an initial equity investment of $42.5 million, Phase 1 mobilizes approximately $481 million in total funds to achieve an initial build out of 2.5 million square feet. Phase 2 requires an additional equity investment of $71 million as part of a $566 million total package that constructs 3.2 million square feet. The total project is funded 85% by construction loans, 11% through equity, and 4% through subsidies.

The NPV of the project is $83.6 million, with a leveraged before-tax IRR of 25.02% after 10 years using a discount rate of 8% and a capitalization rate of 7%. The total project value in year 10 is estimated to be $1.23 billion.

Currently, our financial strategy proposes a conservative use of publicly funded subsidies ($40 million total). A doubling of public subsidies to $80 million would increase the before-tax IRR to 30%.

Committed to building a sustainable and well-balanced Downtown Minneapolis, with social equality and environmental health, MINNEAPOLIS 2.0: LOCAL advocates an alternative supplement to the city’s traditional downtown. Living, Working, Co-generation, Agriculture and Leisure (Local) proposes a new direction for Downtown East with diverse functionality and a 24-hour community where there is access to shared green space, clean energy, locally-grown food, mixed-income housing, and mixed development including office, residential, entertainment and recreation uses within a street- and pedestrian-focused downtown. M2L’s objective is to complement the city’s business-oriented Downtown West.

Recognizing the ceremonial potential suggested by the Vikings Stadium’s Master Plan and the Hiawatha Line, Fifth Street is celebrated as the major linkage to Downtown West bringing M2L into the core of downtown, Nicollet Mall, the Target Center and new development to the west. Building on the Minneapolis Armory as a major city asset and architectural jewel, this site commands the intersection of the Fifth Street linkage with a proposed north-south Green Promenade stretching from Interstate 35W to the Mississippi riverfront. This 70’ wide dual promenade along Fifth Avenue as mixed-development, and one block below R as mixed residential development.

MINNEAPOLIS 2.0: LOCAL is proposed in three phases. Phase 1 (blocks F, G, H, I, K, L and O) surround the Viking’s Stadium because of its value-added potential to boost demand for hotel and entertainment uses experienced by many other cities. Block L, the Armory, will anchor the local food market and help reinforce Fifth Avenue as the linkage to Downtown West. Block O is the site for the proposed energy plant. With Phase 1’s envisioned economic generator and stability, Phase 2 (blocks A, M, N, P, Q and R) extends the green infrastructure and adds more functionality to the area with mixed-use commercial and market-rate and affordable residential development. After year 10, land value around M2L development should increase to incent the development of blocks B, C, D and E as luxury apartments, the conversion of the two underutilized blocks to the east of the Armory fronting onto Fifth Avenue as mixed-development, and one block below R as mixed residential development.

MINNEAPOLIS 2.0: LOCAL uses a traditional project financing structure incorporating construction loans, equity investment, and public subsidies spread across two construction phases. With an initial equity investment of $42.5 million, Phase 1 mobilizes approximately $481 million in total funds to achieve an initial build out of 2.5 million square feet. Phase 2 requires an additional equity investment of $71 million as part of a $566 million total package that constructs 3.2 million square feet. The total project is funded 85% by construction loans, 11% through equity, and 4% through subsidies.

The NPV of the project is $83.6 million, with a leveraged before-tax IRR of 25.02% after 10 years using a discount rate of 8% and a capitalization rate of 7%. The total project value in year 10 is estimated to be $1.23 billion.

Currently, our financial strategy proposes a conservative use of publicly funded subsidies ($40 million total). A doubling of public subsidies to $80 million would increase the before-tax IRR to 30%.