

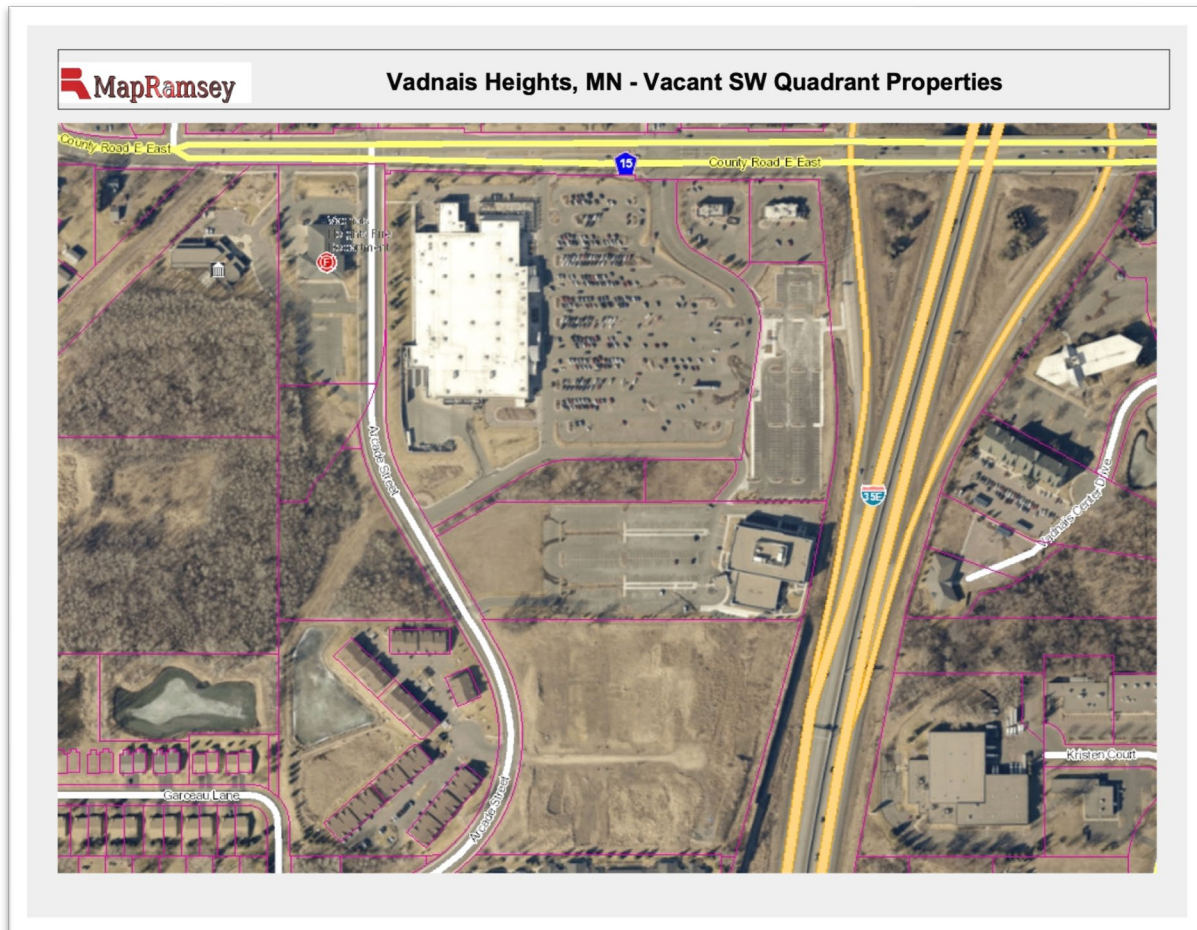
COUNTY ROAD E VADNAIS HEIGHTS Corridor Development Initiative (CDI) Workshop

September 28, 2022
6:30 - 8:30 pm
Vadnais Heights Fire Station

Community members gathered for a hands-on workshop to create potential redevelopment scenarios for two sites at the intersection of Highway 35E and County Road E. Participants spent time, in groups, considering each area and planning for its redevelopment - new housing, commercial space, light industrial space and community amenities. Groups created and named development scenarios and our housing finance expert provided feedback on the proposed development's financial feasibility, offering strategies a developer might pursue to create a successful development.

This report summarizes the ideas, questions, and concerns of participants and is intended to inform city officials as they engage in future planning for these sites.

Table 1: Southwest Quadrant Sites - 12 acres



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Scenarios

	Scenario 1: Vadnais Lights District	Scenario 2: Arcade Plaza/Medical Mecca
Housing Units	500 apartment units Surface parking	120 units 48 apartments 48 assisted living 20 townhomes
Housing Unit Mix	3 stories of apartments above 1 story of retail 50% rental 50% owned 50% market rate 50% affordable	Rental 50% market rate 50% affordable
Commercial Space	100,000 sf Retail, restaurant, office	10,000 sf Bakery, coffee, restaurant (for medical offices, patients, and neighbors)
Details	<ul style="list-style-type: none"> • Create least amount of parking possible; Summit Ortho has a lot • Want less parking overall • Create shared arrangements • Create full pedestrian orientation • Model on Gas Lamp District in San Diego 	<ul style="list-style-type: none"> • Create housing transition to the south • On the north side a “medical Mecca” • Retail along Arcade • Easy drop-off for medical patients • Small Fresh Thyme, Hyvee

Discussion Themes

- Want less parking in this area overall.
- Get creative with parking: add the least amount necessary; Summit Orthopedics has a lot of parking); share parking.
- Make connections to transit and park and ride.
- Develop with full pedestrian orientation - a pleasant walking district; pedestrians are the priority, tables, outdoor dining.
- Serve users of medical uses too.
- Considered the Gas Lamp District in San Diego and Woodbury outdoor site (lifestyle center) as models.
- Develop bike infrastructure.
- County Road E is dangerous for bikes and pedestrians: some use Edgerton instead; create grade separation and a path for pedestrians and bikes; see Wheelock Parkway.

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- View the site as two parts: a medical use focus on the north and residential that transitions into surrounding neighborhoods on the south.
- Do a mix of residential types.

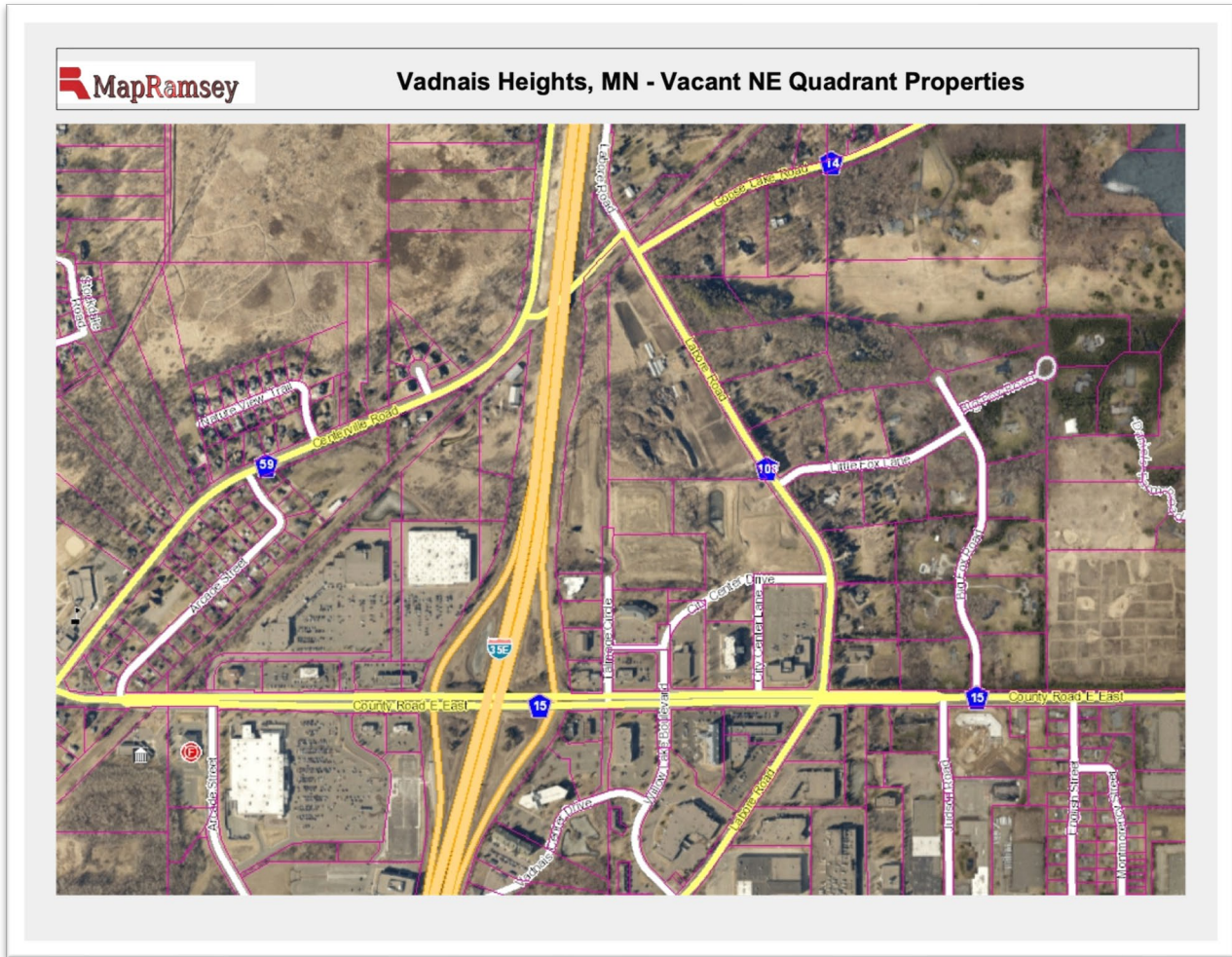
Financial Feasibility

Scenario 1: Feasible. There is less than a 10% gap between developer costs and income. Caveat: this is true if the retail spaces are contracted with well-known A+ credit tenants (usually national businesses).

Scenario 2: There is a significant gap. Housing units would need to sell for \$450,000. The gap could possibly be addressed by long-term, well-paying tenants and possible Tax Increment Financing (TIF) from the City.



Table 2: Northeast Quadrant Sites - 44 acres



Scenarios

	Scenario 1: Willow Center Neighborhood	Scenario 2: Downtown Vadnais Heights
Housing Units	282 units	111 units 76 apartments 35 townhomes

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	Scenario 1: Willow Center Neighborhood	Scenario 2: Downtown Vadnais Heights
Housing Unit Mix	250 apartment units 32 townhomes 80% rental 20% owned 80% market rate 20% workforce housing	100% market rate Apartments rental Townhomes owned 3-4 story apartments with parking underneath Townhomes behind, wetlands/water is amenity
Commercial Space	60,000 sf Three pockets of retail (SW, SE, and NE corners of site. Restaurant, grocery store	26,000 sf Retail along the street
Light Industrial Space	21,200 sf Storage along 35E; visibility	125,000 sf "Amazon" warehouse
Details	<ul style="list-style-type: none"> • 150,000 sf of park and open space • A destination park and community center with athletic fields • Place housing around wetlands and green space 	<ul style="list-style-type: none"> • Place industrial on land that is contaminated • Create Downtown Vadnais Heights at City Center Drive and CR 108 with mix of retail and apartments

Discussion Themes:

- Add a bike lane along CR 108.
- Purple Line/transit along County Road E would make the parcel more attractive to a developer and would support multifamily housing.
- Make area at City Center Drive and CR 108 walkable, with retail at the street, parking behind, and housing behind.
- Create park/open space on the contaminated land with trails that connect to new housing and existing neighborhoods.
- Keep the housing and retail concentrated.
- Multifamily housing is needed in the area and it supports retail.
- Housing should be a mix of senior and work force.
- Start with features such as open space, water, grocery store and build off of them.
- Create a sense of place.

Financial Feasibility:

Scenario 1: There is lots of greenspace and low housing density. Feasibility would be difficult because the cost of the greenspace is carried by too few homes and too little commercial space. Need more revenue-producing sources.

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Scenario 2: Not feasible. The housing would need to sell for approximately \$900,000 per unit. These are “luxury unit” rents that are not supported by the market. The green space and cost of acquiring the site must be balanced with revenue from the development.

