



Study Item 2

DATE: July 2, 2009

TO: Mayor and City Council

FROM: Larry Lee, Director of Community Development
Jill Hutmacher, Acting Port Authority Administrator

RE: Airport South District Plan

A handwritten signature in black ink, appearing to read "LEE" and "JH", is written over the "FROM:" line.

I. Issues

1. Does the City Council concur with the development phasing projections prepared by staff and the study consultant?
2. Does the City Council regard the extension of Lindau Lane and/or realignment of 24th Avenue as key projects necessary to achieve the overall objectives for the Airport South District Plan?
3. Are there feasible ways to fund these place-making improvements?
4. Are there other uses of these same funds that would accomplish equal or better results in accomplishing the City's or District Plan's objectives?

II. Relevant Goals and Objectives

1. Imagine Bloomington Strategic Plan
 - a. Focus commercial and residential growth in three mixed use areas (Airport South is one of these three);
 - b. Maximize desirability of residential and commercial areas;
 - c. Increase use of sustainable practices;
 - d. Promote and provide enhanced alternative transportation options;
 - e. Make community investments that in turn encourage private investments consistent with the City's sustainability objectives.
 - f. Encourage shared parking among developments;
 - g. Support transit improvements including additional transit service in the I-494, American Boulevard and TH77 corridors.
2. Airport South District Plan
 - a. Transform the District's densities and character from suburban to urban;
 - b. Design public spaces and streets to increase connectivity;
 - c. Accelerate the District's development;
 - d. Establish distinct sub-districts;
 - e. Provide a hierarchy of streets that facilitate safe and friendly environments for pedestrians and bicyclists.

III. Background

The City of Bloomington began work on the Airport South District Plan in April 2008, engaging WRT as the primary consultant. The early planning stages focused on existing conditions and refining development projections.

As design concepts evolved, stakeholder meetings and open houses were held to gather input. Feedback from the Port Authority and City Council was used to identify key design concepts that should be included in the draft development framework. During this process a number of concepts were explored. The ones that garnered the most positive feedback from stakeholders were extending Lindau Lane as a greenway from the Mall of America to Bloomington Central Station and realigning 24th Avenue along the east side of the Mall of America. While the two concepts are related, each one can stand independently.

The City Council and Port Authority are being asked to provide policy guidance at this stage of the study because the two street reconfiguration concepts are central to the remainder of the development framework, and because implementing one or both options will cost in the \$20 to \$34 million range (disregarding revenues from selling any remainder parcels). To optimize use of staff and consultant resources to be invested in detailing a development framework, the Council and Port Authority are being asked to provide policy guidance on whether these place-making concepts should be included in the final plan. WRT has been instructed to suspend work until the City provides direction on whether to proceed with the Lindau Lane greenway and/or the 24th Avenue realignment.

Implementing either or both of the place-making concepts would require acquisition of two parcels and three buildings known as the Alpha Business Center and owned by Duke Realty Company. The 2009 assessor's market value of the two parcels is approximately \$12 million. Total costs for the two concepts, including acquisition, demolition and construction would be approximately \$34 million, assuming that a significant portion of the rights-of-way costs on the Adjoining Lands (the parcel directly east of the Mall of America) would be absorbed by the owner of that property. Note that at this stage of the study, the concept designs and construction costs are broad estimates. More detail on costs is provided in pages 5 to 7 of this memo.

The remainder of this memo provides detail on the concepts proposed, the advantages and disadvantages associated with each concept, cost and financing information and a concluding summary of the Council's policy direction options.

As discussed in this memo, there are a number of reasons supporting implementation of the two place-making concepts. Primary reasons contained in the district plan's goals and objectives are:

- Transform the District's densities and character from suburban to urban;
- Design public spaces and streets to increase connectivity;
- Accelerate the District's development;
- Establish distinct sub-districts and
- Provide a hierarchy of streets that facilitate safe and friendly environments for pedestrians and bicyclists.

IV. Schedule and Decision Process

Meetings scheduled to discuss the three issues are:

- June 16, Port Authority
- July 6, City Council
- July 28, Joint Port/Council meeting

Responses to the questions and issues raised in the Port Authority's June 16 meeting have been incorporated in this memo. The purpose of the July 6 City Council meeting is to:

- Describe the issue and options;
- Take stakeholder input;
- Provide time for the Council to ask questions, discuss the issues and identify questions for additional analysis or information.

The Planning Commission and Traffic and Transportation Advisory Commissions will have a joint meeting on July 16 to hear an update on the District Plan issues and provide their input.

A number of public and private entities are interested in the outcome of these plan alternatives. Staff met with the Metropolitan Airports Commission, the Mall of America Corporation, Duke Realty Company, McGough Development, and Metro Transit during June. In addition, background information has been posted on the city's Airport South web site to inform interested parties so that they can be aware of the issues presented in this memo and be prepared to participate in scheduled meetings to determine study policy directions.

By the July 28 joint Council/Port meeting, staff proposes to provide the information and analysis necessary to support further policy discussion resulting in decisions on the four issues identified in this memo. If required, additional analysis will be provided and additional meetings scheduled.

V. Issue #1: Development Phasing

The district plan's vision is bold—to transform a dispersed, suburban commercial area into a high density urban setting that attracts residents, office tenants, hotel guests and shoppers by virtue of its unique, high-energy character. The development projections are also bold, assuming that success with place-making will result in success at attracting new development and that this success will continue for 40 years.

The draft Airport South development framework shows a fine-grained street network punctuated by focal point open spaces similar to the park in Bloomington Central Station (see Figure 1: Proposed Road Hierarchy). A mixture of uses characterized by high density and transit oriented development is an explicit assumption of the development framework. The original district forecasts looked at a 20-year horizon, but on review by staff, the consultants and the Port Authority Board, these forecasts were extended to a 40-year period.

Development projections are a necessary planning tool, but are only approximate. Numerous factors will affect the rate, magnitude and character of future development in Airport South. Development forecasts are prepared in order to model the need and timing for public infrastructure such as streets and utilities, to model the funding available for infrastructure and other public investments and to guide policies for staging public investments in order to get the greatest return on investments intended to serve as development catalysts. Forecasts for a 40-year period need to allow for flexibility as market conditions

may cause the development to proceed slower than anticipated, or on the other hand, to provide a game plan if the development “pops,” occurring faster than projected. In addition, development proceeds in cycles, and it would not be surprising if one use surged ahead in one planning period and other uses followed in later cycles. The District has the advantage of having substantial inventories of existing retail, hotel and office uses. This existing development helps mitigate concerns that one use might get out of balance with other uses projected in the District.

Based on anticipated market absorption and input from the project consultants, the district forecasts have been adjusted to reduce forecast levels of office and retail uses and to increase forecast levels of residential and hotel (see tables below).

Three basic questions were considered in formulating the forecasts and phasing: how much; where and when.

The following process was used to determine “how much”:

1. Start with forecast tracker numbers—development projections based on growth consistent with Metropolitan Council projections;
2. Look at existing zoning, comprehensive plan and Metropolitan Council parameters and analyze past Bloomington development trends—building types, site characteristics and location factors;
3. Evaluate Floor Area Ratio (FAR) trends and
4. Examine general market absorption factors with the WRT consultant team (ZHA-economic consultant), the Bloomington City Assessor with conceptual assistance from a Port Authority Board member.

The following process was used to determine “where”—the spatial arrangement:

1. Influence of the existing Airport South catalyst projects—Bloomington Central Station, Mall of America Phase II and the American Boulevard LRT station;
2. Sites that are vacant or ready for redevelopment;
3. Influence of existing Airport South amenities—primarily sites with river valley views or close to LRT stations;
4. Other attractors or development catalysts that could be added to the district by public investments. Place-making includes elements such as the Lindau Lane greenway, realignment of 24th Avenue and the conceptual open space network.

Finally, the following process was used to examine the “when”—the phasing plan for development:

1. The revised 40-year timeframe extends full development out to 2050 based on factors described by the WRT consultant team and on feedback from the Port Authority.
2. The phasing is tabulated in four 10-year increments using office development absorption assumptions made by the staff and consultant and on the Phase II staging submitted by the Mall of America.
3. Locate development to create a connected progression that takes advantage of signature public improvements, existing amenities and development projects currently in progress.

Development phasing is illustrated by Map 1: Airport South Projected Development by Phase; Table 2: Development by Phase; Table 3: Cumulative Development by Phase. Airport South contains two-thirds of Bloomington’s growth potential as shown by these projections. Growth from 2009 through 2050 ranges from a 77% increase for retail (3.55 million square foot increase), 115% increase for hotels (3,332 room increase), 235% increase for office (5.4 million square foot increase) and 250% increase for residential (2,936 dwelling unit increase).

Table 1: Summary of Airport South Additional Development by Decade

Land Use	Existing	2010 to 2020 Projection	2020 to 2030 Projection	2030 to 2040 Projection	2040 to 2050 Projection
Office (million sq. ft.)	2.295	1.331	1.094	1.371	1.605
Retail (million sq. ft.)	4.575	1.810	0.220	0.130	1.390
Hotel (rooms)	2,884	1,415	577	840	500
Residential (dwellings)	1,172	990	800	696	450

The Port Authority has accepted these phasing projections for use in preparing the District Plan.

VI. Issue #2: Street Improvements of Key Importance for the Development Framework

Lindau Lane Greenway Extension

Lindau Lane would be extended from 24th Avenue to 30th or 31st Avenue (see Figure 2: Lindau Lane Extension). The character of Lindau Lane would begin to change at 22nd Avenue. East of 24th Avenue, Lindau Lane would likely be a four-lane street with right- and left-turn lanes, substantial green space, and streetscape amenities. The street could transition to two lanes with turning lanes at 28th Avenue, and finally transition to the street section being used in Bloomington Central Station. Street design could allow for comfortable pedestrian and bike use and on-street parking.

Benefits

- Provides a front door to Mall of America Phase II from the east.
 - Current Phase II plans include a town center aligned over Lindau Lane (lowered to accommodate an at-grade connection between Phase I and Phase II). Views from the windowed Town Center to the greenway and vice versa provide a focal point for Airport South.
 - This visual alignment helps accomplish the study objective of connecting the two anchor developments in Airport South, the Mall of America and Bloomington Central Station and provides a visual reference point for the district’s visitors.
- Relieves anticipated traffic congestion as the district develops.
 - Provides an alternate east/west route for access and egress from the Mall of America and the 28th Avenue park-and-ride.
 - Decreases traffic on American Boulevard which in turn mitigates the need for high cost intersection improvements on American Boulevard at both 24th and 34th Avenues, projected to be made necessary by development on the Mall of America and Met Center sites.
 - Could delay or eliminate the need for making a section of American Boulevard from 34th Avenue to 30th or 28th Avenue a one-way street. Continuing to allow two-way traffic on American will simplify vehicle access and improve the visitor experience.
 - Provides a second direct connection from TH77 into the core of Airport South. This spreads out peak hour traffic and makes sites along the street more attractive for development.

- Provides an amenity to attract and accelerate infill development between the Mall of America and Bloomington Central Station. This green spine could be the next development phase following BCS and Mall of America Phase II.
- Showcases new urban design standards of the Airport South District Plan including elements of complete streets and other sustainable features.
- The Lindau Lane greenway right-of-way provides space for district energy distribution, transit, bikeways, or other utilities.
- The primary monetary benefits would be avoided or delayed intersection and street improvement costs on American Boulevard and the City revenues associated with development induced or accelerated along the greenway.

Challenges

- Cost of acquisition, demolition and construction:
 - Acquisition of two parcels owned by Duke Realty Corporation -- \$12 million assessed value (pay 2009) and \$11.4 million (pay 2010). Staff estimates that the residual parcels could be sold for redevelopment at an estimated value between \$7 and \$10 million if only the greenway is implemented.
 - Acquisition of surface parking at 28th Avenue LRT station (approximately \$1.5 million).
 - Acquisition of Bloomington Central Station property if greenway is extended to 31st Avenue (approximately \$500,000).
 - Construction estimated at \$6.2 million (more if extended to 31st Avenue).

24th Avenue Realignment

The proposed realignment would bend 24th Avenue to the east starting south of American Boulevard, bowing outward into the Adjoining Lands parcel, and converging back onto the existing 24th Avenue alignment south of the existing Killebrew Drive intersection (see Figure 3: 24th Avenue Realignment).

Benefits

- Provides valuable street frontage for development along both sides of a new 24th Avenue alignment.
- Potential to significantly improve access to the adjoining land parcels from 24th Avenue.
- Creates parcels on the east side of the Mall of America's east parking deck which provides an opportunity for optimizing weekday shared use of parking spaces in the east deck. This adds value as either an avoided development cost on the Adjoining Lands or as a revenue source for additional development on MOA Phase I.
- Creates an opportunity for an improved inter-modal transit center located in a portion of the old 24th Avenue right-of-way. (A similar benefit may be accomplished by reconfiguring 24th Avenue and acquiring a smaller strip of right-of-way along the east edge of 24th Avenue's current alignment. See Figure 4: 24th Avenue Alternative)
 - Improves transit efficiency by eliminating the need for buses to navigate Mall security.
 - Improves transit visibility at Mall of America.
 - Improves the transit passenger experience at the Mall Transit Station.
 - Pedestrian-friendly transit zone could be a key feature of Airport South, increasing the proportion of trips made by transit.
- Provides opportunity for sub-regional stormwater treatment by using pervious pavement, underground storage and infiltration in the new and old 24th Avenue right-of-way.
 - Infiltration at this location could promote development by replacing the storage capacity of the existing Pond 30 on the Adjoining Lands, freeing part of this area for future development.

- Infiltration at this location may also help to mitigate existing stormwater problems in the existing Mall east parking ramp.
- Creates an opportunity for screening the view of the east face of the Mall parking ramp. (A similar benefit could be accomplished—except for the view from 24th Avenue—by locating screening buildings along the west edge of the Adjoining Lands parcel).
- Reduces congestion by removing most buses from 24th Avenue.
- Facilitates a transition from Mall densities and building mass to a pedestrian-scaled environment.
- The primary monetary benefits would be avoided structured parking spaces for the adjoining office pads; substantially improved and balanced access for the Adjoining Lands parcels; enhanced transit service and enhanced City revenues associated with development induced or accelerated along 24th Avenue.

Challenges

- Cost of acquisition, demolition and construction
 - Acquisition of two parcels owned by Duke Realty Corporation -- \$12 million assessed value (pay 2009) and \$11.4 million (pay 2010). Staff estimates that the residual parcels could be sold for redevelopment at an estimated value between \$6 and \$9 million if only the 24th Avenue realignment is implemented.
 - Substantial construction cost (approximately \$9.3 million).
- Maximum benefits of shared parking will be easiest to realize if the Adjoining Lands and the Mall of America are under the same ownership. Even if both parcels are in the same ownership, agreements between the Mall of America and anchor tenants may limit the potential for taking advantage of shared parking.
- Future ownership of the Adjoining Lands is uncertain due to litigation between the Mall of America Company and the Metropolitan Airports Commission.
- There is limited opportunity to develop buildings in the old 24th Avenue right-of-way due to high cost of moving existing underground utilities.
- The development pads between a new 24th Avenue and the Mall's east ramp will be tight. New parking spaces would probably need to be incorporated in the building's structure (the most expensive way to provide structured parking) and the view of the east ramp would continue to be a problem for leasing space on the west side of these buildings.
- There are other options for modifying 24th Avenue that accomplish some District Plan objectives at a lower cost (see Figure 4).
- Reconstructing the 24th and Lane intersection adds significant expense if a 24th Avenue realignment is constructed after Lindau Lane is extended.
- Because most of the benefits from realignment are realized by the Adjoining Lands' owner, if that owner does not support the project, staff would not recommend proceeding with 24th Avenue realignment.

VII. Issue #3 Funding for Airport South Improvements

Funding Options

The City and Port Authority utilize several funding sources for activities in Airport South.

Tax increment financing (TIF) Districts

- Established for the Mall of America (Phases I and II), Bloomington Central Station, and International Plaza (OPUS District).

- The OPUS TIF district was decertified in 1993. The remaining fund balance is budgeted for the construction of the American Boulevard LRT station.
- Contracts with the developers of the Mall of America and BCS stipulate that 90% of TIF funds be used for eligible project activities.
- Per statute, the Port Authority may use the remaining 10% of TIF funds for administrative activities related to the district.

Liquor and Lodging Taxes

- The City collects a city-wide 7% lodging tax and a 3% liquor tax.
- General Fund – 3% is used as revenue for the City’s General Fund.
- The Bloomington Convention and Visitors Bureau – 2% constitutes the BCVB’s primary operating revenue.
- The liquor tax and 2% of the lodging tax is used to provide a reserve for existing Mall of America debt. The tax revenues are deposited with the bond trustee who releases the funds to the City if sufficient tax increment revenue is available for debt service.
 - Legislation on the use of liquor and lodging tax revenue states that projects funded with those proceeds must contribute to the redevelopment of Mall of America Phase I (TIF District 1-C).
 - To date, liquor and lodging tax revenues have not been required for Mall debt service.
 - Once released by the trustee, liquor and lodging tax revenues are deposited in City Fund 435.
 - The Port Authority reviews and the City Council approves the budget for Fund 435.
 - Fund 435 is currently the most flexible of the City’s and Port Authority’s funds for public investment in Airport South, provided that the improvements meet the test of contributing to redevelopment at Mall of America Phase I.

Additional Revenue by Legislation (ARBL)

- 2008 Legislation provided the City Council with authority to enact additional taxes to fund improvements in Airport South related to the next phases of the Mall of America.
- Less flexibility of use than with liquor and lodging taxes in Fund 435
- The City Council accepted this legislation, but has not imposed any of the ARBL taxes.
- The City Council and Port Authority approved principles and objectives under which the City and Port would consider additional public investment for the next phases of the Mall of America:
 - Phase II renews and strengthens the Mall of America's Initial Phases.
 - The community value of Phase II is commensurate with public investment.
 - Phase II integrates with and promotes additional development in Airport South.
 - Phase II achieves environmental and economic sustainability objectives of the Airport South District Plan.
 - The City and Port Authority are the stewards of public funds.

Planned Use of Funds for Airport South

Revenue from Port Authority TIF districts is used for activities that qualify within the district. For example, TIF revenue from Bloomington Central Station is paid to the developer as reimbursement for special assessments for public improvements. Mall of America TIF is used to make bond payments, and will be used for public parking for the south pad hotel and additional Phase II infrastructure improvements.

Liquor and lodging tax revenue is used for several Mall-related activities such as Police operations at the Mall, a pending loan to the Mall for south pad parking (to be repaid through special assessments over 20 years), and for a portion of the costs of infrastructure improvements related to and required by Mall

expansion. Fund 435 is also used for the TH77 fiscal disparities offset, interim, interest-bearing loans for Bloomington Central Station activities, and some Port Authority administration costs.

Fund 435 is currently the only funding source available to the City and Port Authority that could be used for the two street improvements described above. Legislation requires that liquor and lodging tax revenue be used to promote redevelopment at Mall of America Phase I. Both the Lindau Lane extension and the 24th Avenue realignment have significant benefits for Phase I. The Port Authority attorney, City Attorney and Bond Counsel are of the opinion that these improvements can meet the benefit test in the legislation.

Airport South District Expenditures

Acquisition of land, demolition of buildings, and construction of the Lindau Lane greenway and relocating 24th Avenue could cost up to \$34 million. Note that the costs in this memo are broad estimates because no property acquisition agreement has been negotiated, and no streets have been designed. During implementation, some of the costs may be mitigated by grants, tax abatement, tax increment, assessments or sale of remaining land parcels, but those sources are not defined at this time. The City's Finance Department has created a 40-year financial model for Fund 435. Key features of the financial model are:

- Conservative revenue inflation
 - 1.3% for lodging tax revenue
 - no increase for liquor tax revenue
- 6.6% annual inflation for infrastructure improvements (Mn/DOT 10-year average).
- 5.6% annual inflation for Police operations (includes inflation in benefits).
- Capital projects described above, including land acquisition, Lindau Lane greenway and 24th Avenue realignment, are included in the model.
- Sale of remnant parcels, grants, TIF, abatement or other revenue sources are not included in the model.
- 10-year bonds would be required for cash flow given the assumptions above.

Staff concludes that adequate funding is available in Fund 435 for the key Airport South district plan elements if medium-term bonds to manage cash flow are acceptable to the Port Authority and City Council.

VIII. Issue #4: Other uses of the funds that would accomplish equal or better results

The District Plan's goal is to change the status quo of development in Airport South by attracting new transit-oriented, mixed-use development and building a pedestrian-friendly, high-activity environment. Staff feels that a dramatic change to existing development patterns will be necessary to achieve these long-term development goals. In December 2008 WRT presented three concepts for changing the existing development framework (Figures 5, 6 and 7). The consensus at that time was to mix and match the most attractive ideas from each concept in a draft development framework (Figure 1). Therefore, comments were taken and work proceeded on a combined development framework concept.

If the Port and Council are interested in examining additional concepts for public investments in Airport South, staff and WRT will propose alternative improvements. A change order for WRT's contract and a study timeline revision will be necessary. If the Council and Port Authority do not support either the Lindau Lane greenway or 24th Avenue place-making improvements, staff will ask the Council and Port Board to review and confirm or revise district goals and objectives based on what we have learned so far.

Funding restrictions described in Section VII above, limit the types of place-making projects which may be considered. Liquor and lodging tax revenues are the only source available for Airport South improvements at this time. Use of these revenues is restricted to improvements which promote redevelopment on the Mall of America Phase I site.

IX. Development Framework Options

A. Proceed only with the Lindau Lane extension

Benefits

- Lindau Lane extension benefits as described above.
- Creates developable remainder pad parcels from the Duke acquisition which could provide \$7 to \$10 million for resale of remainder parcels from the Duke property.
- Construction of street extension could be phased as parcels adjacent to the greenway are developed. The existing buildings could be leased in the meantime.
- By eliminating the 24th Avenue realignment, uncertainty related to ownership of the Adjoining Lands parcel is avoided.
- Transit improvements and a wider green median in 24th Avenue could also be accomplished using an incremental approach that involves acquiring a relatively small amount of additional right-of-way along the east side of 24th Avenue and utilizing an existing south-bound lane for transit.
 - Southbound bus-only lane and drop-off area would eliminate current slowdowns related to Mall security gates.
 - Opportunity for transit “storefront” at base of the Mall east ramp would increase transit visibility and improve the transit user experience and street-level appearance of the east parking ramp.
- Reduces construction costs by approximately \$9 million and allows for resale of a larger portion of the Duke parcels.

Challenges

- Does not achieve all the benefits of the 24th Avenue realignment described above.
- More limited transit amenity than a full transit mall.
- Shared parking with Mall east ramp may be more difficult to achieve and less convenient for users if 24th Avenue is not realigned. To capitalize on the potential for shared parking, one or two pedestrian bridges may be needed over 24th Avenue (estimated cost: \$3.5 million each).

Associated Policy Questions

- Should the development framework figure out how to develop transit improvements along the existing 24th Avenue right-of-way?
- Should the City begin right-of-way or parcel acquisition negotiations with the affected property owners?

B. Proceed only with 24th Avenue realignment

Benefits

- Achieves 24th Avenue realignment benefits as described above.
- Creates a developable remainder pad parcel from the Duke parcels.

- Reduces construction costs by approximately \$7 million and allows for resale of a portion of the Duke property (estimated to be \$6 to \$9 million).

Challenges

- Not feasible unless the Adjoining Lands owner supports the project and absorbs a significant portion of the right-of-way costs.
- Does not achieve Lindau Lane extension benefits as described above.
- Benefits to district traffic and circulation limited to removing buses from Lindau Lane and improved access to the Adjoining Lands.
- Does not provide an incentive or amenity to attract development except for the Adjoining Lands.
- Does not help establish a hierarchy of streets or establish a landmark reference point for visitors.

Associated Policy Questions

- Should 24th Avenue realignment be subject to petition by the Adjoining Lands' owner?
- Should the City begin right-of-way negotiations with the affected property owners?

C. Proceed with both the Lindau Lane extension and 24th Avenue realignment

Benefits

- Lindau Lane extension benefits as described above.
- 24th Avenue realignment benefits as described above

Challenges

- Highest cost option (approximately \$34 million)
- Not feasible unless the Adjoining Lands owner supports the project and absorbs a significant portion of the right-of-way costs.
- Smaller remainder development parcels from the Duke acquisition (resale value estimated to be \$6 to \$8 million).
- Timing issues associated with constructing both improvements

Associated Policy Questions

- Should the City begin right-of-way or parcel acquisition negotiations with the affected property owners?
- Should 24th Avenue realignment be subject to petition by the Adjoining Lands' owner?

D. Proceed with neither the Lindau Lane extension nor the 24th Avenue realignment

Benefits

- Avoided costs of approximately \$34 million for construction, acquisition, and demolition.

Challenges

- No defined method for accomplishing the objectives in the City's Strategic Plan and in the Airport South District Plan.
- Likely to require an earlier investment to improve the American/24th Avenue and the American/34th Avenue intersections.
- The draft district plan is based on feedback from stakeholders, Port Authority, and City Council. Retracing our steps to prepare a new concept plan will result in delays for completing the plan and probably a consultant fee increase for additional work.

- Any district plan concept that is designed to change the status quo of Airport South development will likely involve public investments. A new plan concept would need to be developed and costs determined.

Associated Policy Questions

- Should a transit mall be developed along the existing 24th Avenue right-of-way?
- Should the District Plan's ambitions be more modest when considering other changes to the existing street network?
- Should the District Plan generally avoid street or open space improvements that involve land acquisition?

E. Delay decision pending receipt of additional information

Currently staff prefers Option A, proceed only with the Lindau Lane greenway extension, for reasons that can be discussed further during the study meeting.

X. Conclusions

The projects discussed in this memo are intended to support place-making functions, create high amenity value to attract development on adjoining sites and provide an attractive urban experience for both drivers and pedestrians. Streets are an important element in creating new development patterns. The Lindau Lane greenway, 24th Avenue and the Bloomington Central Station development are each envisioned as part of a street and transit spine pattern that will "grow outward" into the rest of the District as it develops.

At its July 6 study meeting, the City Council will have an opportunity to discuss the issues, take stakeholder comments, and request additional information or analysis. At the July 28 joint meeting, the City Council and Port Authority will discuss the merits of the proposed improvements and either give staff direction for proceeding with the district plan or request additional information.