

DOWNTOWN MINNEAPOLIS NEIGHBORHOOD ASSOCIATION

Minutes from the Board Meeting on Thursday, October 2, 2014

Pizza Lucé

119 North 4th Street, Minneapolis, MN

I. Call to Order and Introductions

Board Chair Nick Cichowicz called the board meeting to order at 6:05 p.m.

Other board members in attendance were:

Chad DiDonato, Vice Chair

Laurie Jones

Claudia Kittock

Carletta Sweet

Jesse Winkler

Peter Zenner, Secretary

Board member Gerry Ewald was absent.

Staff member Christie Rock Hantge was also absent.

Guests in attendance were:

Tony Barranco, Ryan Companies

Amy Carroll, Miller Dunwiddie Architecture

Chuck Liddy, Miller Dunwiddie Architecture

Shawn Smith, Wildamere Capital Management

Anita Tabb, MPRB District 4 Commissioner

II. Consideration of the Agenda

Sweet moved and Jones seconded a motion to approve the October 2, 2014 board meeting agenda. Cichowicz called for discussion. The motion passed.

III. MPRB 4th District Update

Commissioner Tabb reported on the following:

- ***Elliot Park Soccer Field.*** In partnership with Hennepin County and North Central University, recently broke ground on the Elliot Park NCAA-regulation, multi-purpose soccer field; it's the second one in the entire park system. This is particularly exciting as it is the first time such a partnership has occurred to fund a park amenity. NCU will use it for its Division 3 men's and women's soccer teams and that dovetails well as they will be using it at a different time than high school and MPRB soccer teams. They hope to complete the installation by late fall weather permitting.
- ***Riverfront Hydropower.*** Crown Hydro was required to respond to the Federal Energy Regulatory Commission's letter dated April 3, 2014 in which it required a number of studies be conducted by September 30, 2014. For a variety of reasons, CH said they couldn't meet

the deadline and has asked for an extension to April 2015. MPRB is now waiting for FERC's response to the requested extension.

Now, there is another hydropower proposal being submitted to FERC by Symphony Hydro. This would be situated at the soon-to-be closed Upper St. Anthony Falls Lock and Dam. Tabb believes there will be others contenders for that facility, the MPRB being one, and there are some cool things that could be done there as indicated in the St. Anthony Falls Master Plan CAC materials.

- ***Downtown East Park.*** From the MPRB's perspective, when they looked at the project and were not involved in the negotiations for the deal that was cut, and did their own financial analysis based on that deal, there was no way for them to afford to operate and maintain it. It would cost about \$400,000 to operate versus receiving \$25,000 in revenue and so MPRB opted out. Tabb believes a greening conservancy can serve a good purpose but questions how they will be able to operate it as it's not easy to fundraise every year unless they can get consistent contributions from large corporations.
- ***St. Anthony Falls Master Plan Citizen Advisory Committee.*** This effort is coming to an end and Tabb encouraged those who have not submitted comments to do so by the October 9th public open house. The process has been more complicated due to the varying formations, edges and characteristics of the Central Riverfront.
- ***Water Works Project.*** Although Bruce Chamberlain's last day is this Saturday, he will be giving a presentation on the site concept plan before the MPRB's Planning Committee on Wednesday, October 22, 2014.
- ***Southwest Light Rail Transit.*** The MPRB has a Section 4(f) standing for this route that will run through the Kenilworth Corridor beneath the path connecting Cedar Lake and Lake of the Isles. Tabb believes there have been several MPRB resolutions asking for a more detailed study of a deep tunnel at this area. It's part of the historic Grand Rounds National Scenic Byways and is parkland so they have standing under this section of the federal transportation laws. The MPRB is *not* trying to hold up the project, but since they have to sign off on it have raised these concerns early in the process. Now, everything is off sync because the Met Council hasn't done the Environmental Impact Statement (EIS) evaluation but is doing all of the engineering.

Typically, the environmental work goes first, to which the MPRB responds, and then its comments would be taken into consideration. After getting Section 4(f) signoffs, then the engineering would ensue. That hasn't happen in this case because of the whole co-location issue. So the MPRB has to raise these Section 4(f) issues now or stop the project later on because they want this area of the route protected and believe there are alternatives to what is proposed.

Because this does not become a ripe legal issue until the supplemental draft EIS (DEIS) is issued in 3-4 months or the first quarter of 2015, the MPRB is raising these issues now to avoid putting the project in jeopardy. The MPRB is trying to understand the engineering issues to be able to tell the court what harm will be caused.

IV. Public Comment

No one stepped forward to provide public comment.

V. Consent Agenda

DiDonato asked to amend the September 4, 2014 board minutes under Outreach and Engagement, third paragraph after "Then the following next steps were discussed:" to read "They are working with Inspector Medaria Arradondo to be on the panel."

Sweet moved and Kittock seconded a motion to approve the September 4, 2014 board meeting minutes as amended. Cichowicz called for discussion. The motion passed.

DiDonato moved and Jones seconded a motion to approve the consent agenda that included the October 2014 financial report and the 09-01-14 to 09-30-14 staff report. Cichowicz called for discussion. The motion passed.

VI. Community Development Updates

- **Ryan Companies Downtown East Redevelopment Project.** Tony Barranco, VP of Development, advised that the title of his presentation is "What the heck is happening in Downtown East?" then while referring to images on architectural boards, gave the following update:
 - The first step was to get the two Wells Fargo office towers underway and they are a few weeks ahead of schedule.
 - The sub-bases for the two residential liner buildings in front of the office towers are underway.
 - They won't start the residential building at the edge of the park until the Star Tribune moves out.
 - On or around April 1st the Star Tribune will move into its new home and vacate its property on Portland Avenue between South 4th and 5th Streets, and then Ryan will take over the site to begin construction of the western residential project.
 - They will begin the 5-week demolition of the McClellan building (on the block where the parking ramp air rights project is located) next week. Site preparation and other activities will soon follow.
 - They are close to a new elevation for the parking ramp on the McClellan block. It's the same design and construction of the northern part of the MoZaic office building Uptown.

Then Barranco explained, "What the heck is happening at Block 1?"

The City is part of ongoing negotiation with MSFA and Ryan with the whole Downtown East project. Ryan identified that it would be great idea to have this urban common space called the Yard or the Commons, but they didn't know how to pay for it. The City negotiated that it would buy the land, put up money for basic improvements, and collect revenue from the MSFA parking ramp to pay the bonds as well as sell the air rights and liner parcel to offset the cost. The parking ramp, however, had to meet the specific operating performance standards of the NFL, the team, and the MSFA and the team has an absolute right to control the design of the ramp.

When you have air rights and are planning to build through it, you got to have some reasonable control of the structure underneath in order to pass through it. After Ryan was awarded the rights in March 2014, they submitted plans for changing structure, adding power and loading docks in the base of the ramp and the team outright rejected it and effectively nullifying the value of the air rights not to mention getting the water, sewer and other lines installed outside the ramp for the residential tower. This was a unique role reversal because typically the City controls the entitlement of something like this, not the owner.

The team is still trying to control everything going on; however, they did have some reasonable and valid concerns, e.g.: whether there would be adequate resources to fund the Commons; having a project half built when the stadium and Commons opens; whether what's in the retail space would compete with what's in the stadium; and that the height of the building not exceed the stadium. As a consequence, the team made an aggressive play directly with the City to unseat Ryan and its development partner, Magellan Development Group, for doing this deal. Barranco believes the City made a good decision in sticking with a project that was further along and has better long-term potential.

With Magellan as partner, they are focusing solely on a high-rise apartment building on the liner parcel, joint storm water control under the ramp, relocation of the ramp lobby to the corner of South 4th Street and Chicago Avenue, with loading functions off of Park Avenue. They are also working with the team to address some of its concerns to be able to deliver what was promised to the City.

The contra-flow bus lane that currently flows from east to west on South 4th Street is being relocated and 4th will become a one-way, eastbound, three-lane road. Also, the County is working with the City to narrow Park and Portland Avenues through the Commons that will allow them to perform loading functions that they could not do at the ramp.

Barranco is 30-60 days away from getting a massing plan done and 90 days away from having some skin on it and should be ready by then to update the DMNA.

He has worked closely with Michael Rainville and 3rd Ward Council Member Jacob Frey about doing a police substation similar to the one in the Hunt Gregory development at Hennepin and University Avenues in Northeast. Ryan will do a 400 square foot police substation in the lower level of this proposed to work off both the ramp and that side of the Commons.

Now that there's some direction for conservancy, it opens up the opportunity for a public/private partnership to develop the Commons. The City issued an RFP on September 15th soliciting landscape architect-led teams to design the Commons. As representatives of the residential and office tower interests, they are focused that it is 365 programmed and not a flat piece of grass that gets trampled on and turns into mud. Since the Ryan/Wells Fargo project will be judged by the success of the Commons, the first thing they did was to make a \$200,000 investment solely towards a private fundraising effort (the conservancy the MDC created) for the Commons and will be making subsequent contributions.

They had intended to develop the 2-acre parcels north of the Wells Fargo towers as workforce housing and there was some resistance by members of the City Council as to

whether it was an appropriate use of City affordable housing resources. As a consequence, they have taken a pause until the rest of the project moves along and will come back to these parcels later. He thinks they may be ready when they come back to talk about the tower and hospitality use. Because of the Wells Fargo buildings, they could only build up to about 60 feet high.

They have begun skyway retail leasing activities and have gotten a lot of responses but have no announcements to make.

- ***Nate's Clothing Building Conversion (401 1st Avenue North)***. Shawn Smith of Wildamere Capital Management advised that they recently purchased this building and had reached out to Council Member Frey to let him know they were taking over the project from Uppall Enterprises and that they would be seeking a \$100,000 Tax Base Revitalization Account (TBRA) grant from the Metropolitan Council that the City administers because there's lead-based paint, dilapidation and water damage. One of the grading criteria is to go before the neighborhood association within the range of the project so they are seeking a letter of support from the DMNA. Since the timing is crucial to provide neighborhood support, he has spoken with Christie who advised that if approved she could send an email the following morning.

Smith then introduced the architects on the project, Chuck Liddy and Amy Carroll at Miller Dunwiddie Architecture. This firm has done a lot of historic work that is well known throughout the city and passed around a rendering of the proposed redevelopment plan. There will not be a whole lot of change to the first floor but some clean up of the former OM Contemporary Indian Cuisine space when interests peaks, and completion of the 6th floor penthouse built in 2008 with patio space. The gross square footage is just under 52,000 and when you take out vertical penetration the net rental there will be about 48,000 square feet. The proposed use is to keep it similar with office on the 2nd through 6th floors with retail and office on the ground floor. There's been interest from groups in the area as well as those in the suburbs. He can probably assume two to four office tenants in floors 2 through 6 and possible two retail tenants. The basement use will be more of an amenity such as seating space, showers and bike storage.

Smith briefly described the history of Wildamere and distributed brochures.

DiDonato moved and Jones seconded a motion to send a letter of support for the proposed redevelopment of the Nate's Clothing building at located at 401 1st Avenue North. Cichowicz called for discussion. The motion passed.

VII. Committee Updates

- ***Outreach and Engagement Task Force***. Discussion ensued regarding the final preparations for the annual meeting on Tuesday, October 21, 2014 in the Great Hall at The Depot Minneapolis. Zenner advised that The Depot is donating everything required for the event and the registration table will be in the Winter Garden. He finished today the last video shoot for the panel discussion and spoke with Council Member Frey regarding a high-level dress rehearsal of the virtual tour of downtown.

Jones also distributed a chart and discussed other tasks related to the event, e.g., ads, flyers, *Mill City Times* announcement, HOA and other venues for getting the word out, ballets, bios, programs, questions for post-event survey, agenda timing, a pre-event dry run meeting, a celebratory closing, slide with next meeting date/location (preferably again at The Depot or alternatively at Open Book or the Mill City Museum)/and a “sexy” headliner topic.

Lastly, since the new board will need to convene and elect officers, it was decided to keep the November 6th meeting at which the next board meeting date will be decided.

VIII. Old / New / Other Business

- *Outreach and collaboration with other downtown organizations.* Reference the Outreach and Collaboration chart Sweet provided in advance of the meeting.

IX. Adjournment

Being no further business, DiDonato moved and Jones seconded a motion to adjourn the meeting. Cichowicz called for discussion. The meeting adjourned at 7:52 p.m.

Signed this _____ day of _____, 2014.

Chair

Secretary