



Community Planning and Economic Development

News Release

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City of Minneapolis Staff to Recommend United Properties as Developer for Nicollet Hotel Block

Media note: At 10:30 a.m. today, a media event will be held for those interested in speaking with Frank Dutke, United Properties CEO, Bill Katter, United Properties Executive Vice President of Investments/Development, and City of Minneapolis officials including Mayor Betsy Hodges, City Council Member Jacob Frey, and City Council Member Lisa Goodman about the Nicollet Hotel Block project. The event will take place on the 13th floor of Marquette Plaza at 250 Nicollet Mall. The space overlooks the “Nicollet Hotel Block.” Images presented from United Properties’ proposal will be available immediately following the event.

Friday, February 6, 2015 (Minneapolis, MN) – A City of Minneapolis review team will recommend to the City Council that United Properties be selected as the developer for the City-owned block at 30 Third Street South, also known as the “Nicollet Hotel Block.” The decision follows a competitive process that sought proposals from developers interested in purchasing and developing the block, which is bounded by Third Street South, Washington Avenue, Hennepin Avenue, and Nicollet Mall. The block is currently a surface parking lot and is used as a bus layover facility.

The City’s request for proposals called for the new development on this property to include an iconic, new structure with high-quality design that contained no fewer than 20 active floors with a mix of commercial, retail, residential, office, and hospitality uses. Additional development goals included active street front retail, and integrated public/green space amenities, among other items.

Of the four proposals received, City staff determined that United Properties’ proposal best met the City’s development goals for the property. The Community Development and Regulatory Service’s committee of the City Council will consider the staff recommendation in late March or early April, which will be followed by a formal decision from the full City Council.

“United’s proposal meets our high expectations and integrates the key plaza design elements, including the modern streetcar, a green and inviting pedestrian realm, retail, hospitality, and a seamless connection to the new Nicollet Mall, as well as Cancer Survivor’s Park and Marquette Plaza,” said Mayor Betsy Hodges, “This project will turn this historic site into a place where people enjoy a variety of amenities right where they live, work, and play. I am confident that United Properties will help us effectively implement what we have re-imagined as the Nicollet Mall sees itself transformed into a 21st Century destination.”

“We see the Nicollet Hotel Block project as a catalyst for accomplishing the City’s vision to transform this block into a meaningful, iconic development, and to deliver a significant enhancement to the current green space,” said Bill Katter, United Properties Executive Vice President of Investments/Development.

In addition to incorporating key plaza design elements, United’s proposal presented the most well-defined sustainability elements and offered the highest density for the site in terms of total combined residential units (300) and hotel rooms (182).

“The result of great urban design is similar to a great party – you linger longer, lose track of time, and stumble home way later than planned,” said Ward 3 Council Member Jacob Frey. “By delivering on our promise of growth, facilitating a connection to the river, and seriously activating the public realm, the new Nicollet Hotel Block could be one of the best parties of the decade.”

United Properties proposal also offered the highest price for the property and projected the highest total development cost, which will result in the largest tax base increase for the City.

“This site was purchased and planned to be a bus layover facility,” said Council Member Lisa Goodman. “I have worked for the better part of 15 years for a more urban vision. Today, that vision, with this project, is moving toward reality.”

United Properties will present its proposal at the Monday, Feb. 16, 2015 [Downtown Minneapolis Neighborhood Association](#) meeting (5:30-8p.m.). The public is invited to attend to learn more about their proposed design and provide feedback. Subject to the City Council’s approval of the developer recommendation in April, staff will then negotiate a term sheet with United and seek City Council authorization in late summer 2015 to sell the property and execute a redevelopment contract with the developer. Construction is anticipated to begin in early- to mid-2016, once the land sale is finalized.

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