

March 2015

**MEMORANDUM OF UNDERSTANDING
GUIDING THE PROSPECT NORTH PARTNERSHIP**

FULFILLING THE VISION FOR A RESILIENT, INNOVATIVE, EQUITABLE, 21ST CENTURY DISTRICT

This memorandum of understanding is made by the undersigned parties to guide and advance transformative Prospect North Partnership action.

A. Statement of Purpose

VISION

Prospect North is a dynamic engaging place that attracts, connects and inspires thinkers, doers and makers who **power the region's new economy**.

MISSION

The Prospect North Partnership is a group of stakeholders convened to guide the vision and secure the resources necessary to catalyze, build, connect and steward public and private sector development in Prospect North to bring forth a greater outcome than can be achieved by individual efforts.

VALUES

Integral to the design, development, use and management of Prospect North are:

- Forward-looking design, technology, uses, and methodologies
- Sustainability and Resilience
- Quality Design
- Quality Public Realm
- Health and Well-being
- Art and Culture
- Lifelong Learning
- Diversity and Equity
- Economic Competitiveness
- Research and Innovation
- Collaboration

The Partners desire to express their intentions and organize their activities through this legally nonbinding memorandum of understanding.

B. Prospect North Assets and Opportunities.

Prospect North:

1. Comprises approximately 377 acres and is roughly bounded by TCF Bank Stadium on the west, Highway 280 on the east; the railroad yards on the north, University Avenue and I-94 in Saint Paul on the south, including the ribbon of commercial properties on the south side of University Avenue and the MPHA Glendale Townhome complex. (See attached boundary map)
2. Lies adjacent to the crossroads of Interstate 35W and Interstate 94, the Twin Cities' major north-south and east-west freeways, and Highway 280.
3. Is bisected by the Green Line LRT, a new public transit connection, opened in 2014, that reinforces the existing University Avenue commercial corridor connection between St. Paul and Minneapolis.
4. Includes three light-rail stations and the transitway linking the Minneapolis and St. Paul campuses of the University of Minnesota.
5. Is at the nexus of the university campuses, downtown Minneapolis, the State Capitol, downtown St. Paul and the Minneapolis-St. Paul International Airport.
6. Is located immediately adjacent to the University of Minnesota, one of the nation's leading land-grant teaching and research institutions, with 50,000 students and 30,000 staff and faculty located on its Twin Cities campuses.
7. Is home to more than 2,000 health professionals who provide care in more than 100 specialty areas through the renowned University of Minnesota medical schools and U of M/Fairview hospitals and clinic adjacent to Prospect North. More than half a million people visit the U of M hospital system each year.
8. Includes many new and well-established employers and property owners who have embraced the vision for a district that catalyzes innovation within an inspired and inspiring place.
9. Benefits from the strong anchor neighborhoods of Prospect Park, Stadium Village, Dinkytown, SE Como, Minneapolis; as well as West Gate and St. Anthony Park, St. Paul; that not only boast existing contributing assets and resources but also share a history of powerful community engagement, creative project development and pride in their communities.

10. Includes substantial tracts of underdeveloped property that present significant opportunities for (re)development, with the potential of increasing employment by nearly 600 percent and increasing the property tax base by 1400 percent with capacity to generate an expected 7,000 new jobs.
11. Has an abundance of stormwater readily available as an alternative to potable water uses. Grass, plants and trees all thrive off of phosphorus and nitrogen found in stormwater, making it a great resource for irrigation. Stormwater may also substitute for drinking water that is used in industrial processes, manufacturing processes, fire suppression and other uses in buildings.

C. Prospect North Vision: A dynamic, engaging place that attracts connects and inspires thinkers, doers and makers who power the region's new economy.

1. A new city within a city, where business, artists, researchers, residents, educators and students of all ages engage in a catalyzing environment to create, learn, work, live and conduct business.
2. A place that will leverage local assets and the intellectual capital and creative energy of the University of Minnesota and foster a living laboratory for 21st century resilient and sustainable urban living.

NOW THEREFORE, the Partners wish to join with the Prospect North Partnership in accordance with the terms set forth herein.

- A. Partner Commitments: Each partner commits the following to the Partnership:
 1. Commitment to collaborate to achieve the long term vision of Prospect North including District level infrastructure, public realm planning, development and management.
 2. Participation by the chief officer, president or another authorized senior executive of the partner organization in Partnership meetings to provide overall policy guidance, strategic direction and assurance of accountability to desired outcomes.

3. Senior staff participation in monthly work groups to shape and implement the work plan.
 4. Financial or in-kind contributions, or assistance to help secure contributions, to support Partnership objectives, in accordance with the budget and work plan established by the Partnership.
- B. The Partnership will review and approve an annual budget and work plan to identify desired activities and necessary funding commitments.
 - C. Partners may be invited to join as members of the Partnership by a majority vote of the existing Partners.
 - D. Each Partner will designate a single representative to cast the Partner's vote in matters that come before the Partnership for determination.
 - E. The partnership will review and approve guiding principles and goals that will be attached to the MOU.

Work Plan and Budget

The Partnership will set annual work plan and budget guiding and prioritizing efforts to fund and achieve tangible progress toward the Prospect North vision.

The work plan will focus on, but not be limited to, the following:

- A. **District-wide Strategies:** District level strategies are necessary to realize value and possibilities by which no single property owner or stakeholder could undertake alone, e.g.:
 1. Strategic acquisition and/or partnership with existing property owners
 2. Funding and financing
 3. District management
 4. District Green space (including signature plaza and green 4th)
 5. District stormwater
 6. District energy system
 7. District Parking
 8. 21st Century IT infrastructure
 9. Marketing

10. Urban design framework and planning to guide (re)development.

B. High Quality Infrastructure & Public Realm. Strategic infrastructure and high performing public realm improvements are needed to support the (re)development potential of Prospect North, including but not limited to the following:

1. High-quality public realm improvements and public spaces that foster an activated, walkable community that promotes healthy lifestyles.
2. Green 4th Street reconstruction
3. Signature green spaces in the heart of the district
4. Extension of streets and connections to improve access and to create buildable lots, e.g. reconstruction of Malcolm Avenue, access through Granary Corridor
5. Upgrades to the Highway 280/University/Franklin interchanges
6. Completion of regional links, e.g. Grand Rounds, Bridal Veil Creek, connecting bikeways, and improved pedestrian crossings
7. Truck traffic diversion and mitigation
8. A district parking plan to foster shared, flexible structured facilities to limit surface parking and to reduce parking impacts

C. Economic Development & Opportunity. Prospect North has the opportunity to become a national model for innovative and equitable economic development through a combination of housing, business, enterprise, commercial and retail development, and destinations focused around research and the arts, with elements that include:

1. A housing strategy to support a full range of housing options aimed at a broad spectrum of incomes, lifestyles and cultures.
2. A marketing plan to attract living wage or better jobs of the future and services creating destinations that are a global draw.
3. The close proximity to the University of Minnesota offers potential synergies to demonstrate and implement projects in the fields of robotics, food, water, and the brain to support Minnesota's Discovery, Research and Innovation Economy (MnDRIVE).
4. Support existing and attract new arts and creative enterprise businesses and artist spaces that will make Prospect North a distinct hub for arts

activities, complementary to the emerging Creative Enterprise Zone in Saint Paul east of Highway 280.

5. An ecology which fosters creative ideas, develops new technologies, and creates opportunities for economic growth, including office, light manufacturing and laboratory space to emerging, growing, and established domestic and international firms.

D. Restorative and Resilient Integrated Systems. Prospect North will seek to incorporate cutting edge technology that stacks functions, represents the highest level of sustainability and supports health and well-being at all levels. Potentials for implementation include:

1. District energy system that will efficiently serve the District and eventually connect to renewable energy sources as it becomes viable, e.g. solar, geothermal, wind, waste to energy
2. Innovative storm water mechanisms
3. Shared water technologies, including snow melt
4. Urban Farming
5. Innovative energy distribution, i.e., “smart grid”
6. Integration of sustainability best practices into all public and private projects, including reuse.
7. Efficient use of material resources
8. Coordinated waste management

Partnership Structure and Management

The Partnership’s role is to influence outcomes to achieve the vision. An Executive Committee will advance the Partnership’s work between meetings. The vision will be both crystalized into a work plan and then pursued by an Implementation Work Group.

The Partnership will be supported with leadership facilitation and communication services, (Currently Caren Dewar, Urban Land Institute Minnesota). The Implementation Work Group work will be supported by an implementation expert. (Currently Julie Kimble, Hickey and Associates). All services will be renewed as determined by the Partnership.

An organizational chart reflecting this structure is attached.

Fiscal Management

The financial contributions identified in Section 5 will be held by the University of Minnesota Foundation Real Estate Advisors and disbursed as authorized by the Partnership.

Term

The Partnership began on July 1, 2013. The Partners intend to continue to work together through December 31, 2015 and thereafter as determined through an evaluation by the Partnership.

Nonbinding

This Memorandum of Understanding is not intended to be legally binding and shall not create any legal commitment or relationship by or between the undersigned signatories. Further, no individual party shall be authorized to act on behalf of the other parties, or to bind the other parties to any third party agreement. This Memorandum of Understanding can only become binding upon approval of the governing bodies of each party, which approval is not being sought. Although the terms 'Partnership' and 'Partners' are used herein, it is not intended that any legal relationship among the parties is being created by the use of those terms. Any party may withdraw from this Memorandum of Understanding at any time. No financial commitments are being made by any party.

Execution

This Memorandum of Understanding replaces any previous agreements and may be executed in counterparts.

IN WITNESS WHEREOF, the Partners have executed this non-binding Memorandum of Understanding through the signatures indicated below.

Attachments:

- District Boundary and Influence Area Map
- Partnership Organizational Chart

Signatures

I hereby acknowledge that my organization is willing to participate in the Prospect North Partnership, pursuant to the terms of this non-binding Memorandum of Understanding, as indicated by my signature below:

Organization

Name

Title

Signature

Date