

# New Brighton Exchange DEVELOPMENT REPORT



**Winter 2013**

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## **Update - City in Discussions with Pulte Homes on Proposal to Build Single-Family Homes**

The City continues to work with Pulte Homes on their proposal to build single-family homes in New Brighton Exchange. The current concept plan includes approximately 86 single-family homes and 34 townhomes on a 26 acre site once occupied by the former Midwest Asphalt and Beisswenger's properties.

On August 15, 2012 the City Council authorized a Contract for Exclusive Negotiations with Pulte. This agreement allowed Pulte to perform due diligence on the site to determine their interest in the project.



**Current Concept Site Plan**  
(Image: Pulte Group & City of New Brighton)

On October 31, 2012 Pulte submitted a Letter of Intent to the City outlining their intent to purchase the property. In early December 2012, the City Council met with Pulte and discussed the company's proposal during a work session. The City Council was satisfied with Pulte's proposal and directed City staff to continue to work with Pulte and prepare the necessary legal instruments allowing Pulte to perform environmental testing and have continued access to the site.

Currently, the City is in the process of preparing a Term Sheet, which outlines the general parameters by which the City would sell the property to Pulte. The Term Sheet includes details such as land price and closing, how the property would be developed, timing of development, and a

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### ***Pulte Project (cont. from Page 1)***

requirement to enter into a separate Contract for Private Redevelopment, amongst other details. The primary concerns for the City include obtaining a fair price for the land, ensuring the property generates enough taxes to support the bond payments, overall construction quality, and incorporation of certain design features aimed at meeting the City's guidelines and vision originally established in 2005.

Pulte is proposing a very aggressive timeline. The preliminary timeline consists of Pulte purchasing the property in mid-July 2013 and having a model home complete for the fall 2013 Parade of Homes. These timeframes are subject to change as extensive work needs to be completed before the City will sell Pulte the property. The next step will be for the City Council to approve the Term Sheet, perhaps sometime in February.

The City and Pulte would then, work out other development details before securing the necessary land use approvals from the Planning Commission and City Council by the end of June. For more information, follow the City Council's meeting agendas for upcoming actions.



**Rendering of Model Home**  
(Image: Pulte Homes)

## **Update – City in Discussion with APi Group Regarding Expansion Opportunities**

Last spring, APi informed the City of their intent to finish the building pad on the corner of their existing headquarters site. As APi moved through their preliminary design phase with an architect, they discovered the building would not be large enough to accommodate their forecasted growth. This prompted APi to start discussions with the City on purchasing the vacant lot to the north of their headquarters site, lying between the newly constructed View Apartments and Old Highway 8.

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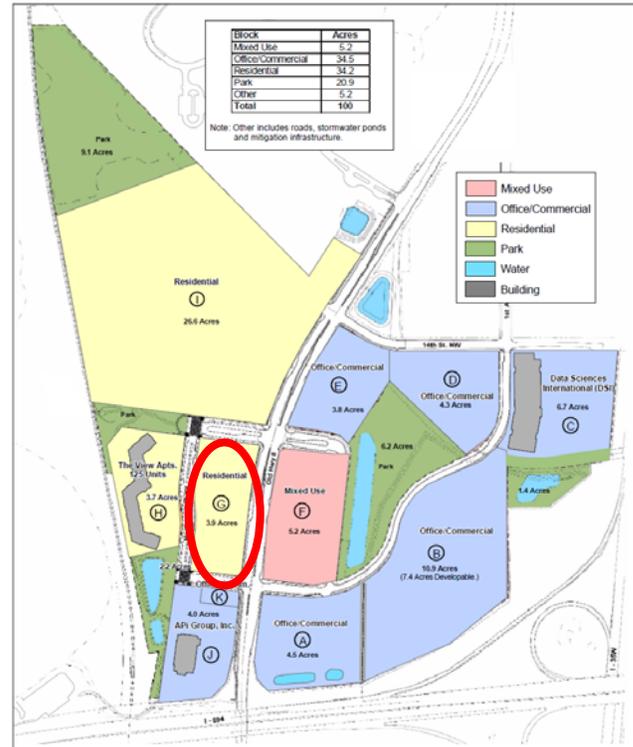
## **APi Expansion (cont. from Page 2)**

Various expansion plans were discussed over the last few months, and ultimately APi has proposed a phased expansion consisting of two buildings, a 3-story 45,000 SF building on the south half of the block and 2-story 30,000 SF building on the north half of the 4 acre site. Because housing was previously planned for this site, the Council wanted the Economic Development Commission to review the matter and evaluate the merits of changing the use. The EDC was generally supportive of the concept, since the prospects for additional multi-family development is not clear and the City wants to build on recent development activity.

The City Council also discussed APi's proposed expansion in early December and was eager to continue discussions.

APi envisions construction of the 45,000 SF building in 2014, and the 30,000 SF building three years after. Development details still need to be worked out, which will occur over the next few months.

The rendering at right was provided by APi Group back in September and reflects the type of building the company would like to build – although specific plans still need to be prepared.



**Site for Possible APi Expansion**

(Image: City of New Brighton)



**Rendering of Building**

(Image: APi Group)

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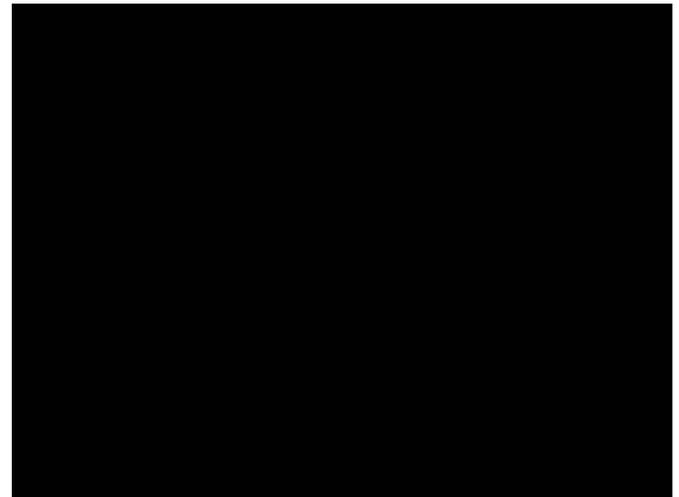
## Marketing Efforts for New Brighton Exchange

The City continues to work with Ryan Companies and Colliers International on marketing efforts for commercial uses within New Brighton Exchange. Both Ryan and Colliers report that the market is improving, but demand for additional office/commercial space is still soft. The biggest drivers are relatively high vacancy rates for existing space (which needs to be absorbed by the market) and an improving economy that generates more jobs – companies need to start hiring again. Some experts believe that the first major signs of movement in both of these areas could occur this year.



**Concept Plan for East Side**  
(Image: Ryan Co.)

Both Ryan and Colliers continue to market New Brighton Exchange on their websites, in addition to the New Brighton Exchange website. Colliers has also prepared an [eBrochure](#) promoting New Brighton Exchange. Since the last marketing update, Ryan Companies prepared a 3D video illustrating how development might look (click box to watch below).



For the latest information on New Brighton Exchange, visit the website as further information will be posted as it becomes available.

<http://www.newbrightonexchange.com/>



The New Brighton Exchange Development Report is published by the City of New Brighton. For more information contact the Community Development Department at 651-638-2050 or go to the City's web site at [www.newbrightonmn.gov](http://www.newbrightonmn.gov)