

3. Marketplaces: Growth Centers

Downtown Minneapolis is one of the success stories of the Upper Midwest. It has the largest number of jobs in the region, substantial housing, cultural activities, recreational activities and amenities. It is well served by transit. Two other areas of the City--the University of Minnesota area and the Wells Fargo/Hospitals area--are also "downtowns." These thriving, mixed-use "growth centers" are expected to accommodate additional jobs and housing. More intensive development will be encouraged and supported at additional selected growth centers which will be designated. All of these centers will be supported with improved amenities and transit.

- 3.1 **Minneapolis will designate and develop selected Growth Centers which will be well served by transit and alternative transportation, have superior amenities, accommodate a range of housing needs and offer attractive employment opportunities.**
- 3.2 **Minneapolis has adopted Downtown 2010 as a component of the City's Comprehensive Plan and envisions downtown Minneapolis in the year 2010 as one of the nation's finest urban centers; a place of prosperity, civilization and civic pride, that will serve as the center for the metropolitan area, the state and surrounding region.**
- 3.3 **Minneapolis has adopted a Growth Center plan for the University of Minnesota/ SEMI area which guides land use decisions and investment in the area and recognizes the contributions from existing plans and planning processes.**
- 3.4 **Minneapolis will create a Growth Center plan for the South Phillips area, similar to the Downtown 2010 plan which would guide decisions and investment in the area, recognizing the contributions from existing plans and planning processes.**
- 3.5 **Minneapolis will establish priorities in the designation of future Growth Centers from the list of Potential Growth Centers in order to guide future changes in land use and development.**

introduction

Ensuring that future growth can be directed in such a way that it spans a long-term process of wealth creation is an important aspect of the city's economic development strategy. As the city grows, its departments and agencies have a responsibility to make sure that it grows intelligently. The Minneapolis Plan calls for certain existing centers to continue their growth, and for other areas to act as a magnet for new investment over time as the result of city strategy guiding development decisions. The intensity of development at different centers will correspond with the nature of activity and the character of the surrounding area; future growth in certain categories of centers will be very limited. In designing criteria for these growth centers to include minimum and, in some cases, maximum development intensity, the city will encourage a mix of employment-generating activity at a given site and tailor future development and the creation of new centers to an appropriate scale.

Designating these growth centers in the Minneapolis Plan is the first step in planning and managing growth at existing centers and planning for the future growth of these centers. Some of the city's existing growth centers are well advanced in their planning processes. These areas look to specific area plans for guidance to their future development. *Minneapolis Downtown 2010* is one of these plans. In recognition of the unique role downtown occupies in relation to the region, it has already been adopted by City Council as a component of the city's existing comprehensive plan (*Plan for the 1980's*). The Downtown 2010 Plan will be adopted as a component part of The Minneapolis Plan. Other area plans, for the University of Minnesota area and for the Wells Fargo/Hospitals area in South Minneapolis, will give more specific direction to the future of these areas.

What is a growth center?

The growth center concept is flexible enough to accommodate different scales and intensity of employment generating uses which can coexist alongside housing and a mix of other activities. It will establish thresholds of employment density; businesses locating in them must employ a minimum number of employees in relationship to the land and space they occupy. An area will be designated a growth center if it takes advantage of incentives to mix compatible land uses, such as office and residential, and maximizes transit patronage while providing adequate transportation access for the movement of goods and people. Existing growth centers are unique in the city and the region. Within their boundaries are found a wide range of activities, including residential, office, retail, entertainment and recreational uses. Their principal character is a concentration of employment activity, but they succeed as busy, interesting, attractive places because there are a wide range of complementary activities taking place throughout the day. People want to live in these places, walk to work, relax in parks and open spaces on their work breaks, and have their everyday commercial needs met. Encouraging the continued success of existing centers and promoting the development of new centers is key to the city's continued prosperity in the region.

existing Growth Centers

Today Minneapolis boasts three easily identifiable and concentrated regional job centers, with specific boundaries, that act as showcases for the regional economy. Downtown, the area around the University of Minnesota Twin Cities Campus and the Wells Fargo/Hospitals center in South Minneapolis provide unique employment opportunities to city residents as well as residents of the larger region. The concentration of employment-generating development in each of these areas brings a critical mass of private

and public sector firms, services, complementary retail and entertainment uses as well as a daily stream of employees to and from each site. Transit service to these centers is the best in the metropolitan area. As unique job opportunity centers, they attract some of the area's most qualified workers and provide many of the highest paying jobs in the region. (See Map 3.1)

The benefits of concentrating large numbers of workers in one area that is well serviced by the transit network and supported by related amenities and activities like parks, pedestrian malls, and shopping and dining reduces the number of different trips people make in the course of a normal day. Concentrating complementary types of activities, such as office uses and day care, in the same building or in adjacent buildings, can save time and money for parents on the run to daycare and then to their own workplaces. (See Map 3.2)

3.1 Minneapolis will designate and develop selected Growth Centers which will be well served by transit and alternative transportation, have superior amenities, accommodate a range of housing needs and offer attractive employment opportunities.

Implementation Step:

Designate downtown Minneapolis, the University of Minnesota area and the Wells Fargo/Hospitals area as "Existing Growth Centers" with the adoption of this Plan.

The scale of capital investment by large corporations and other institutions has created a corporate and professional services magnet in downtown Minneapolis, an educational magnet at the University of Minnesota campus east of downtown, and an advanced technology/health magnet in South Phillips. Each of these existing employment centers provides different opportunities and face different challenges.

Downtown Minneapolis

Downtown Minneapolis presently acts as the primary employment center of the Upper Midwest region, with 150,000 employees in 1997. It grew significantly between 1980 and 1997, adding 40,000 employees and about 12 million square feet of office space. In 1997, downtown contained about 40% of the multi-tenant privately owned office space in the metropolitan region, a considerable market share of the office leasing market. Combined with government-occupied offices, this share increased to 50% of office space and related employment for the region, consolidating its leadership role as a job center. Future planning for the downtown district will capitalize on this economic vitality and work towards maintaining this status.

Economic growth in the Upper Midwest region has increased steadily over the last fifteen years. Downtown Minneapolis is the focal point of this highly diversified and competitive regional economy, as the region's cultural and business center. Downtown 2010, a product of continuing public/private partnership in planning, was adopted in October 1996 as a component of the city's comprehensive plan. When The Minneapolis Plan draft is approved by City Council, the Downtown 2010 plan will continue to guide downtown decision making. Downtown 2010 serves to encourage and guide downtown investment decisions, just as The Minneapolis Plan seeks to influence activities throughout the city, and continues to foster the strength of downtown Minneapolis, the region's economic engine.

As new businesses establish themselves in the metropolitan area, they make their decisions about location based on certain specific factors. Locating a business that operates in local, regional and national markets in downtown Minneapolis makes good sense for four compelling reasons. First, financial transactions rely heavily on telecommunications and electronic networks to send and receive necessary information instantaneously, while power outages and

unreliable connections to information networks can seriously impact the business of providing these immediate services to customers. Downtown Minneapolis offers businesses access to electronic and telecommunications networks unique in the region. Downtown buildings also offer the required power backup so that this specific business can meet its contractual obligations to keep downtime to fifteen minutes or less. Secondly, rapidly growing communications firms need a "smart" building, not cheap space. Downtown buildings provide the internal communications required, which less expensive buildings elsewhere cannot afford. Thirdly, the process of expanding a client base demands that entrepreneurs have constant opportunities to meet prospective new clients. The clustering of financial services in downtown Minneapolis encourages the networking that makes business grow in this rapidly changing sector of the economy. Clients in San Francisco or New York can be secured through connections and human contact between individuals working downtown. The walk-ability and skyway connections found downtown are extremely important factors that unite downtown into an easily understandable, coherent district. Finally, downtown Minneapolis is an ideal choice because it is located at the near geographic center of a growing, large metropolitan area. Within 8 miles of the airport, accessible to regional, national and international connections, downtown offers business exactly the kind of centrality and transportation links required for success in a growing region, with expansion into new markets as they emerge.

By promoting and enhancing its unique urban qualities, downtown Minneapolis can sustain its competitive advantage over its competitors located both in other cities and on the urban fringe. Presently, downtown offers major retail, entertainment and cultural, as well as residential, attractions for the region. It is a transit hub for many regional and city bus lines and currently has the best levels of service in terms of frequency and reliability in the Metropolitan Transit (Metro Transit) system. Between 1980 and 1995, private investments renovated the main retail and transit corridor along the Nicollet Mall. Public-private partnerships over the last two decades brought professional basketball to the state, constructed the Target Center and the Metrodome downtown, rebuilt the city's Convention Center, restored the historic State and Orpheum Theaters, and reclaimed the Mississippi riverfront.

Arts and entertainment activities give the downtown character and activity beyond normal office hours. These activities serve in part as a stimulus for tourism and economic development. Cultural facilities such as theaters, concert halls, sports venues and family entertainment attractions bring considerable tourist dollars to Minneapolis each year. Broadway theater, the Symphony Orchestra, museums, nightclubs, major league sports and restaurants all contribute to making Minneapolis the region's entertainment and cultural capital, and the vibrant arts community that flourishes in the city distinguishes Minneapolis as a cultural center throughout the nation. Downtown Minneapolis already hosts day care facilities and school facilities. Expanding the appeal of downtown to families with children should be considered in conjunction with a children's arts program, or the addition of more family-oriented attractions that complement retailing. The addition of more children's activities will bring additional vitality to downtown.

3.2 Minneapolis has adopted Downtown 2010 plan as a component of the city's Comprehensive Plan and envisions downtown Minneapolis in the year 2010 as one of the nation's finest urban centers; a place of prosperity, civilization and civic pride, that will serve as the center for the metropolitan area, the state and surrounding region.

Implementation Steps

Enhance downtown as a special place that offers the finest qualities and experiences associated with cities.

Maintain downtown as the economic center for the Twin Cities metropolitan area and Upper Midwest region.

Strengthen downtown's position as a regional retail center that serves downtown employees, visitors and regional residents.

Strengthen downtown's role as the region's center of arts, entertainment and culture.

Maintain and strengthen Minneapolis' position in the national and international convention and trade show market.

Encourage the growth of educational uses in order to complement other functions and to enhance downtown as an arts and cultural center.

Develop residential areas into neighborhoods that offer a variety of housing types and affordability levels, as well as traditional urban neighborhood qualities and experiences.

Provide a balanced transportation system that ensures continued economic vitality and contributes to the quality of life for downtown, the city and the metropolitan area.

University of Minnesota Area

The University of Minnesota campus, located on the east and west banks of the Mississippi River southeast of downtown, is another growth center of statewide significance. The University was created with a land grant from the territorial legislature in 1851, predating the founding of the State of Minnesota by seven years. Its long history and its preeminence in the post-secondary educational system within the state allows it to thrive as one of the top universities in the country. The University of Minnesota employs close to 64,000 full-time or part-time staff, including students who are also employees. Approximately 27,000 of those employees work at the Twin Cities campus in Minneapolis. The University of Minnesota has a tremendous impact on the city, not only as a prestigious educational institution but also as a magnet for jobs in other related fields.

Surrounding uses that border the University campus to the east and west provide a wide range of amenities to employees and students. Housing is a significant component of this mix in the Dinkytown and Marcy Holmes neighborhoods on the east bank of the river, and in Cedar-Riverside on the west bank. Shopping, restaurants, related services like copy shops, special order book stores and coffeehouses have located very successfully immediately adjacent to the University on both sides of the River. Stadium Village, Dinkytown and the Seven Corners area on the West Bank campus all possess an active street life far beyond normal working hours.

3.3 Minneapolis has adopted a Growth Center plan for the University of Minnesota/ SEMI area which guides land use decisions and investment in the area and recognizes the contributions from existing plans and planning processes.

Implementation Steps

The **SEMI Refined Master Plan** gives policy guidance on the amount, location and relationships among housing, commercial and institutional land uses.

Support the University of Minnesota's contribution to the city, in terms of providing employment, diversifying the economy and advancing technology.

Provide good regional, intra-city transit and alternative transportation access to meet commuter needs.

Promote moderate to high density housing of a variety of affordability levels and supporting commercial uses adjacent to the University of Minnesota.

Encourage open communication between the University of Minnesota and the city as well as neighborhoods in which they are located.

Wells Fargo/Hospitals Area

The most significant concentration of employment activity that exists in Minneapolis today, outside of downtown and the University of Minnesota campus, is found in South Minneapolis, just off Lake Street. Wells Fargo, Inc. and Abbott Northwestern Hospital (part of the Allina Health System) are employment anchors in that neighborhood. There is a solid core of entrepreneurial growth and investment in the immediate surroundings, at 4th Avenue and Lake Street. The site is bisected by the 29th Street rail corridor, which has been designated as a future regional light rail transit corridor and bicycle pathway. The Midtown Greenway will connect Lake Calhoun and the Chain of Lakes system on the western edge of the city to the Hiawatha Corridor and the eastern edge of the city, offering tremendous potential for an alternative transit system that would serve South Minneapolis. At the Great Lakes Commercial Center, there is tremendous potential for redevelopment and job creation initiatives, and development of the Midtown Greenway will bring tremendous opportunities for new land uses in that area. The twin goals of job creation that maximizes opportunity for city residents and the need to foster mixed-use urban neighborhoods that accommodate housing, shopping, dining and entertaining as well as recreational amenities, will have a direct impact on the revitalization of the Wells Fargo/Hospitals area.

3.4 Minneapolis will create a Growth Center plan for the South Phillips area, similar to the Downtown 2010 plan which would guide decisions and investment in the area, recognizing the contributions from existing plans and planning processes.

Implementation Steps

Develop an area-wide Growth Center Plan to determine the amount, location and relationships among housing, industrial, commercial and institutional land uses.

Support the contribution of Wells Fargo, Allina Health Systems hospitals and other neighborhood institutions to the city and the neighborhoods adjacent to them.

Maintain clear channels of communication and participation to coordinate the planning efforts of local institutions, city agencies and neighborhood organizations.

Encourage the expansion and establishment of new employment-generating activities at the Sears site and along the 29th Street corridor.

Allow for a limited amount of mixed retail uses and commercial services.

Provide good regional and intra-city transit access to meet commuter needs.

Develop site-specific solutions for housing rehabilitation and new housing construction that is mixed in its type and affordability levels in residential areas bordering the employment center.

Create a safe, attractive environment for workers, residents and visitors to the area by investing in public infrastructure of safety.

future Growth Centers

A Growth Center must have four components; housing, businesses, amenities and transit service. The Growth Center concept envisaged for Minneapolis' economic future aims to foster the development of centers where office use, research facilities, clean industrial uses and related amenities, services, complementary businesses and housing locate to their maximum advantage. The Growth Center concept is not intended to be applied to every job-providing area of Minneapolis. It will apply to a limited number of areas which meet "threshold" requirements defined by specific criteria (see table), determined by the Planning Department in partnership with other agencies.

In addition to finalizing criteria that define future Growth Centers, each location will require a more specific planning effort. In the spirit of the area plan completed for Downtown (Downtown 2010), planning efforts at the other existing Growth Centers and potential Growth Centers will produce area-specific master planning efforts that influence the character of development in these centers.

Planning for Potential Growth Centers should begin immediately, even if those plans may not take effect immediately. In some cases, the Potential Growth Center sites once provided far more jobs than today, offering nearby residents living wage jobs and the path to creation of household wealth. Where current land uses do not appear to be ready for immediate change, the city and its partner agencies will encourage land owners and developers to make the most efficient use of land possible and that jobs per acre be maximized when new employment opportunities arise. These area plans must be updated and renewed regularly, to keep them current and responsive to a changing development climate. In some cases, such as the rail yards in Camden and Northeast communities, the boundaries of these areas will be clearly defined. In other locations, boundaries must be determined through the planning process, as they were in the Wells Fargo/Hospitals area.

TABLE 3.1

Growth Center Targets, Job Generation Component

		Additional Jobs (net new employment)			
		Minimum Criteria for Designation	Low Growth (Metropolitan Council)	High Growth (City Estimates)*	Strong Growth*
Existing Growth Centers: Job Generation					
Tier 1 Downtown	Housing, businesses, amenities, transit • 1,000 acres in size • total jobs: 140,000 • minimum employment density: 100 jobs/acre.	44,000	50,000		
Tier 2 University of Minnesota/SEMI Area SEMI Refined Master Plan See Chapter 12 for overview of policy guidance and detailed land use maps	Housing, businesses, amenities, transit • 500 acres in size • total jobs: 27,000 • minimum employment density: 85 jobs/acre.	7,000	10,000		
Tier 3 Wells Fargo/Hospitals Area	Housing, businesses, amenities, transit • 300 acres in size • total jobs: 10,000 • minimum employment density: 60 jobs/acre.	2,000	5,000		
Potential Tier 2 Growth Centers: Job Generation					
Mid-City		350	2,500		
Shoreham Yards/ Columbia Park	Meets designation criteria for job density and job creation potential.	10	2,500		
Potential Tier 3 Growth Centers: Job Generation					
Humboldt Yards/Hennepin Community Works	Meets designation criteria for job density and job creation potential.	300	500		
Lyndale Gateway		100	500		
VA Hospital/Airport		0	500		

*Note: High growth estimates are based on City projections without the designation of an area as a Growth Center. Upon detailed study and designation by City Council of a Growth Center, a Strong Growth projection would be made.

TABLE 3.2

Growth Center Targets, Housing Development Component

		New Housing Units			
		Minimum Criteria for Designation	Low Growth	High Growth*	Strong Growth*
Existing GrowthCenters					
Downtown Minneapolis	Housing type and density range.	3,500	5,000		
University of Minnesota/SEMI Area SEMI Refined Master Plan See Chapter 12 for overview of policy guidance and detailed land use maps	Housing type and density range.	750	2,000		
Wells Fargo/Hospitals Area	Housing type and density range.	200	500		
Potential Tier 2 Growth Centers: Housing Development					
Mid-City	Meets designation criteria for housing type and density range.	0	500		
Shoreham Yards/ Columbia Park		0	500		
Potential Tier 3 Growth Centers: Housing Development					
VA Hospital/Airport	Meets designation criteria for housing type.	360	700		
Lyndale Gateway		360	700		
Humboldt Yards/ Hennepin Community Works		600	600		

*Note: High growth estimates are based on City projections without the designation of an area as a Growth Center. Upon detailed study and designation by City Council of a Growth Center, a Strong Growth projection would be made.

sites for future Growth Centers

There are several opportunities for changes to present day land uses, in the form of changing economic realities, such as the phasing out of many of the activities at Shoreham Yards, or the redesign of the Humboldt Industrial Area. Other developed areas warrant further study, to consider the kind of infill and redevelopment that adds mixed uses, employment-generating uses at a higher density, and improved, high-quality transit services.

Potential Growth Centers require further study in order to determine their viability as Growth Centers. This will have repercussions on city and regional systems. For example, a study of the Potential Growth Center at the VA Hospital/ Airport location will consider the impact of the airport runway extension, as well as noise pollution issues, on the viability of such a Center. As the growth center concept develops, the city will provide guidance and incentives to specific sites in order to influence the location decisions of business interests.

putting it together

The Minneapolis Plan emphasizes that growth is the key to the city’s future prosperity. Economic growth strategies must have a focus on place and on creating these opportunities within the boundaries of the city. Strategies to expand and diversify investment, training and capacity building for businesses and residents alike are focused on concentrating resources and specific activities in designated places. The city and its partner agencies have a key role to play in fostering growth. In a climate of constrained public resources and increased fiscal conservatism at public agencies, the city can leverage the greatest impact from private investment if it understands the transactions of the market sector and invests its dollars in such a way that others follow.

TABLE 3.3
Potential Growth Centers

	<i>Tier 1</i>	<i>Tier 2</i>	<i>Tier 3</i>
Mid-City		✓	
Shoreham Yards/ Columbia Park		✓	
Humboldt Yards/ Hennepin Community Works			✓
Lyndale Gateway			✓
VA Hospital/Airport			✓

3.5 Minneapolis will establish priorities in the designation of future Growth Centers from the list of Potential Growth Centers in order to guide future changes in land use and development.

Implementation Steps

Designate candidates for future Growth Centers as Potential Growth Centers with the adoption of this Plan.

Convene area-specific master planning efforts to guide future development of Potential Growth Centers; upon adoption of a plan by City Council, an area would be designated a Growth Center.

Provide for the flexibility to designate these Growth Centers within the city’s ordinances.

Provide good regional and intra-city transit access to meet commuter needs.

Design development of a form and intensity which utilizes land efficiently and maximizes the advantages of mixed land uses that incorporate the character of the surrounding area.

Recognize the important role of place-making in creating identifiable places with well-used attractive amenities such as open space, natural features, entertainment, public institutions and successful identities.