



DEVELOPMENT PROPOSAL FOR:

205 PARK

IN RESPONSE TO:

REQUEST FOR DEVELOPMENT PROPOSALS FOR
CITY-OWNED REAL PROPERTY AT 205 PARK AVENUE
SOUTH, MINNEAPOLIS

SUBMITTED:

JUNE 10, 2016



June 10, 2016

City of Minneapolis – Community Planning and Economic Development
Request for Proposals for: 205 Park Avenue Parcel
105 Fifth Avenue South, Suite 200
Minneapolis, MN 55401

RE: 205 Park Avenue South RFP

Dear Ms. Stern:

We are very pleased to submit this development proposal for CPED's consideration. We are hopeful that staff and city leadership will find our proposal compelling as we have tried to meet as many of the stated priorities as possible. Our proposal is for a mid-sized project that focuses on complementing the scale of neighboring buildings and providing for the design and construction quality of Park Avenue Lofts and other significant projects in the neighborhood. We have deviated from the "bookend" originally intended in plans from years past by incorporating retail that adds a more public face to the structure along Washington Avenue. We have also looked at the opportunity for expanded landscaping with "yards" and sculptural treatments to the screening of the parking structure, in addition we have addressed bike parking and a dog relief area.

We, both as developers and as community members, have been very involved with and supportive of affordable housing. We know that the city understands that it is a real challenge to meet this need in such a small project/parcel and in an ownership product. That said, we are committed to exploring the viability of including affordable units, but cannot commit to it at this stage. We have met with Jeff Washburne of City of Lakes Community Land Trust to explore the feasibility of including a number of land trust units. We will continue that conversation. Peggy Lucas and Brighton have an impressive track record of bringing affordable housing to the market.

The developer will be a yet to be formed LLC – managing principals include Peggy Lucas and Tanya Bell. We are excited that the balance of the ownership will be made up of prominent community members who have already made significant investments in this neighborhood of Minneapolis and feel passionate about its success. Peggy Lucas has extensive experience in the City of Minneapolis in developing ownership, market rate rental and affordable rental housing. Although the principals of Brighton Development have retired there is still a commitment to their original vision for the Mill District. Their first project North Star Blanket was a pioneering condo project at a time when banks were reluctant to finance condos. Since then they developed Stone Arch Lofts, Washburn Lofts, the Mill City Museum, Humboldt Lofts, St Anthony Mills Apartments and Park Avenue Lofts. All these projects have won design awards and their success has anchored the redevelopment of the Mill District. This proposed development of 205 Park would complete their vision for the district.

Tanya Bell, while at Wellington Management, developed 300 condominium units in St. Paul and with her partner, Judd Fenlon, developed Corridor Flats and Lake Street Station adjacent to the Lake Street Station stop in Minneapolis.

Grand Real Estate Advisors will manage the project and all communications for the development entity can be directed to:

Tanya Bell
1664 Grand Avenue, Suite 3
St. Paul, MN 55105
(651) 253-5435
tbell@grandrea.com
peggyelucas@gmail.com.

We are very excited about this opportunity to complete the vision of the Mill District. We look forward to your feedback.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tanya Bell', with a stylized flourish at the end.

Peggy Lucas

Tanya Bell

205 Park Avenue- Ownership Housing Proposal

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Further Project Information/Timeframe
Release of Response Data

Project Description

Good design, high quality construction, detailed finishes and connection to the street and neighborhood are the key attributes of this proposed condominium project. The evolution of this neighborhood and the key to its success has been anchored by the architectural landmarks of the Guthrie Theater, the Mill City Museum, Humboldt Lofts, Washburn Lofts, North Star Blanket and Park Avenue Lofts and now we propose to add 205 Park Avenue. This new project is designed as a slightly modified second phase of the very successful Park Avenue Lofts located at 200 Park Avenue and will complete the originally envisioned “bookends” that serve as the gateway to the Mill District. The proposed building is designed by award winning Snow Krelich, Julie Snow, and will be constructed in the same high quality materials as Park Avenue Lofts with a concrete structure, brick exterior, landscaping and large windows. The architecture will complement Park Avenue Lofts while adding current features of retail and a bit more density. To meet the current market demand, we have made a few other key modifications – first floor units will not be two-story (though the walk up front door and yards will remain) and a set back top floor will provide penthouse units with private rooftop areas along with a project rooftop amenity.

205 Park Avenue Lofts is a for-sale project with 42-52 units on five or six floors with 2,900 square feet of retail along Washington Avenue. There are two levels of below grade parking to accommodate 85 cars (18 of the stalls are tandem). The units would range in size from 952 to 2,803 sf and in price from \$342,720 to \$1,324,000. The building would also have a social/community room off of a rooftop deck on the top floor and exercise room with yoga studio on the first floor near the dog relief area. Approximately 2,900 square feet of retail will front Washington Avenue and include an outdoor seating area. There will be bicycle storage and parking at the project both in the garage and on the street.

We would look to the City of Minneapolis to provide for screening of the exterior of the neighboring parking ramp. The screen design would need to be effective 12 months of the year and provide visual and perhaps sound buffer to the activities in the ramp. The idea would be as simple as metal mesh panels or similar and then the project would add tall columnar evergreens to add to the buffer and greening of the site.

Why this project? We know that others may propose more units, higher land proceeds to the city, and/or perhaps more retail, but we believe that the pent up demand for condominiums is real. Today’s market is delivering “mega” projects

205 Park Avenue– Ownership Housing Proposal

such as The Legacy and many of the rental projects recently completed. We believe that our city also has many people who want the advantages of urban living while enjoying a smaller, more intimate environment that this project would provide. The condominium development market is virtually non-existent and we believe we have assembled a team committed to the success and execution of this project. The relatively modest size will help manage the risk currently being avoided by the marketplace as well as making pre-sales achievable.

Although the principals of Brighton Development have retired there is still a commitment to their original vision for the Mill District. Their first project North Star Blanket was a pioneering condo project at a time when banks were reluctant to finance condos. Since then they developed Stone Arch Lofts, Washburn Lofts, the Mill City Museum, Humboldt Lofts, St Anthony Mills Apartments and Park Avenue Lofts. All these projects have won design awards and their success has anchored the redevelopment of the Mill District. This proposed development of 205 Park would complete their vision for the district.

Public Amenities - We acknowledge the interest of the neighborhood in a “Dog Relief Area” and would look to incorporate a small area that would not interfere with privacy and access to the new project. Please see the site plan for location and configuration.

Retail – We are very familiar with the neighborhood and the community’s interest in a breakfast spot and an activated Washington Avenue. We have incorporated 2,900 square feet of retail with outdoor seating and access to the street. Given this is a condominium product; we would hope to provide an ownership option for the retailer(s) and look to sell that space as a condo as well.

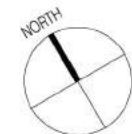
Affordability – Mill City Times’ May 22, 2016 article did a fine job describing the challenges of building affordable ownership housing. This combined with an investor market that remains very wary of the risks associated with constructing multi-family ownership housing makes this an even greater challenge. Peggy and Tanya both have experience in affordable housing and are open to the continued exploration of including four units of affordable ownership in partnership with Jeff Washburne of City of Lakes Community Land Trust.



**SNOW
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219 NORTH SECOND STREET
SUITE 120
MINNEAPOLIS, MN 55401
612.359.9430
WWW.SNOWKREILICH.COM

PARK AVENUE LOFTS EAST
SITE PLAN
DATE: 2016.06.10

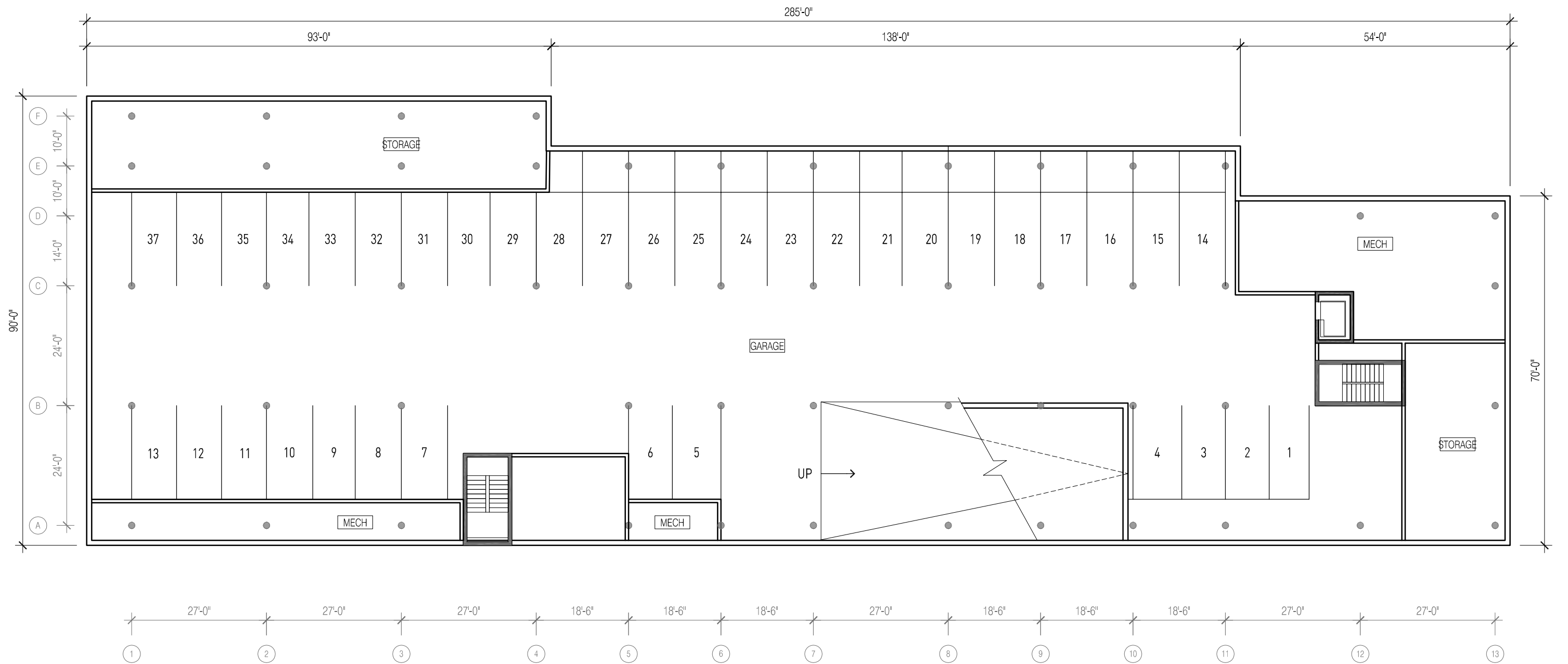


LEVEL	UNIT	AREA (SF)
P1	001	1205
L1	101	1912
(8 UNITS)	102	1938
	103	1965
	104	2387
	105	2246
	106	1351
	107	952
	108	2005
RETAIL		2892

LEVEL	UNIT	AREA (SF)
L2-L4	201	1937
(30 UNITS)	202	1965
ALT: L2-L5	203	1992
	204	2793
	205	2804
	206	1456
	207	952
	208	1357
	209	1421
	210	1266

LEVEL	UNIT	AREA (SF)
L5	501	2288
(4 UNITS)	502	2323
ALT: L6	503	2323
	504	2598

PARKING STALLS	P1	P2	SUBTOTAL
SINGLE SPOTS	30	37	67
TANDEM SPOTS	9x2	0	18
			TOTAL 85

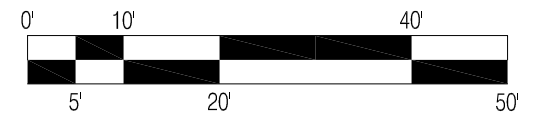
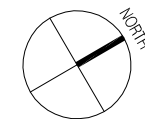


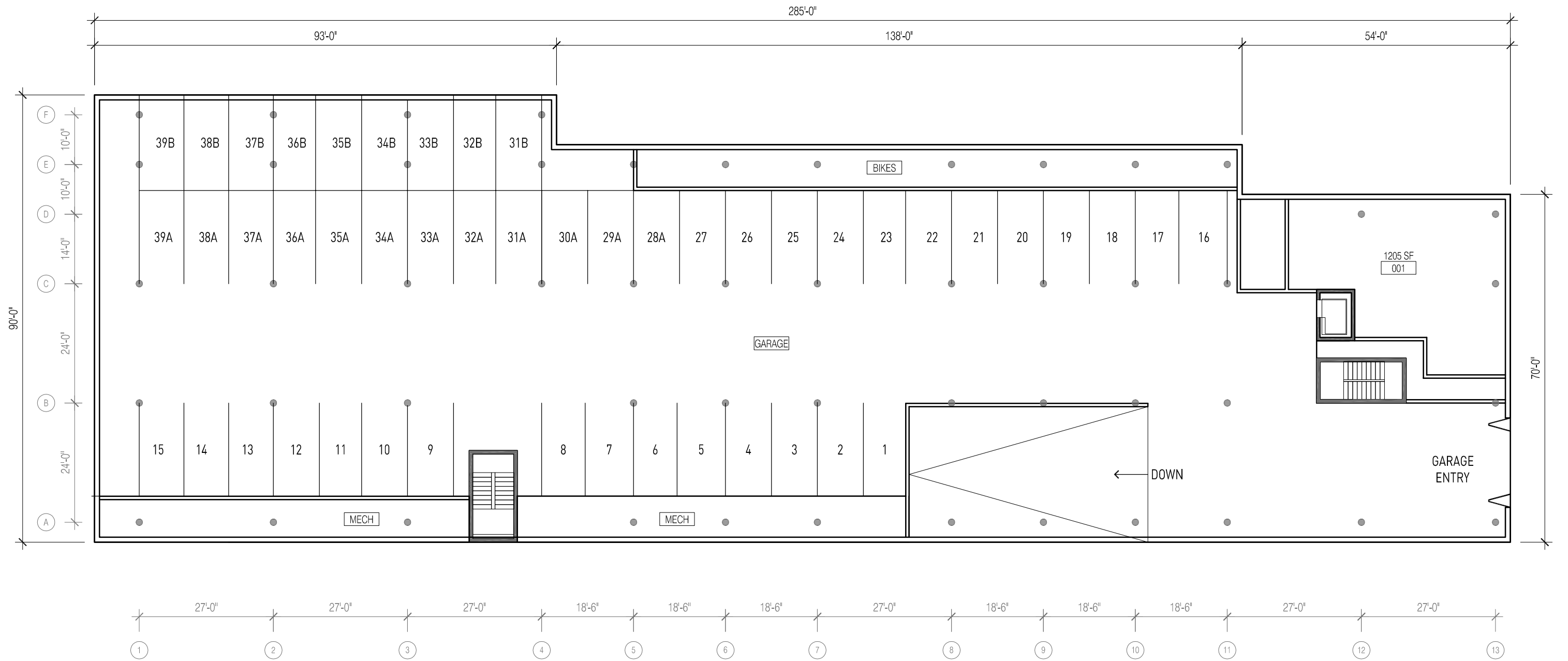
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PARKING COUNT	P1	P2	SUBTOTAL
SINGLE SPOTS	30	37	67
TANDEM SPOTS	9x2	0	18
			85 TOTAL

PARK AVENUE LOFTS EAST
PARKING LEVEL 02 PLAN
DATE: 2016.06.10



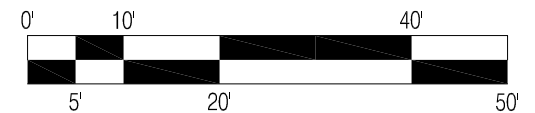
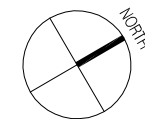


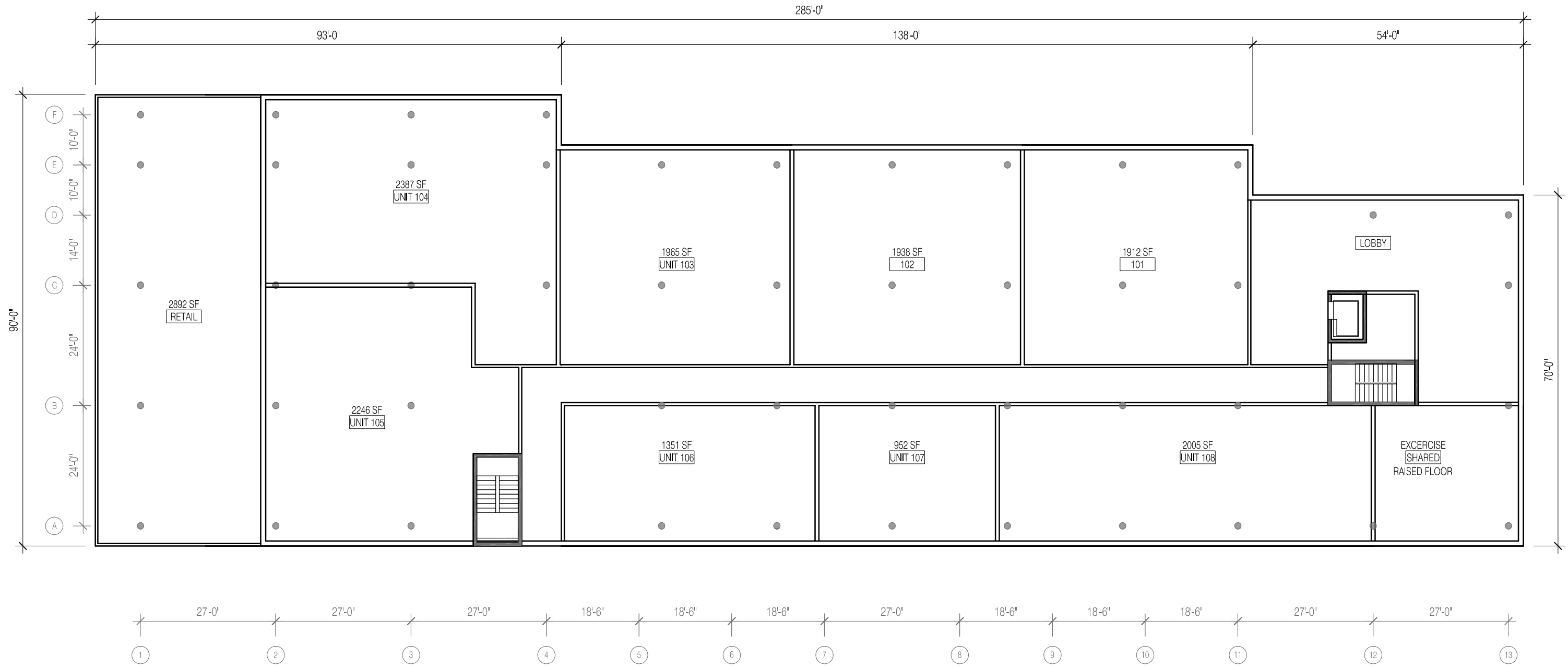
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PARKING COUNT	P1	P2	SUBTOTAL
SINGLE SPOTS	30	37	67
TANDEM SPOTS	9x2	0	18
			85 TOTAL

PARK AVENUE LOFTS EAST
PARKING LEVEL 02 PLAN
DATE: 2016.06.10

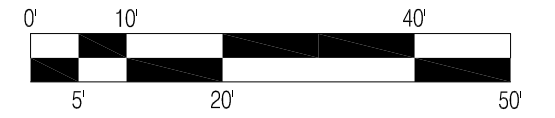
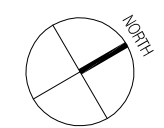


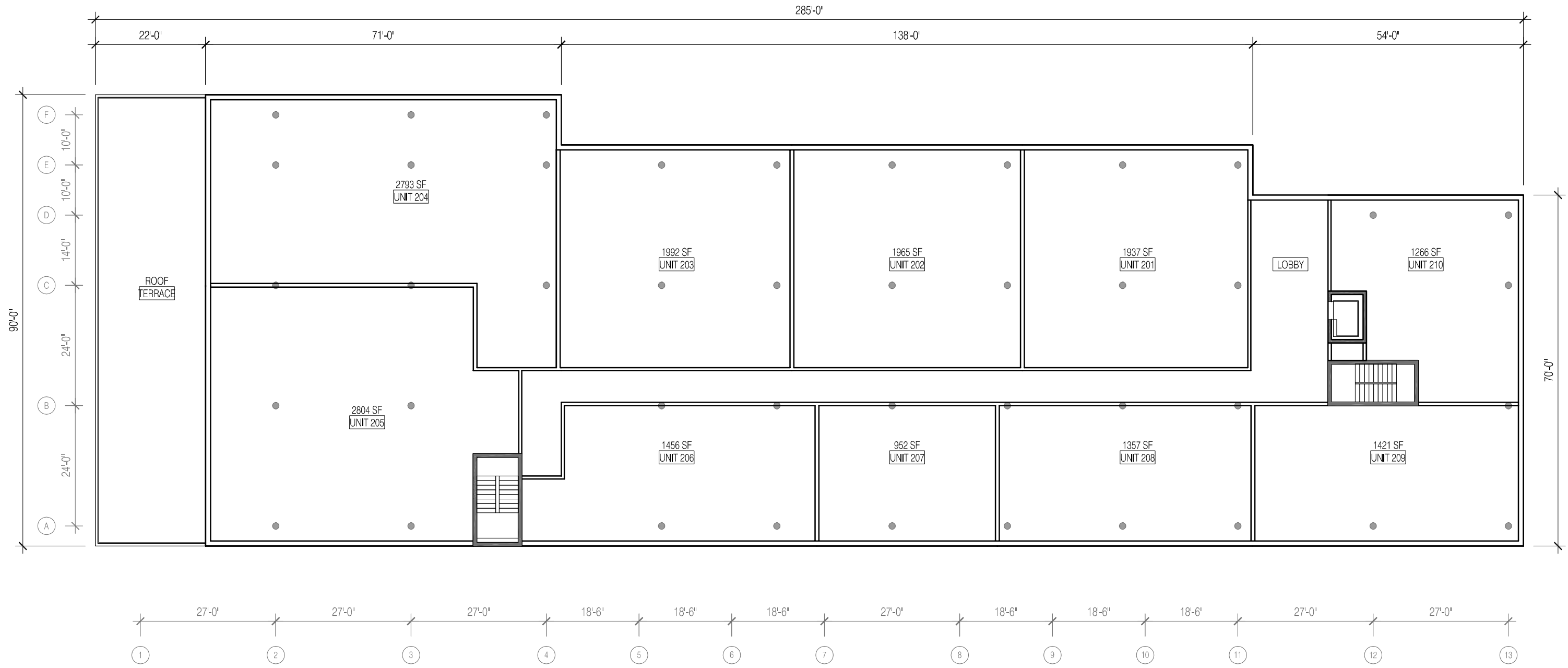


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PARK AVENUE LOFTS EAST
FIRST FLOOR PLAN
DATE: 2016.06.10

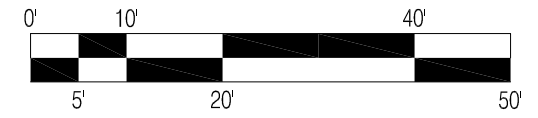
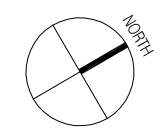


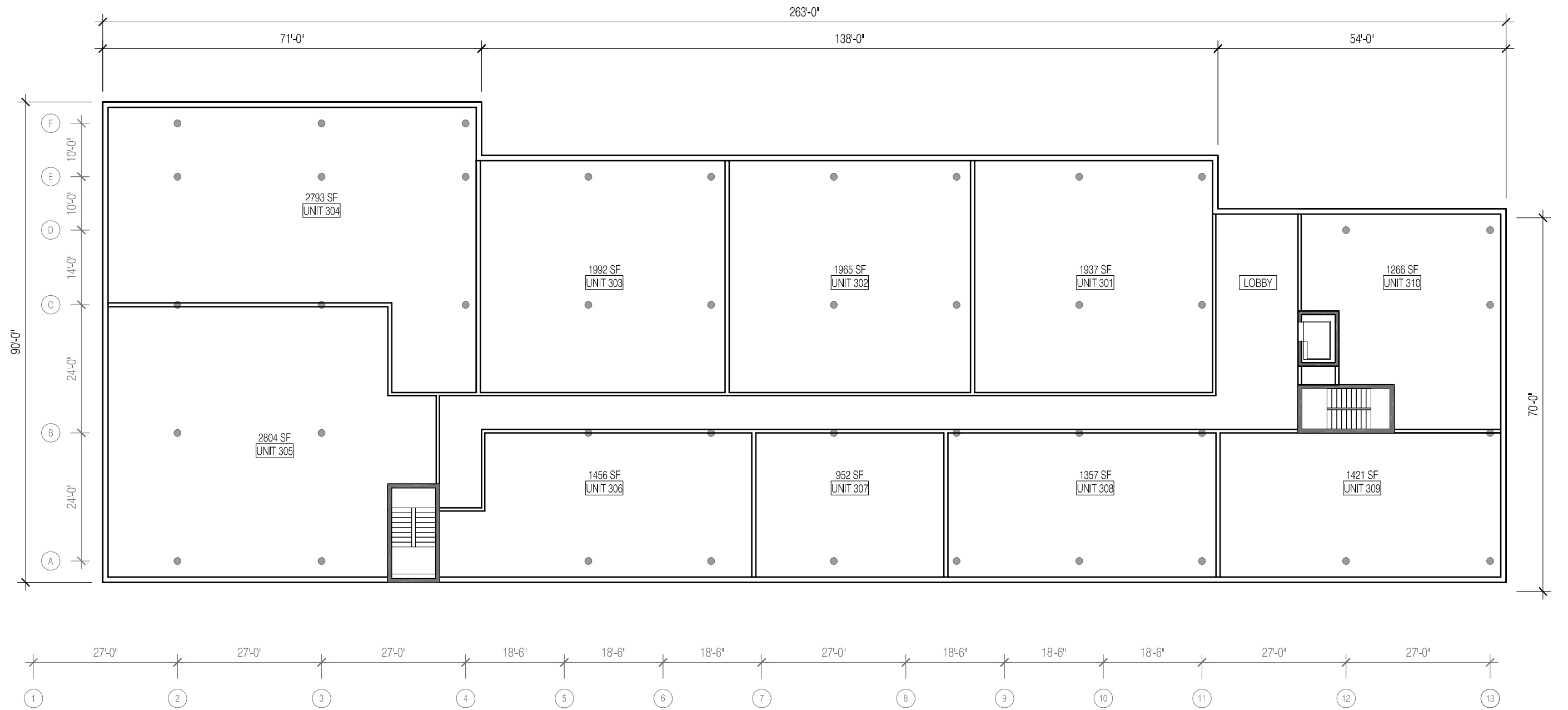


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PARK AVENUE LOFTS EAST
SECOND FLOOR PLAN
DATE: 2016.06.10

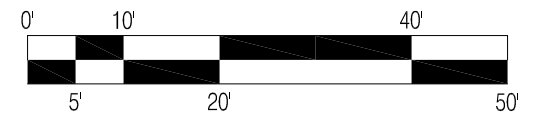
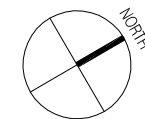


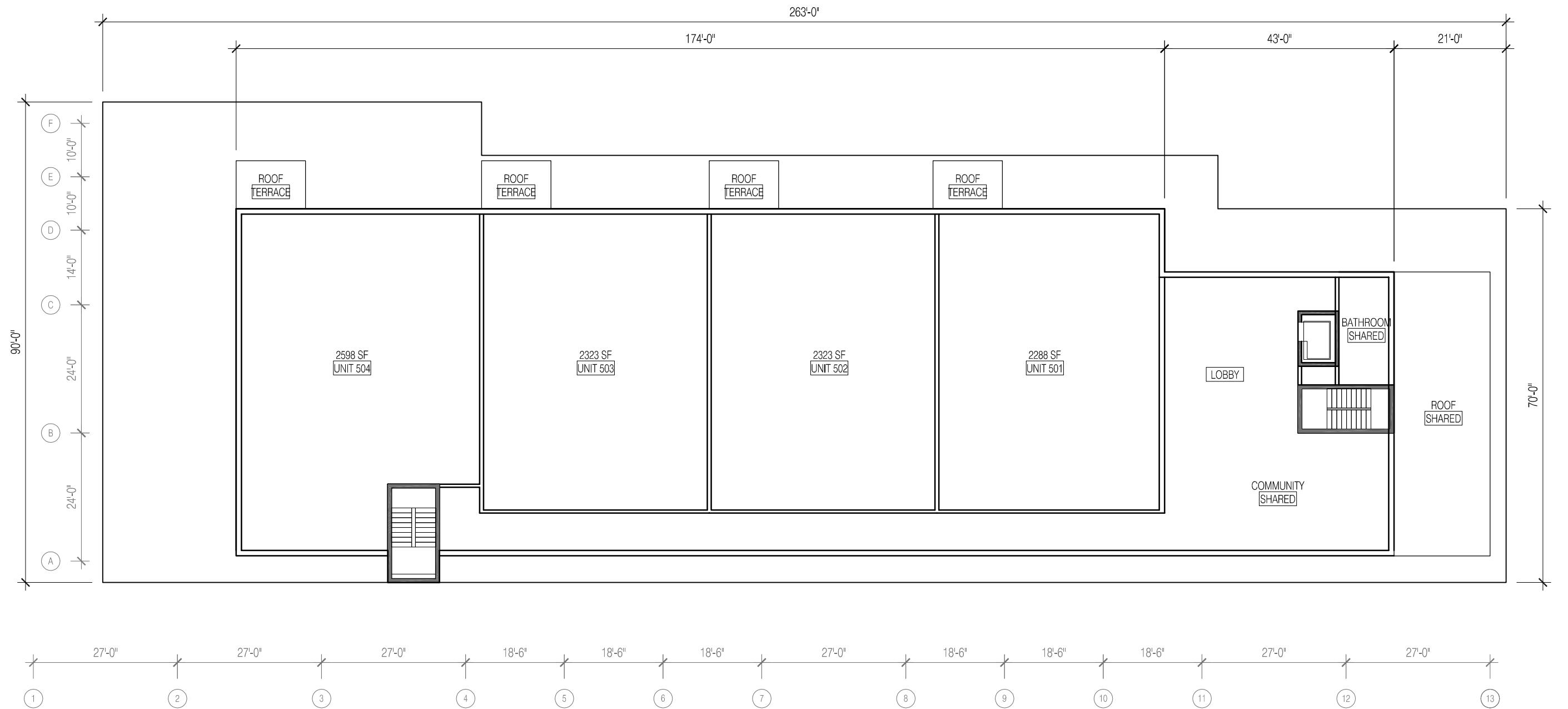


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PARK AVENUE LOFTS EAST
THIRD-FOURTH FLOOR PLANS
ALTERNATE: THIRD-FIFTH FLOOR PLANS
DATE: 2016.06.10

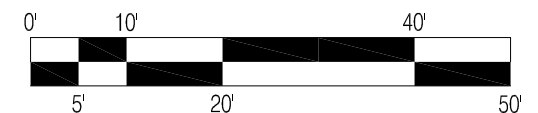
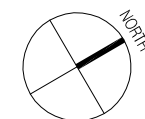




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PARK AVENUE LOFTS EAST
FIFTH FLOOR PLAN
ALTERNATE: SIXTH FLOOR PLAN
DATE: 2016.06.10

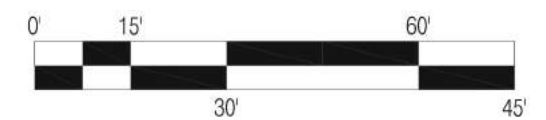
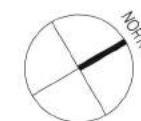




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PARK AVENUE LOFTS EAST
ELEVATIONS
DATE: 2016.06.10

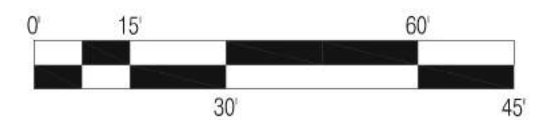
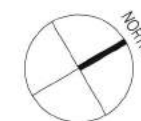




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PARK AVENUE LOFTS EAST
ALTERNATE: ELEVATIONS (6 STORIES)
DATE: 2016.06.10





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PARK AVENUE LOFTS EAST
PERSPECTIVE LOOKING NORTHEAST
DATE: 2016.06.10

205 Park Avenue- Ownership Housing Proposal

Identifications of the entities:

We have enclosed letters from each of our proposed project partners. We are very excited about this award winning team of professionals. They are all eager for the opportunity to deliver a quality project that fits into this unique and successful neighborhood.

Architect: Snow Kreilich Architects

Contractor: Frana Companies Inc.

Lender: Western Bank a division of American National Bank

Insurance Broker: Western Insurance

Realtor/Market Intelligence: Coldwell Banker Burnet; Fran and Barb Davis

City of Lakes Community Land Trust: Possible affordable housing partner

June 10, 2016

Tanya Bell
GRAND REAL ESTATE ADVISORS
1664 Grand Avenue, Suite 3
St. Paul, MN 55105

RE: 205 PARK AVENUE

Dear Tanya,

Snow Kreilich Architects are very much looking forward to working with you and your team to provide architectural design services for the new 205 Park Avenue residential project in the Mills District. We look forward to a fascinating design process that addresses the needs of the city, the district, and the neighborhood, while welcoming new residents to this vibrant neighborhood.

The original Park Avenue Lofts were conceived to address principals of great urban residential design. Individual entrances and green spaces for the grade level units along the street, subtle variations between the urban façade and the courtyard façade, greening of the façade along Washington, softening what was then a rather harsh urban environment, and a syncopated distribution of openings that create a dynamic street façade. We were delighted to have the Lofts receive the City of Minneapolis Greening Award in 2011.

The design was originally conceived as two projects, creating a distinctive neighborhood street. The completion of that vision is of course very compelling to us and to the neighborhood. The two buildings edge closer to the street as they approach Washington as a gesture to that active urban environment. Further, they frame the Washburn Lofts, arguably the most distinctive historic structure in the neighborhood.

The new Park Avenue Lofts will build on these design principles, updated to respond to dramatic neighborhood changes. We are increasing density, adding an affordable component, and providing a retail component. Further we are responding to the Washington Avenue redesign with a green outdoor seating plaza.

Again, we are delighted to be working with you and are committed to creating another enduring architectural contribution to the district and the City we love.

Best regards,



Julie V. Snow, FAIA
Founding Principal & CEO

FIRM PROFILE



Founded in 1995, Snow Kreilich Architects is a studio based practice in Minneapolis MN. With each project led by one or both design principals, Julie Snow and Matt Kreilich, the studio focuses on producing architecture that innovatively supports our client's aspirations and missions. This focus has resulted in architecture that has been recognized for its design, for its ability to advance client's business plans, for its sustainable performance and preservation of historic buildings. The studio's work has been published internationally and Princeton Architectural Press published the work in a series of first monographs on emerging designers from around the world.

Our studio investigates architecture's capacity to transform experience. Using restraint and minimal means, we pursue the inspired moments architecture can bring to everyday use. Our design process begins with thorough research to support both the pragmatic and the intangible aspirations of our clients, leading to architecture that presents our clients' ethos and mission. Our work is grounded in the specifics of each site's historic, urban, cultural and landscape context. Our architecture has a unique power to intensify our connection to a place, its history, its culture, and/or its natural systems. Through creative collaboration with our engineering and construction teams, we provide integrated building systems that achieve greater effectiveness, efficiency and durability. Synergies are achieved among building systems that advance our architecture's sustainable performance as well as addressing creative systems that reduce energy dependence.

At any given time, the studio is capable of providing both large-scale work or modestly scaled projects. Through collaboration with specialist designers and engineers, we expand our team to accomplish projects of significant size and complexity. We have consistently worked with several key consultants to develop critical working relationships that allow us to extend our collaborative methodology beyond the studio. We are fully committed to each project from initial concept through construction and provide all services from master planning to interior design, ensuring a calm consistency to pervade the work.

Our work began with very pragmatic rural manufacturing workplaces, thus imbedding in our design process a respect for efficient, cost effective structures that work well with their urban or landscape context. The scale, size and complexity of the firm's work has steadily increased. Our ability to deliver across all measures of design success is evidenced by our numerous awards from both our clients and design peers.

Our design process begins with a critical research phase based on the questions specific to each project. We have performed master-planning, programming and conceptual design exercises for our clients. A collaborative studio-based design investigation follows. Detailing, materials and systems are all part of the design's conceptual basis. Continued evolution of design and detailing is pursued through the documentation process. Full-scale details, mock-ups, physical and computer models are used to explore the project in all its dimensions. Interior design services, custom furnishings and furniture specifications are also performed in-house.

AWARDS + RECOGNITIONS

- 2016 AIA Honor Award, CHS Field
AIA Honor Award, Van Buren LPOE
- 2015 Great Places Award, Sensible Land Use Coalition, CHS Field
AIA Kansas City Project of the Year, CHS Field
AIA MN Honor Award, CHS Field
Best New Ballpark, *Ballpark Digest*, CHS Field
Finance & Commerce Top Projects of 2014 Award, Hwy 610 & Noble Park and Ride
ACEC MN Engineering Excellence Award, Hwy 610 & Noble Park and Ride
- 2014 AIA MN Honor Award, Brunsville North Loop Apartments
AIA MN Honor Award, Lake Minnetonka Retreat Home
AIA Minnesota Gold Medal Award, Julie V. Snow, FAIA
American Architecture Award, The Chicago Athenaeum, Van Buren Land Port of Entry
Mpls St. Paul Magazine RAVE Award, Lake Minnetonka Retreat Home
GSA Design Excellence Award, Van Buren Land Port of Entry
AIA Committee on the Environment (COTE) Top Ten Award, Warroad Land Port of Entry
AIA Minneapolis Heritage Preservation Award, Minneapolis Federal Office Building
- 2013 WAN Sustainable Building of the Year, Highly Commended, Van Buren Land Port of Entry
Charlie Award, Outstanding Restaurant Design, Burch Steakhouse
Annual Design Review, Van Buren Land Port of Entry
Honor Award, AIA MN, Van Buren Land Port of Entry
Honor Award, AIA MN, Target Plaza Commons
NAIOP Awards of Excellence, Renovated project less than 75,000 SF, Target Plaza Commons
Good Design is Good Business Award, Target Plaza Commons
Finance & Commerce Top Projects of 2012 Award, Target Plaza Commons
- 2012 Builder's Choice Design & Planning Award, B+W House
Green Good Design Award, The Chicago Athenaeum, Warroad Land Port of Entry
IIDA FAB Award, dpHUE Concept Store
Residential Architect Design Award, B+W House
- 2011 AIA-MN Honor Award, Knock, Inc.
Holcim Bronze Award for Sustainable Construction, Van Buren Land Port of Entry
American Academy of Arts and Letters, Architecture Award
IIDA Award, Knock Inc.
Architect of Distinction, AIA/Midwest Home Magazine
AIA Honor Award, Warroad Land Port of Entry
Architect Magazine P/A Award, Van Buren Land Port of Entry
- 2010 GSA Design Excellence Awards, Architecture and Engineering, Warroad Land Port of Entry
GSA Design Excellence Award, On the Boards, Van Buren Land Port of Entry
Architecture Magazine Annual Design Review Award, Warroad Land Port of Entry
Architecture Magazine Annual Design Review Award, Weekend House on Lake Superior
Chicago Athenaeum International Architecture Award, Weekend House on Lake Superior
Chicago Athenaeum American Architecture Award, Weekend House on Lake Superior
AIA MN Honor Award, B+W House
AIA MN Honor Award, Warroad Land Port of Entry
- 2009 AIA MN Honor Award, Weekend House on Lake Superior
- 2008 Design Award Citation, U.S. GSA, Warroad Land Port of Entry
- 2006 Heritage Preservation Commission Award, City of Minneapolis, The Museum of Russian Art
Honor Award, AIA-MN, Breck School Commons
Women in Business Award, Minneapolis St. Paul Business Journal
- 2004 Honor Award, AIA-MN, Humboldt Mill Lofts and Annex
Honor Award, AIA-MN, Vista Building, Great Plains Software
Heritage Preservation Award, City of Minneapolis, Humboldt Mill Lofts and Annex
- 2003 Honor Award, AIA-MN, Koehler Residence
- 2002 American Architecture Award, The Chicago Athenaeum, Koehler Residence
- 2000 Certificate of Appreciation, General Services Administration, Design Excellence Program
- 1999 Honor Award, AIA-MN, Jerstad Center, Good Samaritan Society
Design Distinction Award, I.D. magazine, Quadion Corporation Product Engineering

PUBLICATIONS

- 2016 *Architecture Minnesota*, Mar/Apr 2016. CHS Field
Architecture Minnesota, Jan/Feb 2016. Snow Kreilich Architects
- 2015 *Architecture Minnesota*, Sept/Oct 2015. CHS Field
ARCHITECT Magazine, August 2015. CHS Field
Architecture Minnesota, March/April 2015. Lake Minnetonka Retreat Home
Architecture Minnesota, March/April 2015. Brunsfield North Loop Apartments
- 2014 *Architecture Minnesota*, Nov/Dec 2014. Snow Country - AIA Minnesota Gold Medal
Architectural Record, November 2014. House of the Month, Lake Minnetonka Retreat Home
Residential Architect, Volume 4, 2014. Lake Minnetonka Retreat Home
Twin Cities Business, September 2014. The Creatives: 7 Of MN's Most Successful Innovators
Mpls St Paul Magazine HOME & DESIGN, July 2014. Lake Minnetonka Retreat Home
Architecture Minnesota, Mar/April 2014. Van Buren Land Port of Entry
Architecture Minnesota, Mar/April 2014. Target Plaza Commons
Architecture Minnesota, January/February 2014. Brunsfield North Loop Apartments
- 2013 *Architecture Minnesota*, November/December 2013. Van Buren Land Port of Entry
Architectural Record, June 2013. Target Plaza Commons
Architects Newspaper, May 15 2013. Target Plaza Commons
- 2012 *Chinese Overseas Architecture*, December 2012. Warroad Land Port of Entry
OF ARCH, April 2012. Warroad Land Port of Entry
AIA 2010-2012 Designs for the New Decade, 2012. Warroad Land Port of Entry
- 2011 *Architecture Minnesota*, September/October 2011. Knock, Inc.
Architecture Minnesota, May/June 2011. B+W House
Midwest Home, April/May 2011. Architect of Distinction
Casas International - Houses by the Sea, 2011. Koehler House
Architecture Minnesota, March/April 2011. Warroad Land Port of Entry
GeoOutlook, 2011 Vol. 8, No. 2. Warroad Land Port of Entry
Eco-Structure, March/April 2011. Warroad Land Port of Entry
Metropolis, January 2011. Warroad Land Port of Entry
- 2010 *Dwell*, October 2010. B+W House and Koehler House
Retrospective of Courthouse Design 2001-2010. Warren E Burger Courthouse
- 2009 *Crossings: Accelerated Delivery of Small Land Ports Along the Northern Border*, U.S. GSA
Office of the Chief Architect with Harvard University Graduate School of Design, 2009
Architecture Minnesota, July/August 2009. Weekend House
- 2008 *Architecture Minnesota*, July/August 2008. Metronic CRDM
Building New Brunswick, Goose Lane Editions, 2008. Koehler
At Home by the Sea, Down East Books, 2008. Koehler House
- 2007 *Metro Magazine*, November 2007. The Museum of Russian Art
24 maisons ed bord de mer, Les Editions de Moniteur, 2007. Koehler
Detail in Contemporary Domestic Architecture, King Pub, 2007
- 2006 *Sixty Six: World New Architecture*, Dalian University of Technology Press (China), 2006
Enlace (Mexico). July 2006. Koehler House
A+U (Japan), March 2006. Koehler House
- 2005 *Modern House 3*, Phaidon Press, 2005. Koehler House
New Voices in Architecture: Julie Snow Architects, Princeton Architectural Press, 2005
Architecture Minnesota, October 2005. The Museum of Russian Art
Architecture Minnesota, May/June 2005. Humboldt Mill Lofts
- 2004 *Designing with Glass: Great Glass Buildings*, 2004. Great Plains Software + Koehler House
Architectural Record, November 2004. Humboldt Mill Lofts
The Phaidon Atlas of Contemporary World Architecture, 2004
- 2002 *Architecture Now! Vol. 2*, 2002, Taschen Press
Abstract (Belgium), May/June 2002. Koehler House
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FRANA
companies

Frana Companies General Contractors

633 Second Avenue South Hopkins, Minnesota 55343

Phone: 952.935.8600 • Fax: 952.935.8644 • www.frana.com

June 08, 2016

Ms. Tanya Bell
Grand Real Estate Advisors
1664 Grand Avenue, Suite 3
St. Paul, MN 55105

Re: Park Avenue Lofts Phase II

Dear Ms. Bell:

Thank you for the opportunity to review and provide some estimates on the Park Avenue Lofts II project in downtown Minneapolis. We have reviewed the preliminary plans provided and are confident we can contribute to the success of the project. We would enjoy the opportunity and would be excited to be part of your team on this development.

Frana Companies has been building multi-family projects for 37 years and although the housing types may vary from project to project, the focus of our organization is housing. Our mix of condominiums, senior housing, market rate apartments, affordable housing and historic renovation apartments displays our experience in all multi-family building types and uses. We understand the systems and details needed in these types of buildings and have a tremendous amount of historical knowledge and experience within our team members to exceed your expectations.

Thank you for the opportunity and we look forward to the opportunity to be a part of the team.

Sincerely,

Mike Benedict
President

Company Description

Frana Companies was founded by Gary Frana and incorporated in 1977. In 1983, Peter Donnino came to Frana Companies and is now CEO and Majority Owner of the company. Mike Benedict started with Frana Companies in 1995 as a project manager and is now the President and minority owner of the company. Since its inception in 1977, Frana Companies has experienced a pattern of continuing growth that now includes approximately \$170,000,000-\$225,000,000 worth of construction volume per year. Our corporate office is located in Hopkins, MN and our construction yard and pre-fabrication wall plant is in Rosemount, MN.

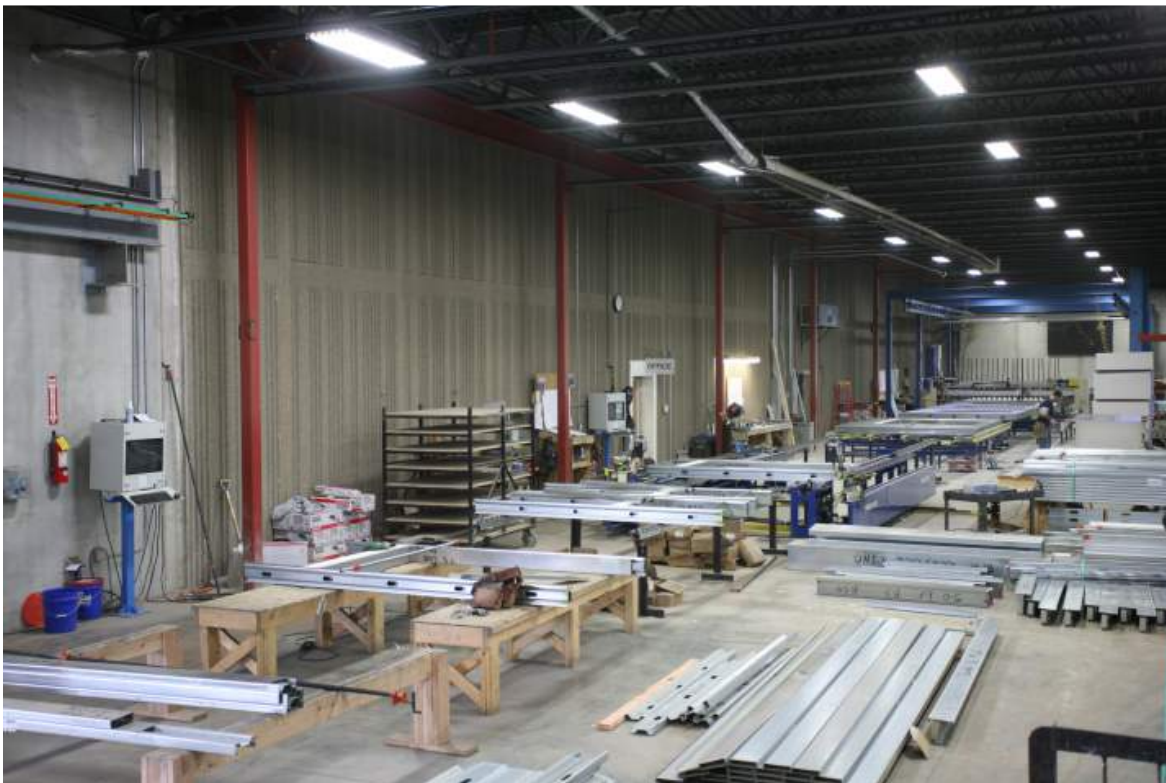


Wahu – Minneapolis, MN

Frana Companies' Self Performed Work and Wall Plant Facility

Frana Companies provides all labor for the General Conditions (supervision, clean up, etc.), and all onsite carpentry labor including wood or light gauge steel framing, windows, siding, and trim. Frana Companies has made a major investment in the wood frame housing industry by opening up the first union building trades pre-fabricated wall plant in the Midwest.

Frana Companies' Wall Plant, located in Rosemount, MN, has been providing pre-fabricated walls exclusively to all of Frana Companies projects since January 1, 2000. Beginning January 1, 2001, Frana Companies strengthened its investment in wood frame construction and secured over 150 carpenters and over \$2,000,000 worth of equipment to provide all onsite carpentry labor for Frana Companies projects.



Wall Plant Steel Framing

With the wall plant investment and self-performing carpentry crews, Frana Companies has maintained its lead in providing the most cost effective and highest quality wood and light gauge steel frame housing construction services in the Midwest. In a competitive housing labor market, where it appears that for many framing and trim contractors, quality and competency is no longer important, Frana Companies can assure its clients that it can staff projects properly with skilled craftsman who are concerned about the finish product, and can pre-build all of the walls, stairs, floor sections, etc. in a controlled environment that ultimately delivers unmatched quality and timeliness.

Your project will benefit from our extensive experience in constructing all housing types with our self performed carpentry labor crews. We build housing exclusively and no other general contractor has their own prefabricated wall plant or their own field carpentry crews. Frana Companies is uniquely equipped to provide the best services in multi-family housing. Consequently, our project managers can concentrate their time on providing our clients with the latest housing trends, innovative technologies and the most cost effective means and methods of construction.



The Paxon – Minneapolis, MN

Frana is the Right Choice

Knowledgeable, integral, enthusiastic, seasoned professionals are what to expect from your team at Frana. You can expect us to look out for you. We will provide you with a project that has craftsman quality, competitive pricing, and a realistic schedule. The day-to-day communication with our staff is what clients compliment us for most frequently. All construction projects involve some level of obstacles to work through. Our team approach with the Owner, Architect and subcontractors creates an environment that is conducive to open discussion, and serves as a platform for the informed decision-making. Collectively, we can work through anything. In fact, it is because of these partnerships that 90% of our projects are from repeat clients.



Longfellow Station – Minneapolis, MN

4 Reasons Frana Companies is right for the project:

1. Our Team Approach. We pride ourselves on having a team of employees that are knowledgeable, dispensable, communicate openly, and are flexible. Our approach, while professional, is informal and collaborative. We keep the process enjoyable and energized while never losing focus of delivering our projects on time and on budget.

2. The Wall Plant. Frana Companies can provide you the quality, consistency, and efficiency of our wall plant. Prior to starting construction, Frana Companies wall plant manager, the carpentry foreman, and the project superintendent all have reviewed and redlined the architectural drawings prior to starting construction, minimizing the potential for additional cost or time lost while redrawing. The project carpentry foreman is also laying out all units and verifying the dimensions will fit within the building envelope. Lost time is reduced and there is no concern for inclement weather since everything is constructed within a controlled environment.

3. Budget Management. NO other contractor has the quantity of rental projects to create a historical database like Frana Companies. This allows us to provide a level of accuracy you can depend on for establishing financing from our preliminary project takeoffs, to final construction estimating and entering into a GMP. Frana Companies will provide the team with competitive pricing, knowledgeable resources, excellent project management, proven subcontractors, and craftsmanship that could only be learned through thirty six years of successfully building housing.

4. Innovative Leader & Purchase Power. Frana Companies is the Minnesota construction housing industry leader in implementing new and innovative technologies into our projects. We are the first contractor in the Midwest to prefabricate steel stud wall panels in a controlled environment, off-site, with automated equipment. We also have the unique ability to provide purchasing power unlike other general contractors because we have the relationships with the housing subcontractors and purchase materials based upon our overall volume and not on a "per job" basis.

CLCLT Homeowner Profiles – Total & by Home Type (October 2004 –December 2015)

	CLCLT Condo Homeowners	CLCLT Townhome Homeowners	CLCLT Single Family Homeowners (non-HIP, non-P:R)	Project: Reclaim Homeowners	Homebuyer Initiated Program (HIP) Homeowners	Total
Number of homeowners	31	31	27	39	111	239
Resales	6	12	5	4	8	35
Average CLT sales price by buyers	\$104,173	\$120,500	\$126,810	\$107,102	\$96,398	\$103,771
Average market sales price of CLT homes	\$162,313	\$151,322	\$175,344	\$144,376	\$144,462	\$150,302
Average Affordability Investment per home	\$58,140	\$30,822	\$48,534	\$37,274	\$48,064	\$46,531
Average household income of buyer	\$28,241	\$34,166	\$43,492	\$46,924	\$32,661	\$34,695
Average percentage of Metro Median Income (x household size)	49%	50%	57%	57%	48%	50%
Average number of people living in CLT homes	1.3	3.2	3.6	3.9	2.4	2.6
Number of children (under age of 18) living in CLT homes	6	51	56	80	125	254
Number of adults living in CLT homes	35	48	41	72	149	279
Percentage of CLT homes with single female or single females with children	42%	52%	70%	46%	60%	53.8%
Percentage of CLT homeowners/buyers who self-identify as:						
▪ African-American	3%	52%	37%	82%	24%	35.7%
▪ American Indian	0%	3%	19%	0%	1%	2.5%
▪ AsianAmerican/Pacific Islander	0%	10%	7%	3%	4%	2.1%
▪ Caucasian American	91%	19%	33%	7%	51%	46.7%
▪ Hispanic American	3%	0%	0%	3%	4%	2.5%
▪ Multiple Race Household	3%	16%	4%	5%	16%	10.5%
New Americans	3%	39%	11%	5%	9%	11.6%
Households with disabilities	17%	0%	0%	15%	5%	7%
Seniors (55+)	17%	9%	0%	15%	5%	8%

CLCLT Homeowner Profiles – By Year (October 2004 – December 2015)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
New Homeowners (HO)	10	16	24	15	19	17	14	17	15	25	27	41
# of New Units (# included in New HO figure above)	10	16	24	11	18	15	13	14	10	19	22	32
# of Resales (# included in New HO figure above)	0	0	0	4	1	2	1	3	5	6	5	9
Average CLT sales price	\$137,620	\$130,531	\$122,295	\$122,287	\$95,592	\$103,503	\$82,255	\$82,196	\$79,440	\$93,336	\$102,804	\$115,385
Average market sales price of CLT homes	\$176,370	\$174,781	\$183,312	\$182,253	\$154,062	\$142,950	\$137,504	\$125,753	\$121,727	\$126,756	\$140,848	\$155,318
Average Affordability Investment per home	\$38,750	\$44,250	\$61,017	\$59,966	\$58,470	\$39,447	\$55,249	\$43,557	\$42,287	\$33,420	\$38,044	\$39,933
Average Household Income	\$39,940	\$32,332	\$29,152	\$30,922	\$29,345	\$37,519	\$29,695	\$39,938	\$34,946	\$36,449	\$42,544	\$41,500
Average percentage of Metro Median Income (x household size)	54%	46%	47%	48%	44%	52%	41%	56%	51%	50%	57%	54%
Average Household Size	2.8	3.6	1.9	2.5	2.3	2.5	2.9	2.6	2.6	2.8	2.9	3.3
#(%) Percentage Community of Color Homeowners	80%	63%	17%	53%	32%	47%	50%	59%	67%	68%	52%	60%
#(%) Single Family Homes (non-HIP, non-P:R)	1 (10%)	1 (6%)	3 (12%)	0 (0%)	2 (11%)	3 (18%)	1 (5%)	1 (6%)	1(7%)	3(12%)	4(23%)	9(23%)
#(%) Homebuyer Initiated Program (HIP)	0 (0%)	3 (19%)	6 (25%)	9 (60%)	13 (68%)	10 (58%)	6 (43%)	8 (47%)	10(67%)	11(45%)	16(59%)	18(45%)
#(%) Project: Reclaim (P:R)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	3 (18%)	6 (43%)	5 (29%)	2(12%)	7(28%)	5(19%)	12(29%)
#(%) Townhomes	9 (90%)	10 (63%)	0 (0%)	3 (20%)	1 (5%)	1 (6%)	0 (0%)	0 (0%)	1(7%)	3(12%)	2(7%)	1(3%)
#(%) Condos	0 (0%)	2 (12%)	15 (63%)	3 (20%)	3 (16%)	0 (0%)	2 (9%)	3 (18%)	1(7%)	1(4%)	1(4%)	0(0%)



Member FDIC

June 7, 2016

Equal Housing Lender 

Ms. Tanya Bell
Grand Real Estate Advisors
1664 Grand Avenue, Suite 3
St. Paul, MN 55105

RE: Park Avenue Lofts – Phase II

Dear Tanya:

Thank you for your interest in working with Western Bank, a Division of American National Bank, for the financing of a for-sale condominium project at 205 Park Avenue, Minneapolis, MN. We have reviewed the preliminary details and have a strong interest in being part of the team that brings this exciting project to the Mill District neighborhood.

Much of our interest stems from the confidence that we have with the key players to this development, notably you, Tanya, Margaret (Peggy) Lucas, the other equity partners, the architect, Julie Snow and the proposed contractor(s) that we have discussed. Peggy's 25 year+ relationship with Western is greatly valued.

As part of Brighton Development Corporation, Peggy has played a pivotal role in the revitalization of the Mill District through condominium development. Similarly, we are inspired by your background in condominium development while with Wellington Management, Inc., and subsequently, as an advisor with Grand Real Estate Advisors.

We are supportive of your vision for this development and wish you success with the City's RFP process.

Sincerely,

A handwritten signature in blue ink that reads 'Cindy Carlson'.

Cindy Carlson
Senior Vice President

Crc/



WESTERN INSURANCE AGENCY

1740 RICE STREET • SUITE 200 • ST. PAUL, MINNESOTA 55113 • PHONE (651) 489-4119

June 6, 2016

Tanya Bell
GRAND REAL ESTATE ADVISORS
1664 Grand Avenue, Suite 3
St. Paul, MN 55105

Dear Tanya

I have personally reviewed the parameters of the Park Avenue Lofts 2 project specifically as it relates to the Risk management and Insurance components. I have provided guidance on the cost and availability of obtaining proper Builder's Risk property coverage as well as General Liability and Owners & Contractors Protective coverages with limits appropriate for a project of this scale from reputable and financially stable markets.

I look forward to providing risk advice and insurances on this project to its completion.

Dennis J. Prchal, President
Western Insurance Agency
dprchal@wiagency.com
phone: 651-558-2540
fax: 651-558-5750

Your Protection Partner



WHO WE ARE

Grand Real Estate Advisors will be your strongest advocate in the complex and daunting world of commercial real estate.

Co-founders and business partners, Judd Fenlon and Tanya Bell are both well-established commercial real estate professionals who saw an opportunity to create a new way to serve the Twin Cities real estate market. Each brings a unique set of expertise that helps clients navigate through the most complex challenges, decisions and due diligence needed to fully understand their real estate options.

The broad foundation of experience and success in the commercial real estate industry allows us to provide our clients with a substantial scope of services. We work side by side with our clients and guide them every step of the way - from beginning to end - by providing real estate consulting, brokerage, development consulting, project management and property management expertise.

Grand Real Estate Advisors is a creative, forward-thinking commercial real estate firm focused on helping clients make strategic and effective decisions.

WHAT WE DO

Grand Real Estate Advisors represents a change in how commercial real estate needs are met.

- Uniquely positioned to combine and leverage our experience and community connections.
- Valuable resource to clients who want to participate in the real estate market but are looking for a different type of partner that will take the time to understand their organization and optimize the real estate solution that will meet their needs.
- Customized and consultative real estate services for clients that seek excellence, experience and a high-level of attention to detail.

COMMERCIAL REAL ESTATE CONSULTING • BROKERAGE • DEVELOPMENT CONSULTING • PROJECT MANAGEMENT • PROPERTY MANAGEMENT

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205 Park Avenue- Ownership Housing Proposal

Operating Pro Forma

15 years is not applicable for ownership projects.

Market Study

CB Burnet has provided sales comparable data for throughout the downtown market and confirmed the proposed unit sizes and pricing assumptions. The key data provided is demand for larger units than are currently available.

Description of Public Benefits (taxable real estate values, annual real estate taxes) jobs; public realm

There will be the short-term construction jobs created over the 12-month construction of the project. In the longer term; the projected taxable value of the project when completed and sold is just under \$33.1 - 41 million. If any buyers do any significant additional finishes, this value could increase. The retail, likely food and/or service related will generate 15-25 jobs.

Proposed Timeframe

Given the challenging environment for developing ownership housing; we would look to negotiate a development agreement that allows for 18 months to close on the land acquisition and begin construction. This allows for progress at the legislature next session for proposed modifications to the warranty laws. Our proposal does not require that outcome, but it could mitigate the insurance costs and reserves related to the risk. We would propose to remove that contingency after May 31, 2017. The additional time would be to complete any pre-sales. We would require 50% pre-sales by August 1, 2017 to start construction in the fall. If after 18 months, pre-sales have not been sufficient or other site due diligence creates an obstacle to our development, we would have the right as would the City to terminate the development agreement.

Executed Consent for Release of Response Data

EXHIBIT A
Form of Consent for Release of Response Data

6/10, 2016

City of Minneapolis
Department of Community Planning and Economic Development
105 5th Avenue South, Suite 200
Minneapolis, MN 55401

Re: 205 Park Request for Proposals
Consent for Release of Response Data

Tanya Bell, on behalf of _____, hereby consents to the release of its development proposal in response to the 205 Park Avenue Request for Proposals and waives any claims it may have under Minnesota Statutes Section 13.08 against the City of Minneapolis for making such information public. The foregoing consent and waiver does not extend to financial statements submitted under separate confidential cover, which shall be treated by the City consistent with Minnesota Statutes, Section 13.591.

