

DOWNTOWN MINNEAPOLIS NEIGHBORHOOD ASSOCIATION

Minutes from the Board Meeting on Monday, September 21, 2015
The Depot Renaissance Hotel – Hiawatha Ballroom
225 3rd Avenue South, Minneapolis, MN 55401

I. Call to Order and Introductions

Board Chair Chad DiDonato called the board meeting to order at 5:47 p.m.

Other board members in attendance were:

Nick Cichowicz
Claudia Kittock
Carletta Sweet, Secretary
David Tinjum
Peter Zenner, Treasurer

Board members Vice Chair Laurie Jones and Ken Searl were absent.

Staff members Joan Bennett and Christie Rock Hantge were also present.

Guests in attendance included:

Gretchen Camp, BKV Group
Warren Colbeth, RiverWest
Dan Collison, East Downtown Council
Max Erickson, Stonebridge
CM Jacob Frey, Third Ward
LB Guthrie, Stonebridge
Paul Guthrie, Stonebridge
Shane Hawkins, YouthLink
Dr. Heather Huseby, YouthLink
Liz Kane, Bridgewater
Nick Klebs, Bridgewater
Peter Levine, Humboldt Lofts
Bob Lind, City of Minneapolis CPED
Brad Lis, Mortenson
Randy Manthey, The Carlyle Condominiums
Andy McDermott, ESG Architects
Tom Novak, American Trio Lofts
Bob Olivera, The Carlyle Condominiums
Tyler Pedersen, Minneapolis Park and Recreation Board
Lynn Regnier, EPNI
Denis Ryono, The Carlyle Condominiums
Lorraine Speltz, The Carlyle Condominiums
Wally Swan, The Towers

Amy Tamburino
Joe Tamburino
Michele Zuercher, Bridgewater
Doug Verdier, RiverWest Condominiums
Dale White, RiverWest Condominiums
Conrad Zbikowski, Stonebridge Lofts
Mary Zbikowski, Stonebridge Lofts

II. Consideration of the Agenda

Sweet moved and Tinjum seconded a motion to approve the September 21, 2015, board meeting agenda. DiDonato called for discussion. The motion passed.

III. Consideration of the Consent Agenda

Sweet moved and Kittock seconded a motion to approve the Consent Agenda, including the August 17, 2015, board meeting minutes; the Finance Coordinator's staff report (Invoice 008) for August 2015; and the Outreach and Engagement Coordinator's staff report (Invoice 008) for August 2015. DiDonato called for discussion. The motion passed.

IV. Financial Report

A. Year-to-Date Update. Zenner gave a status update on the Neighborhood Revitalization Program funds. After the funding awards the board made at its August board meeting, the balance remaining is \$256,211.72.

Zenner then he reviewed the F2015 Budget vs. Actual as of August 31, 2015, and noted that of the total \$103,800 budget, after 8 months the board is doing well and is under budget at \$61,155.34.

Sweet moved and Cichowicz seconded a motion to receive and file the financial report. DiDonato called for discussion. The motion passed

B. Staff Contract Update. DiDonato advised there was board agreement to amend staff contracts to include a clause requiring they receive prior written approval to exceed their contracted hours. Although the amended contracts have yet to be executed, the 13 hours exceeded in August by Bennett and the 3 hours exceeded in September by Rock Hantge have been approved.

C. Consideration of NRP Plan Modification

Sweet moved and Kittock seconded a motion to approve the NRP Phase II Plan Modification and transfer \$2,500 from the Housing Opportunities Fund to the Arts, Culture and Education Strategy for the purpose of funding the MacPhail Center for Music's Giving Voices Choral. DiDonato called for discussion. The motion passed.

V. Cancelled Vote on Proposal to Form Two Independent Neighborhood Associations

DiDonato updated the audience on the outcome of the outreach and engagement meetings and the decision to cancel the vote on the proposal to form two independent neighborhood organizations, i.e., one for Downtown East and one for Downtown West. The DMNA hosted two of the four scheduled outreach and engagement meetings and that feedback stemming therefrom was very strong on two issues: why address board representation for each neighborhood first versus boundary change first. Concern had been expressed that even if the neighborhoods voted to create two new neighborhood organizations, there is no guarantee that that the City would support a boundary change.

DiDonato took all of that commentary and feedback, along with information he received from NCR Director David Rubedor regarding the process for moving neighborhood boundaries (i.e., requiring approval by both the Planning Commission and the City Council), and brought back a proposal to the board seeking unanimity to move forward. He proposed having two votes: knowing that we could not control the boundary change alone, would the board be a proponent for each neighborhood having a board today; and if yes, get a vote from the community on whether to change the boundary. Since the vote was not unanimous (six out of seven present voted in favor), DiDonato recommended canceling the final two outreach and engagement meetings as well as the vote on the proposal to form two new neighborhood organizations. DiDonato advised what comes next will be up to the new board and that elections will take place at the October Annual Meeting.

VI. Land Use Update

- **800 Washington Avenue South.** Bob Lind, head of Special Projects at Minneapolis CPED gave an update on the RFP for the 800 Washington Avenue property, also known as the Liner Parcel because it abuts the Guthrie Theater parking ramp (i.e., the City-owned Riverfront Municipal Parking Ramp) to the south between Chicago and 9th Avenues.

The City received two proposals in response to its RFP: one from M.A. Mortenson Co., and the other from Sherman Associates. Through various internal review processes, on September 11th the City Council granted Mortenson exclusive development rights for a 6-month period of time. As a consequence, City staff from various departments is meeting with Mortenson to hammer out all details. Once all agreements are reached, they'll go back before the City Council with a recommendation to sell the land to Mortenson in time to begin construction by spring of 2016.

Lind advised that Mortenson's project is comprised of a 9-story, mixed-use building with a 5,300 square-foot restaurant and bar on the corner of Chicago and Washington Avenues. It will also have 2,500 square feet of retail space on the ground floor of the 9th Avenue corner. Mortenson plans a 188-room Hyatt Centric hotel on the first eight floors, and the American Academy of Neurology, which has offices in an adjacent

building, will lease or buy approximately 14,000 square feet on the 9th floor. AAN will also have access to a 1,000 square foot outdoor terrace. A 10th floor could be added at a later date for AAN. Lind noted that Mortenson offered to buy the site for \$3.78 million, or \$155 per square foot, well beyond what anyone else offered.

Thereafter, Lind responded to questions. There are no City support or subsidies to this project; just the sale by the City to a private developer. Since the City is going through the 6-month exclusive right period, now is the time for interested parties to contact City staff to give input on the design. The Planning Commission will need to review a Conditional Use Permit for the 9-story height. The project will provide construction jobs for the short term, and between 175-200 restaurant, retail and hotel jobs for the long term.

In closing, Lind advised that Principal Planner Hilary Dvorak is the contact for this project. She can be reached at hilary.dvorak@minneapolismn.gov. Lind also distributed his own business card.

VII. Ward 3 Update

Council Member Jacob Frey reported on the following:

- ***Downtown East Commons*** (<http://www.downtowneastcommonsmpls.com/>). Frey summarized what has taken place thus far, i.e., contracting landscape architect Hargreaves Associates to design it and the allocation of \$2 million by the City which was originally going to be replenished. Subsequently, however, they soon realized they could trigger more private investment if they had money of their own in the project so the \$2 million is the public subsidy component of the DEC. To date, \$8 million has been raised in private funds for the park via the Greening Downtown Minneapolis, the nonprofit conservancy tasked with overseeing the DEC.

The Hennepin County Medical Center's Medical Examiners parcel adjacent to the Vikings stadium will probably be made accessible to the Vikings for their tents on game days which will free up space in the park.

Regarding the shutting down of Portland Avenue, that ship has already sailed for the most part but Frey is a huge proponent of shutting down that portion of the street. There are some issues with Public Works, the County, and funding through the State that make the plan, at least for the near term, somewhat prohibitive. Bridging the street with some sort of mound has been considered but it's extremely expensive and the benefit would not be substantial, i.e., the separation the mound would bring would be greater than the road itself.

- ***Major League Soccer***. It is *not* looking great for it to come to Minneapolis. There will be an announcement in literally 3 minutes that MLS is meeting with the City of St. Paul and they have highlighted the Midtown site (former Metro Transit site at Snelling and

University Avenues) as an excellent place to do business. Frey believes this was a major missed opportunity for the City of Minneapolis as it would have generated \$1 to \$1.5 million a year net, and would connect downtown to North Minneapolis. It's not a done deal so they will keep their nose to the grindstone until the fat lady sings.

- ***Crime and Safety.*** Continues to be an issue in the Warehouse District as demonstrated in a series of shootings that occurred around closing time a few weeks ago and the lack of fear or respect for the strong law enforcement presence. To approach the issue moving forward, the City, in conjunction with the Minneapolis Downtown Council and the Downtown Improvement District, needs to take a wholesale look at how business is done in downtown and to bring in experts that have done this type of work in other cities, e.g., the Responsible Hospitality Institute (<http://www.rhiweb.org/>) who assesses everything to assist businesses and communities to plan safe and vibrant places to socialize.

Frey is a proponent of late night food and suggested the City consider staggering closing times; no booze, but continue to allow entertainment. Frey stated that much of the crime is being committed by young people and we need to support the work of organizations like YouthLink that help young people get their lives on track with school and work.

- ***Nicollet Mall Hotel Block.*** Staff is continuing to work through the deal with United Properties and UP is finalizing agreements with its residential and hotel partners. Frey stated that this project and other RFPs demonstrate the need to revamp the City's RFP process as it encourages developers to come in and over promise and under deliver.

VIII. Land Use revisited

800 Washington Avenue South. Brad Lis, Director of Real Estate Development at Mortenson, arrived and was given the opportunity to speak about their project in greater detail. He advised that the Hyatt Centric Hotel has approved the site for its lifestyle brand due to its proximity to the riverfront and local entertainment amenities. Mortenson is now working with HCH's design team to ensure it meets their specifications.

Then Lis described the site plan and uses for the ground level retail spaces. The tenants they are pursuing include a yoga and coffee shop that will accommodate both the hotel and the community. And in conversations with Sea Change, whose business has changed from a huge rush when the Guthrie is open to more of a neighborhood hangout, and feedback received from other local stakeholders, they are pursuing a more casual neighborhood, 3 meals a day restaurant concept that hasn't been seen before.

Lis explained the floor plans and advised they hope to start construction by April 1, 2016 and estimate the total construction time at 14 months with grand opening in June of 2017.

Lis then responded to questions during which he advised that the possibility of a Skyway

connection is unlikely.

IX. Community Development Presentations

A. *YouthLink / Project for Pride in Living.* Kittock introduced Heather Huseby from YouthLink who is back to present a refined funding proposal from what was presented at the August board meeting.

She reviewed the mission of YL and advised that on any given night there are approximately 4,000 homeless youth living in Minnesota. YL connects young people experiencing homeless with a community of resources and support. Whether it's basic needs, like a hot shower or a warm meal, assistance with employment or educational goals, accessing mental and physical health resources, or finding supportive housing, YL helps young people at all stages of their journey.

YL is the host site for the Youth Opportunity Center (YOC), a unique collaborative model, bringing together a variety of organizations and agencies that provide resources young people experiencing homelessness may need – all in one location. There are 37 resources available at the YOC. Huseby then introduced Shane Hawkins, a former homeless youth, who provided compelling testimony to the benefits of the services YL offers.

Upon conclusion of Hawkins testimony, Huseby went on to explain that YL has entered into a partnership with Project for Pride in Living to build a 46-unit, 4-story supportive housing development for young adults ages 18 to 23. The project would be located on a site adjacent to YL's existing YOC at 41 North 12th Street. The purpose of the joint effort is to be able to provide both shelter and social services to homeless youth at one location. Huseby then reviewed the site plan for the supportive housing project. Construction will start in 2016, with the hope of occupying in 2017.

Huseby then responded to questions. Project for Pride in Living has secured the money needed to construct the 46 units of supportive housing and YL is seeking funding to build the Welcome Center and to pay for additional staff.

Kittock then introduced Conrad Zbikowski from the Livability Committee who summarized the discussion that took place at the most recent committee meeting and identified three possible funding options for the board to consider.

1. \$30,000 for peer outreach worker
2. \$85,000 for per outreach worker plus case worker
3. \$140,000 for peer outreach worker plus two case workers

Kittock asked Hawkins what was the most important help that he received from YL. He stated it was his case worker. Sweet asked Huseby whether she has approached other downtown neighborhood organizations for financial assistance. Huseby has

talked with North Loop Neighborhood Association who have provided volunteer help, but made no financial commitments. Zenner inquired about the role of the peer outreach worker and how it relates to the St. Stephen's Street Outreach Workers. Huseby noted that the peer outreach workers are young people who specifically reach out to homeless youth ages 18 to 23. DiDonato inquired as to whether the Livability Committee had a specific recommendation. Zbikowski said they preferred to offer the board three options.

Tinjum moved and Kittock seconded a motion to provide YouthLink with \$140,000 to secure one peer outreach worker and two case workers. DiDonato called for discussion.

Cichowicz stated that he would like the DMNA to fund YL in a more sustainable way; possibly similar to how the organization funded St. Stephen's Human Services for the Street Outreach Worker. The DMNA offered \$60,000 for year 1 and if St. Stephen's can raise funds for years 2 and 3, the DMNA will provide an additional \$60,000 of funding in year four. DiDonato said he likes that model, but that he would like to offer more than \$140,000. He suggested supporting YouthLink at \$140,000 in year one and if they can raise the money for year 2, the DMNA would contribute an additional \$110,000. Cichowicz would like to fund one case manager at \$55,000.

Kittock then made a friendly amendment to fund one peer outreach work and one case manager in year 1 for \$85,000. If YouthLink can secure funding for both positions in year 2, the DMNA would fund both positions again in year 3, for a total contribution of \$170,000. Tinjum seconded the amendment. DiDonato called for discussion. The motion passed.

For more information on YouthLink, visit <http://www.youthlinkmn.org/>

- B. Pathways to Places/Downtown Service Area Master Plan.** Tyler Pedersen from the Minneapolis Park and Recreation Board gave an update on Design Week, which is scheduled for October 19 to October 23. There will be two engagement meetings to give the public an opportunity to express their vision for the future of parks in Downtown Minneapolis.

The first event will take place on October 19, from 6:00 p.m. to 8:30 p.m., at the Mill City Museum. Project staff will review community engagement, vision and goals, and explore unique park possibilities with interactive exercises. The second event will take place on Thursday, October 22, from 6:00 p.m. to 8:00 p.m., at the Walker Art Center. Project staff will review concepts and recommendations, there will be a group Q & A, as well as an opportunity to provide feedback to the design team.

Upon concluding his presentation, Pedersen took questions from the audience.

For more information, visit the Pathways to Places page on the Minneapolis Park and Recreation Board Web site at <https://www.minneapolisparcs.org/>

project_updates/2015/05/11/403/downtown_service_area_master_plan_part_of_path_ways_to_places_project/.

X. New Business

- A. *Proposed Annual Meeting Agenda.*** DiDonato announced that the board has decided to move the date of the Annual Meeting from Monday, October 19, to Wednesday, October 28. The meeting will still take place at the Depot. He reminded the audience that elections to the board of directors take place at the meeting. He stated that he is working with Bennett on the agenda. There will be presentations from organizations that have received funding from the DMNA in 2015.
- B. *Election Procedures for Annual Meeting.*** Bennett gave an update on the election process. There are four open seats with 2-year terms. Interested candidates should submit a 250 word bio to her by no later than Wednesday, October 21. The candidate bios will be published on the DMNA Web site and in a voter guide will be available at the Annual Meeting. Eligible voters may not vote via an absentee ballot.
- C. *Livability Committee.*** Kittock reminded the board about Yoga in Gold Medal Park. She said that there were 200 people at the most recent session. She also indicated that she and Bennett have found a yoga instructor who is willing to lead the event free of charge next summer.
- D. *Land Use Committee.*** Tinjum deferred the update to Randy Manthey who reported that the committee is working on a list of information that a developer must provide prior to presenting a land use application to the DMNA for a letter of support.

XI. Adjournment

Being no further business, Tinjum moved and Sweet seconded a motion to adjourn the meeting. DiDonato called for discussion. The meeting adjourned at 7:24 p.m.

Signed this _____ day of _____, 2015.

Chair

Secretary