

UNIVERSITY OF MINNESOTA Minneapolis, Minnesota

The University of Minnesota’s vision to build a University-founded community on nearly 5,000 acres of land 30 miles from the Twin Cities at UMore Park, is a ‘once-ever’ opportunity. The creation of the community, a 25– to 30– year endeavor, is envisioned to include residential, retail and commercial areas as well as significant green space and other public amenities. It is anticipated that approximately 30,000 people would live in this “new community” at complete build-out. Hallmarks of value contributed through the University’s academic mission include the integrated elements of arts and culture, education, energy, the environment, health, and transportation. The development itself also presents research opportunities to determine how to live sustainably in the 21st Century.

Since early 2008, RCLCO has assisted the University of Minnesota in understanding the nature and scale of the real estate financial opportunities at UMore Park, the time frame over which such opportunities might present themselves, and the financial returns that could be realized as a result of those opportunities. In this case, realizing a significant income stream from the development effort, and from a parallel effort involving the mining of a rich vein of high quality aggregate, is a key objective of the reuse of the land asset.

In addition to developing a detailed market analysis and financial pro forma to model the potential returns from long-term development at UMore Park, RCLCO provided strategic advisory services to the UMore Park Management Team around critical issues including the financial and organizational structure of a potential development deal with a private sector partner,

approaches to gravel mining on site in order to maximize the project’s financial return and physical appeal, and recommendations as to a governance structure that would allow the university’s Board of Regents to engage in such activities.

Detailed concept planning for UMORE part is being completed now, and the expectation that a transactional phase of work, resulting in a joint venture with a development partner, will begin next year.

