



Title: 325 Blake Road Financial Framework Dynamic Evaluation and Advisory Services

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Purpose:

At the September 10, 2020 Board Meeting, staff will provide an update on the 325 Blake Road financial framework “dynamic evaluation” process and preliminary outcomes, and will outline additional financial and development advisory services that are anticipated as the project advances. The dynamic evaluation and future advisory services are intended to inform the MCWD as a potential seller and development partner.

Background:

MCWD has worked with its financial consultant team of Donjek and Maxfield Research and Consulting since July 2020 to develop a dynamic evaluation tool that will help the District understand the financial realities of the site under a variety of market-based development scenarios. Staff and Donjek/Maxfield presented an overview of the dynamic evaluation tool’s purpose and capabilities at the July 9, 2020 Operations and Program Committee (OPC) meeting.

Summary:

Since the July 9, 2020 OPC meeting, staff has continued to work with Donjek/Maxfield to develop a more thorough financial understanding of the site. At the September 10, 2020 Board meeting staff and Donjek/Maxfield will walk the Board through the dynamic evaluation model, including the variables that influence the financial viability of different development programs on the site. The Board may convene in closed session to discuss matters related to the value and potential sale price of the District’s property. This discussion will help inform the Board on the financial aspects of the overall 325 Blake Road Stormwater Management and Site Restoration project in anticipation of the feasibility milestone. The feasibility milestone is described in the pending cooperative agreement with the City of Hopkins and is scheduled for the September 24, 2020 Board meeting.

Staff will also outline the scope of work for future financial advisory services from the Donjek/Maxfield consulting team and a scope of work for development advisory services from development consultant Chuck Lutz. Staff anticipates that contracts for both consultant teams will be brought forward for approval at the September 24, 2020 meeting.