



Request for City Council Committee Action from the Department of Community Planning and Economic Development - Development Services Division

Date: October 24, 2013

To: Council Member Gary Schiff, Chair, Zoning & Planning Committee and Members of the Committee

Referral to: Zoning and Planning Committee

Subject: Downtown East Development Final Alternative Urban Areawide Review (the review area includes a five-block area in downtown Minneapolis, with three blocks bounded by South 3rd Street, 5th Avenue South, South 4th Street, and Chicago Avenue South and two additional blocks bounded by South 4th Street, 5th Avenue South, South 5th Street, and Park Avenue South, City of Minneapolis, Hennepin County, Minnesota.)

Recommendation: Adopt the Alternative Urban Areawide Review (AUAR), including the plan for mitigation.

Ward: 7

Prepared by: Hilary Dvorak, Principal Planner, 612-673-2639 Approved by: Jason Wittenberg, Planning Manager Presenters in Committee: Hilary Dvorak, Principal Planner

Community Impact:

Neighborhood Notification: Not applicable. None needed for this EQB mandated decision.

- City Goals: Not applicable
- Comprehensive Plan: Not applicable
- Zoning Code: Not applicable
- End of 120-day decision period: Not applicable
- Other: Not applicable

Background/Supporting Information: As the designated Responsible Governmental Unit (RGU), the City of Minneapolis has prepared an AUAR for the proposed construction of the Downtown East Development. The Draft AUAR was published in the Environmental Quality Board (EQB) *Monitor* on August 19, 2013. The rules require a 30-day comment period to allow government units and interested parties an opportunity to comment. Comments may address the accuracy and completeness of the information provided in the draft analysis and draft mitigation plan, potential impacts that warrant further analysis, further information

that may be required in order to secure permits for specific projects in the future mitigation measures or procedures necessary to prevent significant environmental impacts within the area when actual development occurs, and the need to analyze additional development scenarios as required by this part. The 30 day comment period began on August 19, 2013, and ended on September 19, 2013.

The Minnesota Department of Natural Resources, the Minnesota Department of Health, the Minnesota Department of Transportation, the Minnesota Pollution Control Agency, the State Historic Preservation Office, the Metropolitan Council, and Hennepin County provided comments on the draft AUAR. The comment letters and the City's response to each comment is provided in Appendix A of the document.

State agencies and the Metropolitan Council have ten days from the date of receipt of the revised document to file an objection to the document with the RGU. The document was sent to the state agencies, the Metropolitan County and Hennepin County on October 9, 2013. An objection may be filed only if the agency filing the objection has evidence that the revised document contains inaccurate or incomplete information relevant to the identification and mitigation of potentially significant environmental impacts, that the review has not analyzed sufficient development scenarios as required by this part, or that the proposed plan for mitigation will be inadequate to prevent potentially significant environmental impacts from occurring. At the time of this publication no formal objections had been submitted.

Final Mitigation Plan

This Final Mitigation Plan is submitted as part of the Final AUAR to provide reviewers and regulators with an understanding of the actions which are advisable, recommended, or necessary to protect the environment and minimize the potential impacts caused by the proposed Development Scenarios. This Final Mitigation Plan has been revised and updated based on comments received during the Draft AUAR comment period (see [Appendix A](#)).

The mitigation plan is intended to satisfy the AUAR rules that require the preparation of a mitigation plan that specifies measures or procedures that will be used to avoid, minimize, or mitigate the potential impacts of development within the AUAR Study Area. Although mitigation strategies are discussed throughout the AUAR document, this plan will be formally adopted by the City of Minneapolis as their action plan to prevent significant environmental impacts.

The primary mechanism for mitigation of environmental impacts is the effective use of ordinances, rules, and regulations. The plan does not modify the regulatory agencies' responsibilities for implementing their respective regulatory programs, nor create additional regulatory requirements. The mitigation plan specifies the legal and institutional arrangements that will assure that the adopted mitigation measures are implemented.

There were no impacts identified in Sections 10, 11, 12, 14, 15, 18, 19, 22, 23,, 26, 27, 29, or 30; therefore, these areas require no mitigation and are not included in the Final Mitigation Plan. The remaining sections have identified regulatory requirements and/or mitigation measures that reduce the level of potential impact of development within the Study Area. The plan is formatted consistent with the sections of the AUAR for ease of reference.

Section 8. Permits and Approvals Required

Unit of Government	Type of Application	Status
Federal		
Federal Aviation Administration	Airspace hazard permit (for any structures more than 200 feet above ground level)	To be applied for
State		
Minnesota Department of Health	Abandonment of Water Wells	To be applied for
	Water Main Installation Permit	To be applied for, if needed
	Drainage Permit	To be applied for, if needed
Minnesota Department of Natural Resources	Groundwater Appropriation Permit	To be applied for, if needed
Minnesota Historical Society	Minnesota Historic Sites Act Minnesota Field Archaeology Act	Provisions will be met during construction, as applicable
Minnesota Pollution Control Agency	NPDES/SDS Construction Stormwater Permit	To be applied for
	Sanitary Sewer Extension Permit	To be applied for, if needed
	Soil and Groundwater Remediation Plan Approval	To be applied for, if needed
	Storage Tank Registration	To be applied for, if needed
	Intent to Perform a Demolition	Notification
	Asbestos Related Work	Notification, if needed
Regional		
Metropolitan Council	Sanitary Sewer Extension Permit	To be applied for, if needed
Middle Mississippi River Watershed Districted (which defers to the City of Minneapolis for permitting)	No formal review process	NA

Unit of Government	Type of Application	Status
Local		
City of Minneapolis	Building permits	To be applied for
	Demolition permit	To be applied for
	Emergency Generator Fuel Storage Permit	To be applied for
	Erosion and Sedimentation Control Plan Approval and Permit	To be applied for
	Stormwater Management Plan Approval	To be applied for
	Planned Unit Development Review and Approval	To be applied for
	Land Subdivision	To be applied for
	Temporary Water Discharge Permit	To be applied for, if needed
	After Hours Work Permit	To be applied for, if needed
	Lane Obstruction Permit	To be applied for, if needed
	Right-of-Way Excavation Permit	To be applied for, if needed
	Encroachment Permit	To be applied for, if needed
	Utility Repair Permit	To be applied for, if needed
	Utility Connection Permits	To be applied for, if needed
	Sidewalk Construction Permit	To be applied for, if needed
	Testing and Inspection Agreement	To be applied for, if needed
	General Obligation Bonds for Blocks 4 and 5	To be applied for
	Department of Employment and Economic Development grants for redevelopment, and for demolition and clean up	To be applied for
	Final AUAR and Mitigation Plan	In process

Section 9. Land Use

Potential impacts and mitigation measures are the same under both Development Scenarios for land use.

Potential Impacts

- Zoning inconsistencies for either Development Scenario, such as floor area ratio or building height, may occur.
- The Phase I ESA identified 26 petroleum underground storage tanks (USTs) and six above ground storage tanks (ASTs) in the Study Area.
- Four releases from the USTs were reported; two on Block 3 and two on Block 5, and all four have been closed by the Minnesota Pollution Control Agency (MPCA). There are also three listings for Blocks 3 and 4 which are reported as closed on the MPCA SPILLS database.
- According to the MPCA's *What's in My Neighborhood?* database, there are 10 potentially contaminated sites within the AUAR Study Area. Two are active sites, and eight are inactive.

Mitigation Strategies

- 9.1 A zoning change may be requested for the five blocks within the Study Area boundary. This will be coordinated through the City of Minneapolis Planned Unit Development (PUD) process, if required.
- 9.2 Removal of all tanks and associated piping will occur in accordance with state and federal laws.
- 9.3 Mitigation measures for environmental contamination in the State of Minnesota will be undertaken, as necessary, in coordination with the MPCA. Mitigation measures for known and unknown contamination are addressed under Section 20.

How Mitigation Will be Applied and Assured

Mitigation will be regulated through the City's development review process. Proposed PUD and/or site plans must address relevant mitigation measures prior to final approval by the City.

Involvement by Other Agencies, if applicable

Mitigation measures to address site contaminants will be undertaken in coordination with MPCA.

Section 13. Water Use

Potential impacts and mitigation measures are the same under both Development Scenarios for water use.

Potential Impacts

- Abandonment of two on-site wells.
- Temporary dewatering may occur during construction of the buildings.

Mitigation Strategies

- 13.1 If any additional wells are encountered during construction, they will be relocated (if necessary) or capped and sealed according to Department of Health regulations.
- 13.2 Water pumped during construction dewatering activities will be tested for contaminants to determine if discharge can be to sanitary or storm sewer system.
- 13.3 Obtain a National Pollutant Discharge Elimination System (NPDES) permit.

How Mitigation Will be Applied and Assured

Mitigation will be regulated through the City's development review process. Proposed PUD and/or site plans must address relevant mitigation measures prior to final approval by the City.

Involvement by Other Agencies, if applicable

All water pumped during construction dewatering activities will be discharged in compliance with the City and Minnesota Department of Natural Resources (DNR) requirements and the NPDES permit.

Section 16. Erosion and Sedimentation

Potential impacts and mitigation measures are the same under both Development Scenarios for erosion and sedimentation.

Potential Impacts

- Construction activities that involve moving soil and/or excavation may cause erosion and sedimentation impacts to storm sewer infrastructure or surface waters.

Mitigation Strategies

- 16.1 Require project proposers to acquire NPDES General Stormwater Permit for Construction Activity from the MPCA prior to initiating earthwork for each phase of the project. This permit requires that the MPCA's Best Management Practices be used to control erosion and that all erosion controls be inspected after each significant rainfall.
- 16.2 Require project proposers to meet the erosion and sediment control regulations in all applicable regulations, ordinances, and rules of the City and MPCA.

How Mitigation Will be Applied and Assured

Mitigation will be regulated through the City's development review process. Proposed PUD and/or site plans must address relevant mitigation measures prior to final approval by the City.

Involvement by Other Agencies, if applicable

The developer must apply for and MPCA must issue an NPDES permit.

Section 17. Water Quality: Surface Water Runoff

Storm water runoff from the Study Area will be reduced under both Development Scenarios with development of two blocks as public plaza/park.

Potential Impacts

- No impacts were identified assuming water quality management standards are implemented.

Mitigation Strategies

- 17.1 Require stormwater management systems to be developed in accordance with City of Minneapolis code, MPCA, and Mississippi Water Management Organization, as needed.

How Mitigation Will be Applied and Assured

Mitigation will be regulated through the City's development review process. Proposed PUD and/or site plans must address relevant mitigation measures prior to final approval by the City.

Involvement by Other Agencies, if applicable

The developer must apply for and MPCA must issue an NPDES permit.

Section 20. Solid Waste, Hazardous Waste, Storage Tanks

The potential to encounter contaminants is the same under both Development Scenarios.

Potential Impacts

- It is estimated that the demolition would generate 50,000 tons of concrete/asphalt debris and 5,000 tons of miscellaneous construction debris.
- The Phase I ESA found that 26 petroleum underground storage tanks (USTs) were reported to have been previously removed from the Study Area according to the MPCA registered tank files. Six above ground storage tanks (ASTs) were reported as inactive. Several leak sites were also reported, as noted in Section 9.

Mitigation Strategies

- 20.1 A Pre-Demolition Survey has been completed for the three buildings to be removed from the Study Area to determine if any regulated materials are present. An Abatement Plan is being prepared to address removal and proper disposal of any regulated materials identified in the Pre-Demolition Survey.
- 20.2 The project will be enrolled in the MPCA's Voluntary Investigation and Cleanup (VIC) Program and Petroleum Brownfields Program (PBP) and all investigation and remediation activities will be consistent with the VIC Program's policies and procedures.
- 20.3 A Phase II Environmental Site Assessment (Phase II ESA) is now being completed for the Study Area. Based upon the results of the Phase II ESA and previously conducted environmental investigations within the Study Area, a Response Action Plan (RAP) will be prepared and submitted to the VIC and PBP Programs for review and approval to address proper handling and treating of contaminated soil and/or groundwater within the context of, and consistent with, the proposed redevelopment activities.
- 20.4 A Construction Contingency Plan (CCP) will be developed and submitted to the MPCA with the RAP to address proper handling, treating, storing, and disposing of solid wastes, hazardous materials, petroleum products, and other regulated materials/wastes that are used or generated during construction.
- 20.5 There will be a corporate recycling program established in the two office buildings and a recycling program for the residential component. There will be a dedicated storage/trash area in the loading dock area that will be used for recycling management and pickup.
- 20.6 It is estimated that up to 90 percent of the solid wastes generated during demolition will be recycled. The remainder will be disposed at a state permitted landfill. Construction-related waste materials such as wood, packaging, excess materials, and other wastes, will be either recycled or disposed in the proper facilities.

How Mitigation Will be Applied and Assured

Mitigation will be regulated through the City's development review process. Proposed PUD and/or site plans must address relevant mitigation measures prior to final approval by the City.

Involvement by Other Agencies, if applicable

The developer will coordinate with the MPCA regarding the required plans, material handling and disposal of demolition materials, and operate consistent with the VIC Unit's policies and procedures relating to the investigation and remediation of hazardous substances, if any are identified.

Section 21. Traffic

Potential Impacts

Minimum Development Scenario Impacts:

For the Baseline Roadway Network the following impacts were identified:

- Near-capacity operations at the Washington Avenue/11th Avenue intersection in the AM peak, in addition to the operational issues identified in the No Build scenario in the PM peak.
- Increased delay on northbound 11th Avenue at 6th Street due to the impact of left-turning vehicles in the PM peak.

Maximum Development Scenario Impacts:

Under the Maximum Development Scenario, two additional intersections are impacted.

The AUAR is intended to capture the likely minimum and maximum development size. As the project details are determined through the development process, changes are likely to occur; however, the Minimum and Maximum Scenarios evaluated within the traffic study are expected to capture the range of impacts that may occur. As site plans are developed, land uses and trip generation difference will be compared to the traffic analysis to confirm the mitigation measures needed.

How Mitigation Will be Applied and Assured

Mitigation will be regulated through the City's development review process. Proposed PUD and/or site plans must address relevant mitigation measures prior to final approval by the City. The design of the proposed public plaza/park should provide access to the stadium in a way that reduces pedestrian/vehicle conflict for major events at the new Minnesota Multi-Purpose Stadium.

Involvement by Other Agencies, if applicable

Coordination with Hennepin County, MSFA, Metro Transit, and the City of Minneapolis will continue.

Mitigation Strategies

Table 21-11. Mitigation Strategies Summary and Potential Impacts of Mitigation Strategies

Mitigation Strategy		Baseline Roadway Network Option		Potential Impacts of Mitigation Strategy	Potential Secondary Mitigation Strategies	Estimated Cost
		Min ^a	Max ^b			
21.1	Add northbound left turn lane at 6th St / 11th Ave	X	X	<ul style="list-style-type: none"> Lane alignment on 11th Ave Potential widening of 11th Ave due to addition of southbound right turn lane at 6th St as part of Stadium project 	Coordination needed with Stadium roadway design	\$80,000 to \$125,000
21.3	Reduce LRT green time at 5 th St and Park Ave		X	<ul style="list-style-type: none"> Impacts to LRT delay and schedule 	Installation of LRT detection on 5 th St at Park Ave	\$35,000 to \$55,000
21.1 ^{1c}	Add second northbound left turn lane at 11th Ave/ Washington Ave		X	<ul style="list-style-type: none"> Restrict or eliminate on-street parking Potential signal phasing changes such as protected only or split phasing, which would necessitate signal equipment changes 		\$100,000 to \$165,000
21.1 ^{2c}	Add second southbound left turn lane at 11th Ave/ Washington Ave		X	<ul style="list-style-type: none"> Restrict or eliminate on-street parking Potential signal phasing changes such as protected only or split phasing, which would necessitate signal equipment changes 		\$100,000 to \$165,000

^a Minimum Development Scenario

^b Maximum Development Scenario

^c Requires modification to bike lane, either remove or share with through lane

Section 24. Odors, Noise, and Dust

Potential impacts and mitigation measures are the same under both Development Scenarios for traffic and construction Noise.

Potential Impacts

- Construction noise will occur during demolition and construction.
- Traffic noise increases will be less than three dBA at most receptors, and therefore barely perceptible to the human ear. Noise barrier mitigation is not feasible in the downtown streetscape.

Mitigation Strategies

- 24.1 Construction hours will follow City code (limited to Monday through Friday, 7:00 a.m. to 10:00 p.m., unless and after hours work permit is secured from the City).

How Mitigation Will be Applied and Assured

Mitigation will be regulated through the City's development review process. The developer's agreement will address relevant mitigation measures prior to final approval by the City.

Involvement by Other Agencies, if applicable

Not applicable.

Section 25. Nearby Resources

Potential impacts and mitigation measures are the same under both Development Scenarios for historic resources and trails.

Potential Impacts

- Known properties listed on the National Register of Historic Places (NRHP) in the vicinity of the AUAR boundary include: Minneapolis Armory (500 6th Street S); Minneapolis City Hall (350 5th Street S); Grain Exchange Building (400-412 4th Street S); Northern Implement Co. (616 3rd Street S); and Advanced Thresher/Emerson Newton Co. (700-08 3rd Street S).
- The main building at 425 Portland Avenue was identified in the early 1980s as a potential local historic resource. In 2011, a City-sponsored Historic Resources Inventory was completed by Mead & Hunt and recommended 425 Portland Avenue along with 62 other properties in the Central Core Survey Area, as good candidates for intensive-level research to determine eligibility for local and/or National Register designation.

Mitigation Strategies

- 25.1 Demolition permits will be requested for the existing buildings on site.

How Mitigation Will be Applied and Assured

Proposed PUD, land use and/or site plans must address relevant mitigation measures prior to approval by the City. The Star Tribune building is located on a block (Block 5) which may be considered part of the "stadium infrastructure" by the Minnesota Sports Facility Authority within the meaning of the Minnesota Multi-Use Stadium Act (Laws 2012, Chapter 299).

Involvement of Other Agencies, if applicable

Not applicable.

Section 28. Impact on Infrastructure and Public Services

Potential impacts and mitigation measures are the same under both Development Scenarios for public services.

Potential Impacts

- Development would increase the residential population, as well as increase the number of employees and public plaza/park users, which may increase the demand for transit, emergency medical and public safety services.

Mitigation Strategies

28.1 Discussions will take place with Metro Transit and City during site planning regarding bus and other public services.

How Mitigation will be Applied and Assured

To be determined after site plans are submitted.

Involvement by Other Agencies, if applicable

To be determined after site plans are submitted.