

# **County Road E Corridor Action Plan Corridor Development Initiative Session III: Panel Discussion**

Wednesday, October 12, 2022

6:30 – 8:30 pm

Vadnais Heights Fire Station

3595 Arcade St N, Vadnais Heights

## **Panel Discussion**

Facilitated by Barbara Raye, Center for Policy Planning and Performance

### **Panel Members (bios are provided in addendum):**

- **Jeff Salzbrun, Commercial Equities Group**
- **Todd Stutz, Robert Thomas Homes/RT Urban Homes**
- **Leanna M. Stefaniak, Esq, At Home Apartments, LLC**
- **Max Musicant, The Musicant Group**
- **Mikeya Griffin, Rondo Community Land Trust**
- **Marty O’Connell, MWF Properties**
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### ***Opening Questions:***

1. Provide a brief overview of your organization and development or consultant expertise.
2. Do you have any feedback on the block exercise development scenarios?
3. What would be your advice regarding the opportunity sites in White Bear Lake, Gem Lake, and Vadnais Heights along County Road E?
4. What would you consider to be the greatest challenges and opportunities for the corridor?
5. What are your suggestions for creating a more cohesive, connected corridor while preserving uniqueness of each city?

### **Jeff Salzbrun, Commercial Equities Group (JS)**

Jeff is a commercial real estate broker specializing in commercial and industrial properties. He has decades of experience in development and building management. Jeff’s background provides expertise on commercial property uses and placement.

### **Todd Stutz, Robert Thomas Homes/RT Urban Homes (TS)**

Todd is President and CEO of Robert Thomas Homes and RT Urban Homes. Robert Thomas Homes has built 400K – 700K single family to for-sale townhomes. RT Urban Homes creates 500 – 700 single family and townhome rental properties per year. Todd is a resident of the area, and lived in Vadnais Heights for 30 years

### **Leanna M. Stefaniak, Esq, At Home Apartments, LLC (LS)**

Leanna is with At Homes Apartments since 2007, providing multifamily housing that is locally owned and managed. At Home Apartments is a long-term owner of apartment buildings and townhomes. They own and manage 5000 unit the Twin Cities metro area and in St. Cloud. They have developed over 1,000 units in suburban communities such as Minnetonka, Eagan, Mendota Heights, Vadnais Heights and White Bear Lake.

### **Max Musicant, The Musicant Group (MM)**

Max is the founder of The Musicant Group, helping to create places where people want to be. They work across all types of communities, supporting events and activities that enhance communities and commercial uses. Some examples include: 50<sup>th</sup> and France Business Association events, Rice and Larpenteur, and Vadnais Heights (placemaking activation).

### **Mikeya Griffin, Rondo Community Land Trust (MG)**

Rondo Community Land Trust is the first community land trust in the state of Minnesota, providing a shared equity model of permanently affordable homeownership and affordable commercial property. Our geography includes all of Ramsey County. One of our most recent projects is a mixed-use development that includes commercial space for local businesses and affordable senior housing. Community land trusts provide place-based solutions for small businesses to stay in business (offering spaces that would be \$25 per square foot at \$7 per square foot). Rondo CLT is currently working with the City of Shoreview to provide townhomes at 80% AMI (area median income).

### ***What is AMI?***

It stands for area median income which is a metric against which affordability is measured. The federal Department of Housing and Urban Development (HUD) measures median income every year and set measures for family size. It represents a regional average of income, not by neighborhood. The average income levels in many neighborhoods are lower than the regional average. The area median income (AMI) in the Twin Cities as of May 2022 for a family of four is \$118,200.

### ***What is a CLT?***

A community land trust (CLT) removes land from the speculative market and places it in community control forever. The land is put in trust, and the owner only pays for the building. Typically, a household will pay \$500 less for a monthly mortgage payment. If the owner decides to sell their home, 75% of the increased equity goes back into the property so that it can be resold to another owner whose incomes make homeownership more challenging.

### **Marty O'Connell, MWF Properties (MO)**

MWF Properties was founded in 1999 to provide affordable multifamily housing. They own 2,200 units of affordable workforce housing at 60% AMI or less. Marty provides market analysis and construction management. They also have an in-house management company for their properties. Their properties are located in Vadnais Heights, Hugo, and Moundsview, among others.

***Do you have any reactions or feedback on the block exercise development scenarios for the sites in each of the three cities?***

**MO** The Vadnais Heights southwest quadrant site would be a great site for higher density housing, with scaled down design to buffer it from the surrounding residential area. Commercial uses will be difficult for access. It doesn't all need to be apartments. You could also include townhomes and single family with higher and medium density multifamily.

The Vadnais Heights northeast quadrant is large with 44 acres and will require soil remediation. It's another great housing site, or may also be commercial given that it's more visible from County Road E.

The White Bear Lake sites are smaller and would be tough to make into apartments. It's hard to work at such a small scale because of parking requirements. Retail is a great opportunity. Potentially convert the gas station into an upscale restaurant.

Gem Lake sites – Housing and mixed-use would work well on these sites, but would need to be buffered from Highway 61,

**MG** What are the goals for the corridor long-term? How do you want to do affordable housing and provide an economic mix? Today it is difficult for people to get into homeownership. A community land trust is a tool that would allow the community to hold permanently affordable housing to be available in the community. Shared equity models help to pay it forward – providing stewardship for assets through the generations. What do we want for commercial development, and the desire to preserve cultural destinations? Help people move through the economic continuum, and for business owners to own their own locations. With community land trusts, no businesses closed, and no foreclosures happened through COVID. CLTs help to stabilize people through economically challenging times.

**MM** What are the goals for each community? What's missing? How can sites help to achieve those goals? The desire for walkability and bike-ability to be a positive experience is hard to do along a busy arterial road. It's difficult to cross County Road E. How can you create internal walkability on larger parcels that allow people to feel safe, and comfortably connect to areas that fan out from the area? Take Southdale as an example. Even with the additional development in the area people don't feel comfortable crossing the main streets. Unless the road is downsized it will be difficult to have enjoyable walkability. The corners of key intersections are the most hostile locations within the corridor. Mendota Heights worked to preserve a "Main Street feel" by creating a synergy between

parcels rather than living as separate parcels. Notice how sidewalks dead-end at driveways. Encourage privately owned sidewalks to be connected to each other.

When thinking about public spaces, decide if it will be:

- Natural settings with woods/prairie, or
- Active uses (include ten or more things to do).

Public spaces don't work if you try to do both at once.

**LS** The block exercise scenarios show thoughtful consideration about what could go into these sites. Thank you for these great ideas. All housing types are important to create a vibrant community, and community input is critical. The Vadnais Heights sites are more housing driven. The 44-acre site is an exciting opportunity – it could include a variety of uses and housing types. The closeness to retail is also an advantage. The southwest site screams housing. You can also include open space or park that can be programmed. There is a lot of housing in the area and not many parks. Creating an active spot for community services as a quasi-public/private spot could be interesting. The Gem Lake sites are likely to be mixed-use commercial and housing. Vertical (stacked) mixed-use is hard to manage. Horizontal (separate buildings) is an easier option.

**TS** The southwest site is a good fit for mixed-use with 3 – 4 story apartments or townhomes (20 – 40 units per acre) with horizontal mixed-use. The northeast site size offers an opportunity for mixed use (also at 20 – 40 housing units per acre) with office and retail uses. The White Bear Lake quad will attract independent retailers similar to the existing use. Gem Lake sites are an exciting size and could manage a little more density. Why does Hoffman Road exist? Open up the site for a more significant development opportunity that includes rental and for-sale housing and office/retail. The northern site is a great opportunity to provide rental and for-sale housing at a \$500K price range. It's not a strong retail or office site. This a great area – strong market potential.

**JS** I represent people selling sites, and this input is great. When cities are approached by developers it's important for community members to identify what they would like to see. The Vadnais Heights sites are housing. We've had experience working with out-lots such as these (e.g., around the Sports Complex) and after trying lots of things finally figured out what's possible.

The Bellaire parcels are tight sites and will be difficult to find the right fit.

Industrial buildings are some of the nicest businesses in town, yet most people are afraid of being next to them. They provide excellent jobs. Rates are finally moving on the leasing side, making them more viable options. We need incubator spaces for businesses. Many businesses that serve the metro area have to come in from far-flung areas. They need locations to be closer to their customers. Where are there places for these businesses to go? We continue to convert industrial areas into housing, pushing these businesses further and

further out. Things are moving fast. We do need housing. We also need to get behind the developers that are trying to bring projects and investments into your communities. The time it takes to overcome the hurdles of community push-back often make projects unravel. Too much unpredictability will cause developers and investors to go elsewhere.

## **QUESTION AND ANSWER**

**Mayor Gretchen Artig-Swomley, Gem Lake** Clarified that Hoffman Road was the old Highway 61 (historic). Gem Lake has planned for its possible demise. The future Cadillac site flanks both Vadnais Heights and Gem Lake. The frontage road dead-ends in Gem Lake and could provide opportunities to reconfigure the access to the area.

**Commissioner Victoria Reinhardt, Ramsey County** Environmental concerns: Ramsey County has an Environmental Response Fund that developers can access through the cities. Suburbs have great opportunities to get access to these funds. The Ramsey County Housing Redevelopment Authority (HRA) also has housing funds available. The County has created processes to streamline access to these resources.

*With the White Bear Lake four corners it sounds like there is a consensus of likelihood that it will be commercial, but the commercial uses there haven't been successful for 15 – 20 years. What is the future for small scale office/retail? There are more vacancies than in-fill.*

**JS** There are a number of older strip malls that need rehab that are future redevelopment sites. Could the businesses getting pushed out of the strip malls build on these smaller sites? Creating smaller buildings for their businesses?

**LS** Lots of commercial space is not occupied. To redevelop these areas cities need to work together and support each other. More housing is needed to increase the spending power to support the businesses. Creating more housing is the first step toward attracting businesses to the area. Parcel swaps are also a good idea to right-fit commercial uses. Think about it as a regional strategy.

**JS** An example is the Bremer Bank site in St. Anthony.

*Is there activation and place-making strategies that could be supported by the three cities?*

**MM** Does County Road E have a community vision? Can it be a cohesive district? What experience does County Road E deliver to the people that use it? What are the pieces? Once you have answers to those questions, get the messages out through marketing. Rice and Larpenteur is largely suburban that borders three cities. It had a negative narrative (e.g., strip clubs, abandoned

area). The [Rice and Larpenteur Alliance](#) engaged businesses, put on events, marketing to create a new narrative to fill the void with positive things. Create a vehicle to collect a new narrative and share it out to the community. The way people think about things affects their behavior. The narrative can be amplified through events and programs, creating places to congregate, places to bring kids and that are family focused.

Build a narrative that helps to activate the corridor, something that the businesses want to buy in to, a vision that expands what's possible. There is an organizational piece of working together to create value without displacing people or businesses.

*Retail below housing (vertical mixed-use) is so successful in Europe. Why is it hard to accomplish here?*

**LS** The amount of density is so different here. If we are dependent on people to drive to retail, the spaces need to support parking. The Bellaire sites aren't big enough to allow all that to happen.

Parking is an issue. Europe isn't a car-oriented place. Cities need to make sure that their land use codes match their comprehensive plan. The result is antiquated parking codes that don't match the needs of today.

*Are there MN Housing Finance Agency resources available for community land trusts?*

**MG** It's getting better for people to get community land trust mortgages. The landscape is changing which allows for more opportunity. Also, for commercial spaces. Community land trusts can leverage subsidies to make homeownership and commercial properties viable.

*Lake Links – a 10-mile path that goes around the lake and connects to Bellaire beach. Connecting the Bellaire/County Road E intersection to that path could attract a bike shop to one of the parcels.*

*Have there been steps taken to assist potential businesses (incentives, tax breaks) for the Bellaire sites? Are there ways the city can assist?*

**Tracy Shimek, City of White Bear Lake** Steps have been taken to spur investment. The city is approached often with potentially viable proposals. When the community has strong push-back on development proposals it creates a stigma that White Bear Lake is not receptive to developers/investors. To make development easier the city purchased the northeast corner parcel at Bellaire, and we took out the tanks for the gas station site. The sites haven't appealed to retailers at this point. The visibility isn't desirable.

The city did help Bean Co. They used a revolving loan and grant program that the city offers for businesses to reinvest. It's a low-interest loan with a small façade improvement grant.

We are looking for community consensus on what higher and better uses that serve the whole community. This process is meant to inform the three cities on what the community thinks would be positive uses for the sites. A developer will often sink over \$100K in predevelopment expenses to provide a proposal for a site. They don't want to waste their time and money if they think it would get shut down. It's also important for the community to support small businesses in the area if that is what they think adds value to the community.

**Kevin Edberg, WBL City Council** Three of the Bellaire sites had contamination. The city would almost certainly partner with a developer for remediation of the site (we've already cleaned one site). Do residents want an active corner or an unblighted corner? A wine bar was suggested as a destination. Do we want something that doesn't attract activity but improves the blight?

*There is a transition going on south of County Road E. An influx of younger families is happening, but there are no activities in the area for children. We need recreational areas. Most parks are old.*

*The intersection and parcels at Bellaire and County Road E probably isn't a safe place for a children's recreational area.*

*There are ways to create a landing zone in the middle of the street to make it easier to cross. You can put a boarder around the site to stop children from running into the street. Kids cross the street to get to school.*

*The area south of County Road E is bussed because County Road E is not considered safe for students to cross.*

**JS** When developers come with concepts, they need support behind them. It's impossible to please everyone, but it really helps if people are willing to come out in support. Figure out how to encourage opportunities rather than obstruct them.

*Has there been any thought to giving County Road E its own identity? Softening or greening it? Creating a theme might give all areas along the corridor a boost.*

**Heather Kiem, SEH** Ramsey County just started a multi-modal transportation network planning process to identify what is needed for people with all-abilities for safety, prioritizing walking, biking and transit. The future of County Road E will be different. Go to the [Ramsey County "Building an All-Abilities Transportation Network](#) for more information on how to get involved.

There are many ways to calm traffic. Lyndale Avenue in Minneapolis has three times the volume of traffic, yet through landscaping, trails, and altering the character of the roadway it is much calmer and friendlier.

**Commissioner Reinhardt, Ramsey County** Road design has been all about cars and truck traffic. We want designs that include access to those who wish to walk, bike or use a wheelchair, in addition to traffic movement on our roads. As physical changes are considered to the road, how do we incorporate place-making and soften the identity?

*It's unusual to have three cities come together to collaborate in this way. Three cities plus the support of Ramsey County to align efforts while maintaining distinct identities.*

*There's no safe way to get across County Road E. Kids need to cross the road to get to Matoska playground.*

**LS** Landscaping the boulevard can make it more inviting for pedestrians and bikers. How we take care of the roads indicate how we take care of our communities. Trees and walkways are appealing to businesses. Work with potential developers to create improvements.

**MO** The theme is connection. An example is Richfield's 66<sup>th</sup> Street (also a county road). They incorporated round-a-bouts, median protected crosswalks, landscaped bike lanes, sidewalks, etc. Now there's a ton of revitalization going on in the area.

*The Petrowash has graffiti, and they aren't mowing the grass.*

**City staff response:** The code officer is working with the owner who is selling the property.

**MM** Food with break people out of habits. With public spaces you can operate them out of a bad design, but you can't design your way out of bad operations.

**MG** Arts and culture also drive people to come to places. For example, the Selby Jazz Festival on Selby Avenue attracted new businesses to locate there (Two Scoops ice cream, and a barbershop). People walk to the area to visit places that tie into what the community wants and needs.

**MM** Think about "what do you want to do" rather than "what do you want to see". What to do causes you to solve for the right answer. Sometimes you need to activate a space before the built environment exists.



***What are the challenges to moving a vision forward? What can the cities start doing?***

**TS** Define the guidelines, scope, and goals. Articulate what the community wants. Developers want to deal with a city that knows what they want and understands the market realities.

**LS** This is a great start to come together. I'm impressed with what you are doing and wish more communities would do this. Send a signal to developers about what you are trying to create. Also, consistency between codes and comp plan. Help the community understand what's allowed (compliant to policy). Too much community push-back can be problematic. Developers talk. They will go elsewhere.

**MM** The challenge is to build demand. Do something tangible and small. Programming is a good way to build demand. Show up for what you do want – advocate for something. Don't just show up to oppose.

**MG** Create a scorecard to assess the degree in which a project aligns to the community values, while taking into account the realities of the cost of development. Provide a framework that identifies what the community wants. Support is needed to help the developer achieve it.

*It was noted by a community member that they knew someone living in a land trust property and it was a great situation for the family.*

**MO** Knowing what is and isn't feasible. To achieve a brewery, you need to find a brewery business that wants to locate there. Find ways to make housing and commercial uses compatible (e.g., shared access, site connections, etc.). Residential density and scale are important to make commercial uses financially feasible. Be open to higher density by creating a buffer for the transition to lower density housing. Lastly, be open to all types of housing (senior, market rate, workforce, etc.).

*Interest was also expressed about incorporating solar panels, geothermal heating, and other benefits that can be impactful for the long-haul.*

**Next Steps:** Community members are encouraged to attend the fourth workshop (October 26<sup>th</sup>, 6:30 – 8:30pm at the Vadnais Heights Fire Station, 3959 Arcade Ave N, Vadnais Heights) to review and refine the final recommendations for the County Road E Corridor Action Plan, to include short-, medium- and long-term strategies.

***Adjourn***

**ADDENDUM:**

*Panelist Bios:*

**Jeff Salzbrun**  
**Commercial Equities Group**



Jeff, an Army Airborne Veteran, knows the market and can help with any Twin Cities commercial space requirements. Jeff fully understands the physical asset and the complexities of the entire sale and lease process. In his Airborne unit, there was no room for error or guess work. "I will be sure always" was the motto. So, you can trust Jeff to help you make the jump. Jeff knows the business.

Commercial Equities Group, Inc. is a veteran-owned real estate brokerage headquartered in Minneapolis, MN. A network of brokers, investors and other professionals, CEG assists clients in the leasing, buying and selling of commercial properties. Led by owner Jeff Salzbrun, our group is made up of industry greats who provide the best service and most beneficial insight to effectively get your deal done. CEG brokers deal in the Minneapolis and St. Paul metropolitan area along with other major cities in the Midwest. Although we have worked with most product types, our focus is on industrial, office, mixed use and land. We will work tirelessly on your behalf to find the right fit for you.

**Todd Stutz**  
**President**  
**Robert Thomas Homes and**  
**RT Urban Homes**



**Todd Stutz** is serving as President of Robert Thomas Homes, Inc. and RT Urban Homes, Inc. He leads the companies overall vision, strategic planning, and

policymaking. Todd has over thirty years of experience in the homebuilding and development industry.

Todd has been instrumental in establishing the company's brand through a commitment to architectural excellence, innovation, and long-term relationships with our clients and partners. He holds a BS degree from his hometown school of Minnesota State University, Mankato. Todd is passionate about creating homes and neighborhoods for families across the Twin Cities.

**Leanna M. Stefaniak, Esq**  
**President**  
**At Homes Apartments**



Leanna M. Stefaniak is President of Real Estate and Development for At Home Apartments, L.L.C. She also serves as the company's General Counsel. At Home Apartments is a privately owned, Minneapolis-St. Paul based property management and development company that owns and manages over 5000 apartment units and various commercial properties located in the Twin Cities, St. Cloud, and Kansas City areas.

Outside of At Home Apartments Leanna serves on the CommonBond Housing Board and also the Board of Directors for Spare Key. Leanna is also very active within Minnesota Multi Housing Association (MHA) serving on the Board of Directors and through her position as a member of MHA's Executive Committee as well as her involvement with the Government Affairs and Legal Advisory committees.

Before joining At Home Apartments, Leanna worked for the State of Minnesota as an Analyst for the Center for Health Care Purchasing Improvement and also as a Legislative Liaison for the Department of Health.

Leanna has a BA in Political Science from Arizona State University and is a graduate of Hamline University School of Law.

## **Max Musicant Principal and Founder The Musicant Group**



As Principal, Max (he/him) leads the placemaking practice of The Musicant Group. Under his leadership, the firm has pioneered a holistic and organic approach to the creation of place that integrates design, events, and management systems all through the lens of the user experience. Since its founding the firm has demonstrated that community and commercial interests all benefit from more humane, inviting, and lively places for people.

Prior to founding The Musicant Group, Max began his career at the Greater Jamaica Development Corporation (GJDC) in Queens, NY. While there he worked with one of the early leaders of the Bryant Park Corporation to devise and implement placemaking strategies for the GJDC, one of the oldest and largest community development corporations in New York City. He received an M.B.A. from the Yale School of Management and a B.A. in Political Science from the University of Wisconsin – Madison.

## **Mikeya Griffin Executive Director Rondo Community Land Trust**



Mikeya Griffin became Executive Director of the Rondo Community Land Trust in Fall 2021. In this role she oversees *all facets of the organization, setting strategic direction to effectively meet mission, grow impact and realize a bold vision for the future.*

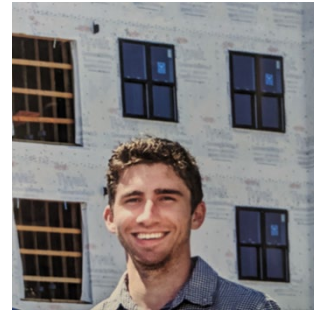
Prior to joining Rondo Community Land Trust, Mikeya served as Executive Director of Minnesota's largest homeowner association and only private city in the state of MN. During her five-year tenure, she successfully increased member participation, established strong governance, and streamlined operations.

Mikeya's career spans the public, private and non-profit sectors, including in roles at HUD and Land Bank Twin Cities. *Mikeya has* more than 20 years of

experience in organizational leadership, business development, affordable housing, and community development. In that time, she has created and championed many affordable housing and economic development initiatives centering BIPOC and low-wealth communities.

Growing up in the historic Rondo community, her family instilled values that reflected community, incredible strength, courage, and resiliency. These values have guided Mikeya's robust career and will serve as north stars for her work at Rondo CLT.

## **Marty O'Connell** **Development Associate** **MWF Properties, LLC**



Marty O'Connell is a development associate with MWF Properties. In his role, Marty helps to oversee the development of new construction multi-unit housing from start to finish, which includes market analysis, site selection/acquisition, entitlements, financial underwriting, construction management, and project turnover. Marty graduated from the University of Wisconsin - Madison with a BBA in Real Estate/Urban Land Economics.

MWF Properties is a multifamily housing developer based in Richfield, MN. The firm was established in 1999 and, since that time, has developed over 2,200 apartment units across Minnesota, Iowa, and Illinois. MWF has experience in developing both affordable workforce and market rate housing. The company's project success is based upon exceptional market selection and site acquisition. We pride ourselves on developing aesthetically pleasing projects that are known for quality construction.