



**Request for City Council Committee Action
From the Department of Community Planning & Economic Development**

Date: August 19, 2004

TO: Council Member Gary Schiff, Chair of the Zoning and Planning Committee

Prepared by: J. Michael Orange, Principal Planner, 612-673-2347

Approved by: Barbara Sporlein, Director, Planning _____

Subject: Draft Scoping Decision Document for the Environmental Impact Statement to be prepared for the Pillsbury A Mill Complex Project

RECOMMENDATION: Approve the Draft Scoping Decision Document for the Environmental Impact Statement to be prepared for the Pillsbury A Mill Complex Project (Attachment 2).

(Attachment 1 is the "Findings" Document for the EIS Scoping Decision. It describes the public comments received regarding the Draft Scoping Decision Document at the Public Comment Meeting and in written form, and provides responses to them.)

Previous Directives: None

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

**If you need more information or have special needs, please call the
Minneapolis Planning Division at 612-673-2597.**

Community Impact

Ward: 2

Neighborhood Notification: Completed (refer to Attachment 2)

City Goals: Consistent

Comprehensive Plan: Consistent

Zoning Code: Not applicable

Living Wage/Job Linkage: Private development; no public funds

Other:

Background/Supporting Information:

1. Findings of Fact and Record of Decision for the Draft Scoping Decision Document Prepared for the Environmental Impact Statement for the Pillsbury A Mill Complex Project
2. Draft Scoping Decision Document for the Environmental Impact Statement to be prepared for the Pillsbury A Mill Complex Project

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**AVAILABILITY OF THE FINDINGS OF FACT AND RECORD OF DECISION
REGARDING THE SCOPING DECISION DOCUMENT FOR THE PILLSBURY A MILL
COMPLEX PROJECT ENVIRONMENTAL IMPACT STATEMENT**

After the City of Minneapolis prepared an Environmental Assessment Worksheet (EAW) for the Pillsbury A Mill Complex Project (Project), the Minneapolis City Council and the Mayor ordered the preparation of an Environmental Impact Statement (EIS) for the Project (7/8/04). The next step is the preparation of a Scoping Decision Document which describes the issues, impacts, and the alternatives to be addressed in the EIS; the expected schedule for completion; and any studies that are necessary.

St. Anthony Mill, LLC is the Project proposer. The site is on the east bank of the Mississippi River in Minneapolis, Minnesota and is bounded north and south by 2nd Street SE and Main St. SE, east and west by 3rd Avenue SE and 6th Avenue SE. Upon full development, the site would contain 1,095 residential units, and 105,000 square feet of commercial space. The proposed Project will consist of nine new residential buildings with 1,798 internal and 34 surface parking stalls for residents and visitors. Some ground floor retail spaces will be provided for resident and neighborhood amenities. The site features several noteworthy historical buildings, which are scheduled to be renovated and reused to accommodate housing and commercial tenants, and the demolition of the existing white concrete elevators which are also historic. The new construction will vary in height from 8 to 27 stories and will include a landscaped plaza, fronted by townhouses.

Documents related to the EAW and the EIS Scoping Decision for the Project are available for review at the downtown Minneapolis Public Library located at 250 Marquette Ave, the Southeast Community Library located at 1222 SE 4th Street, and in the office of the City Planning Division at 210 City Hall. Documents related to the EAW are also available on the City of Minneapolis web site:
<http://www.ci.minneapolis.mn.us/planning/pillsbury-mill.asp>

The Zoning and Planning Committee of the City Council will consider the draft Scoping Decision Document at its regular meeting on 8/26/04. The meeting begins at 9:30 am in Room 317 City Hall, 350 S. 5th St.

For further information, contact J. Michael Orange, Principal Planner, Minneapolis Community Planning and Economic Development Department—Planning Division, Room 210 City Hall, 350 S. 5th Street, Minneapolis, MN 55415-1385, by telephone at 612-673-2347, or E-mail at michael.orange@ci.minneapolis.mn.us.

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FINDINGS OF FACT AND RECORD OF DECISION
For the
DRAFT SCOPING DECISION DOCUMENT
Prepared for the
PILLSBURY A MILL COMPLEX PROJECT
ENVIRONMENTAL IMPACT STATEMENT
8/19/04

Responsible Governmental Unit

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Proposer

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A. Purpose of this Report

After the City of Minneapolis prepared an Environmental Assessment Worksheet (EAW) for the Pillsbury A Mill Complex Project (Project), the Minneapolis City Council and the Mayor ordered the preparation of an Environmental Impact Statement (EIS) for the Project (7/8/04). The Project site is bounded on the north and south respectively by 2nd Street SE and Main St. SE, and on the east and west respectively by 3rd Avenue SE and 6th Avenue SE.

This document is the “Findings” Document for the Draft EIS Scoping Decision Document. It describes the public comments received regarding the Draft Scoping Decision Document at the Public Comment Meeting and in written form, and provides responses to them. (Exhibit 2 includes the written comments received and Exhibit 3 is the sign in sheet.) It also provides the official Record of Decision for the Scoping Decision portion of the EIS process (Exhibit 1). It has been prepared consistent with Minn Rules 4410.2100.

This document will be distributed on 8/19/04 to the Official EQB Mailing List and the Official Project Mailing List developed for the Project (refer to Exhibit 4).

B. Public Comment Meeting on the Draft Scoping Decision Document

The City of Minneapolis held a public comment meeting on the Draft Scoping Decision Document. The meeting was opened at 5:10 pm with a summary by staff of the purpose of the

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meeting, the immediate schedule of City Council meetings where the proposed scope of the EIS will be discussed and approved, and the overall schedule for preparation of the EIS that is provided as Attachment 2 in the Draft Scoping Decision Document. Staff also reviewed the proposed scope noting that the issues and studies are those specifically ordered by the City Council in its July 2, 2004 action ordering an EIS be prepared for this project. This Council action is provided in the Draft Scoping Decision Document as Attachment 1. Staff went on to describe the three areas for additional study designated by the City Council:

- The historic impacts, both on the District and the A Mill complex buildings;
- The conformance or conflicts with adopted State Plans and statutes for the Critical Area and Shoreland area, the Federal Comprehensive Management Plan for the Mississippi National River and Recreation Area, and the City's adopted plans for the area; and,
- The issues related to the stationary source emissions generated by the University's steam plant and the potential for stormwater infiltration that may affect that plant.

Staff also reviewed the four build alternatives and the no action alternative proposed for study. The meeting was adjourned at 6:15 pm.

The following summarizes the comments received and staff responses to those comments:

1. Bill Huntzicker, 415 8th St. SE.

Mr. Huntzicker confirmed the elements of the process and the schedule, and the incorporation of statements and information provided during the EAW review process.

Staff response:

Staff confirmed that all previous materials and comments are part of the public record. They will be available for use by the public and staff as they consider and participate in the process of local land use approvals under the City's procedures that will follow the completion of the EIS process.

2. Michael Norton, 470 Pillsbury Tower, representing Bluff Development

Mr. Norton stated they would be providing written comments on the proposed scope, and had these comments and questions on these elements of the proposed scope of the EIS at the public meeting.

1. The detail provided in the Draft Scoping Decision was inadequate to allow meaningful review of the proposed scope of the EIS by not defining the specific studies to be conducted and the consultants who will conduct them.
2. Mr. Norton interprets the Council's action to require the City to prepare a specific "master plan" for the project site that the City could adopt. This plan will guide the City's subsequent land use approval decisions. He stated that the proposed scope will not lead to the development of this "master plan."

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3. The proposed accelerated time line will not permit preparation of a credible and adequate Draft or Final EIS.
4. The scope does not encompass the importance of the phasing of the project or binding incremental development to the adopted plan for the development of the site.

Staff response:

1. **Level of detail:** The proposed scope of the EIS was prepared and distributed under EQB Rules at 4410.1700 Subp. 3. The proposed scope outlines the issues to be addressed in the EIS and the other information required by EQB rule 4410.2100 Subp. 6. Attachment 1 to the Draft Scoping Decision provides additional background and information on the topics and studies necessary to complete the EIS. The consultant team assembled to prepare the extensive Pillsbury A Mill EAW and its amendments will continue in the preparation of the EIS. An internal outline of the work items and process has been prepared by staff to guide the consultants and City staff involved and to test the feasibility of the proposed schedule.
2. **Development of a “Master Plan:”** The EIS process will not result in a single, detailed master plan for the development of the site. That plan for development of this site will be the City approved plan for development of the site, most specifically in the planned unit development (PUD) plan that would be adopted as part of City’s approvals. The local process that will lead to that plan begins upon completion of the EIS process. The EIS process will provide investigation, analysis, and additional public comment. This information will be used in the evaluation of the four alternatives for the development of the site identified in the proposed scope for the EIS. Informed by this analysis, the proposer will prepare their plan for the development of their site and submit it to the City for review and approval. The information in all the environmental documents generated by the environmental review process (including the EAW documents) will be available to the City and the public in its review for possible modification of the developer’s plan prior to granting the necessary land use approvals for development of this site.
3. **Schedule for review:** Given the information about the site gained from the EAW process staff believes the schedule is reasonable and possible. If a credible and adequate document cannot be prepared on this schedule, the process will be postponed. We are confident any postponement would be measured by and limited to the two week period enforced by the *EQB Monitor* publication schedule.
4. **Regulating the actual, not planned, development of the site:** The consistency of the actual development of the site, including implementation of its approved envelope, character, phasing, and mitigation is the function of the City’s regulations. The City’s implementation of its approved development plan for this site will be assured by its ongoing regulatory authority, and specifically its Planned Unit Development regulations and subdivision and platting authority, which will

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reinforce the City's zoning authority. These controls are designed to apply to the original owner of the site and any subsequent owners of all or any portion of the site. These controls, like all City land use controls, are subject to future amendment by the petition of the owner and approval by the City.

3. Jan Morlock, University of Minnesota

Ms. Morlock asked for additional detail on the nature of the additional studies on the steam plant emissions and how the studies in the EIS will differ from the studies done as part of the EAW process. She also asked how the other previously identified issues and concerns of the University beyond the issues of stationary source emissions and groundwater infiltration will be addressed.

Staff response:

Staff Responded by providing a summary of the internal work program on the specific issues she identified. Staff advised the University to specifically request the City Council include any additional issues in the scope for the EIS.

C. Written Comments Received

The following summarizes the three written comments received and responses to those comments (Exhibit 2 includes the letters):

1. Jeff Smyser

Mr. Jeff Smyser's comment concerns the project and not the scope of the EIS. No further response is warranted.

2. Dennis Gimmestad, State Historic Preservation Office

1. We will appreciate the opportunity to consult with the city as the issues and impacts to be addressed in the EIS are further developed. This will ensure full consideration of the description of historic resources, the impacts to those resources, and appropriate minimizing/avoidance measures for impacts, as outlined in our 3 March 2004 comment letter on the Environmental Assessment Worksheet.
2. With regard to the selection of alternatives to be considered in the EIS:
 - a. It is important that an additional alternative which incorporates the preservation of the concrete grain elevators is included for study. As we have indicated previously, removal of these elevators, which contribute to the historic district, should be one of the primary effects analyzed in the EIS. Without the investigation of an alternative that would preserve the elevators, there will be no consideration of how to avoid the effect of

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demolition (or justification for demolition if preservation of the elevators is judged to be infeasible).

- b. I would also urge that the design for proposed alternative #4 encompass a lower density development which retains the primacy of the height and massing of the historic mill buildings along this stretch of the river. This approach probably means that only one or two buildings will match the height of the red tile elevator. Such an alternative provides a meaningful comparison with a very different scale of development for this part of the riverfront.

Response:

1. City staff will continue to share information as it is developed with those interested in this project and to consider fully all suggestions. The work program under development for the EIS will detail a collaborative process that staff will follow.
 2. a. A new alternative reads as follows: "Alternative 6 assumes the Project is modified to allow the preservation of the elevators that are currently proposed to be demolished for the Project."
 2. b. City staff will have a response to this comment prior to the Zoning and Planning Committee meeting on 8/26/04.
- 3. Steve Minn, Minneapolis Stone Arch Partners, Inc.**

City staff received the attached letter from Mr. Minn on the day this draft report was due for filing with the City Clerk. No summary of the comments are available at this time.

Response:

City staff will have a response to this letter prior to the Zoning and Planning Committee meeting on 8/26/04.

Exhibits:

1. Record of Decision for the Scoping Decision
2. Letters received
3. Sign in sheet
4. Official mailing lists

EXHIBIT 1

Record of Decision

Scoping Decision for the Environmental Impact Statement for the Pillsbury A Mill Complex Project

CHRONOLOGY IN COMPLIANCE WITH THE PROCEDURES OF THE MINNESOTA ENVIRONMENTAL POLICY ACT

8/18/04 (dates of expected future events in italics)

- 7/26:** Notice of Positive Declaration and notice of time, date and place of scoping meeting to Environmental Quality Board (EQB).
- 8/2:** Draft EIS Scoping Report prepared and distributed to Official mailing lists (included herein)
- 8/2:** Notice of Positive Declaration notice of time, date and place of scoping meeting published in the *EQB Monitor*
- 8/16:** Scoping Meeting (5:00 Room 220 City Hall)
- 8/19:** Draft EIS Scoping Decision to Zoning and Planning (Z & P) Committee Clerk
- 8/26:** *Z & P considers draft EIS Scoping Decision*
- 9/2:** *Close of public comment on the draft Scoping Decision document*
- 9/3:** *City Council approves EIS Scoping Decision*
- 9/6:** *Final EIS Scoping Decision and EIS Preparation notice provided to Environmental Quality Board (EQB) and Notice of Accelerated (less than 280 days) Review*
- 9/13:** *Final Scoping Decision and EIS Preparation notice published in EQB Monitor, Notice of Accelerated (less than 280 days) Review*

EXHIBIT 2

Letters received

EXHIBIT 3

EXHIBIT 4

EXHIBIT 5

DRAFT SCOPING DECISION DOCUMENT

For the

PILLSBURY A MILL COMPLEX PROJECT

ENVIRONMENTAL IMPACT STATEMENT

Proposed changes to this document since the City distributed it are shown in ~~striketrough~~ and **bold and underlined** text.

The Environmental Impact Statement (EIS) is for the Pillsbury A Mill Complex Project, which is bounded on the north and south respectively by 2nd Street SE and Main St. SE, and on the east and west respectively by 3rd Avenue SE and 6th Avenue SE.

Responsible Governmental Unit

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Purpose: After the City of Minneapolis prepared an Environmental Assessment Worksheet (EAW) for the Pillsbury A Mill Complex Project (Project), the Minneapolis City Council and the Mayor ordered the preparation of an Environmental Impact Statement (EIS) for the Project (7/8/04). This document is the Draft Scoping Decision Document for the EIS. It describes the issues, impacts, and the alternatives to be addressed in the EIS; the expected schedule for completion; and any studies that are necessary. It has been prepared consistent with Minn Rules 4410.2100 Subp. 6.

A. The issues and impacts to be addressed in the EIS

This section will identify the essential elements of the St. Anthony Falls Historic District, allowing the testing of the Alternatives defined herein for impact on these essential elements and providing a comprehensive analysis of the overall impacts of the entire project on the historic district.

1. **Project description:** The EIS will include a comprehensive description of the Project including all of its phases and all of the Alternatives identified herein.
2. **Description of the historic resources in the area:** The EIS will include a detailed statement describing the archaeological, historical, and architectural

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- resources in the area, including a description of the nature and character of the St. Anthony Falls Historic District (District), focused on this sub-area of the District.
3. **Implementation of the Secretary of the Interior's Standards:** The EIS will identify how the Project implements the recommendations contained in the Secretary of the Interior's Standards for Rehabilitation and the guidelines adopted by the Minneapolis Heritage Preservation Commission (HPC).
 4. **Historic impact analysis:** The EIS will evaluate the cumulative visual and functional impacts of all phases of the Project (including demolition and new construction) on all of the historic resources on the site and proximate to it, including the following:
 - Describe the Project's effects of siting, height, design, massing, and scale related to all phases of the Project.
 - Describe the Project's impacts on views—
 - to, from, and of the River within the St. Anthony Falls Historic District;
 - to, from, and on both the east and west banks of the District; and
 - on the east and west banks of the River contained within the Mississippi National Recreation Area, the Mississippi River Critical Area, and the City's Shoreland Overlay District, on resources across the river and historic elements such as tunnels and raceways.
 - Analyze the Project's impacts, if any, on infrastructure on the historic sluice ways and mill races under the A Mill and Main Street related to all phases of the project.
 - Describe the cumulative impacts on historic resources of the Project in addition to the other know actions in the immediate area, including the Phoenix Lofts project¹ and 520 and 520-1/2 Second St. SE and 110 Fifth Ave. SE.
 5. **Historic impact mitigation plan:** Describe possible measures to mitigate the impacts on historic resources of the Project, including scale, design, circulation and preservation, and specifically including restoration of the A Mill as part of the first phase of the Project. (This is applicable to all but the no-action Alternative.)
 6. **Air quality study and mitigation plan:** Complete an additional air quality analysis of the potential impacts of all phases of the Project to further evaluate possible exposure of people to dangerous levels of pollutants from the Southeast Steam Plant. If adverse impacts are determined, identify mitigating measures that will prevent or mitigate impacts of such exposure, including changes in building and mechanical system design, heights, and placements of buildings.
 7. **Stormwater management plan:** Prepare a stormwater management plan that includes an evaluation of potential groundwater impacts of all phases of the Project on the nearby Southeast Steam Plant and surrounding natural and historic resources.

B. Time limits for preparation

Given information gathered and generated and the public comment received during the Environmental Assessment Worksheet and Findings of Fact and Record of Decision processes for the Project, an accelerated schedule is appropriate and reasonable. This accelerated schedule allows the Draft EIS to be circulated at the end of September or early in October, the Final EIS circulated in November or December, and the process

¹ The Phoenix Lofts project is located on the eastern third of the block bounded by 2nd St. SE, Main St. SE, 3rd Ave. SE, and 2nd Ave. SE (extended). The site is also known as the Diageo site. It is important to note that even though this EIS Scoping Decision for the A Mill Project would require the EIS include information about the Phoenix Lofts Project, the preparation of this EIS should not in any way affect the ongoing process to complete the EAW for the Phoenix Lofts Project. The Phoenix Lofts project is separate from and not a connected or phased action of the A Mill Project. Also, the Phoenix Lofts EAW is a separate and independent environmental review, just like the recently completed third environmental review in the immediate area for the 520 and 521 Second Street project.

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completed in January of 2005. The proposed schedule meets all of the minimum time periods defined by the Rules. (Attachment 2 includes the **fastest possible** proposed schedule for completing the EIS.)

Consistent with Minn. Rules at 4410.2000 Subp. 3 A., the City Council and Mayor ordered the preparation of a Discretionary EIS. For this type of EIS, the appropriate process is defined at 4410.2100 Subp. 4, which requires the City to hold a public comment meeting to review the scope of the EIS at least 10 days but not more than 20 days after the publication of the positive declaration in the EOB Monitor. (Full notice with the details concerning the public scoping meeting were published on 8/2/04 in the Monitor.) The Rules at 4410.2100 Subp. 4 B. require the City to make a decision on the EIS scope within 45 days of the 8/2/04 notice, or by 9/16/04. The proposed EIS completion schedule in Attachment 2 calls for final City Council action on 9/3/04. The next City Council meeting is 9/24/04, eight days beyond the 45-day deadline called for in the Rules.

Although the Rules do not specify a comment period for this type of EIS, the City is assuming the standard 30-day period found elsewhere in the Rules, 8/2//04 to 9/1/04 in this case.

C. Identification of the permits for which information will be gathered concurrently with EIS preparation

The EIS will identify those permits needed by the Project (this information is currently available in the EAW already prepared for the Project).

D. Identification of the permits for which a record of decision will be required

This matter will be addressed in the information prepared for Section C.

E. Alternatives that will be addressed in the EIS

The EIS shall include the following ~~five~~ **six** Alternatives. Alternatives 1-3 include alternate heights and massing for the Project as described in the completed EAW. These alternatives would accommodate approximately 1,095 housing units and 105,000 sq. ft. of commercial space within an overall floor area of 1,850,000 sq. ft. Alternative 4 would reduce the Project considerably, and Alternative 5, the no action alternative required by State rules, assumes no project at all. Alternatives 1-4 include a certified historical rehabilitation of the A Mill portion of the complex **as a part of Phase I of the Project.** (The “A Mill portion of the complex” includes all existing historic structures, with the assumption of demolition of the existing white concrete elevators.) **Alternative 6 assumes the Project is modified to allow the preservation of the elevators that are currently proposed to be demolished for the Project.** Each alternative, including the no-action alternative, will assume that the proposed Phoenix Lofts project and the the proposed 520-520 ½ Second Street SE and 110 Fifth Avenue SE projects will be completed.

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1. **Proposed Project:** Alternative 1 will include the Project as described in the completed EAW; however, it may be modified for the EIS. (Illustration A in Attachment 3 shows this concept; however, it will be modified to include the Phoenix Lofts Project.)
2. **Height limited to Red Tile Elevator:** Alternative 2 will limit the heights of the buildings in the Project to that of the Red Tiled Elevator. (Illustration B in Attachment 3 shows this concept; however, it will be modified to include the Phoenix Lofts project.)
3. **Reduced heights:** Alternative 3 allows heights above the Red Tile Elevator but reduces the building mass between the taller structures. (Illustration G in Attachment 4 shows this concept; however, it will be modified to include the Phoenix Lofts project.)
4. **Current zoning:** Alternative 4 reduces the program for the Project significantly to stay within the density and massing permitted by the Industrial Living Overlay District and the density of the R5 Multiple Family District in the City's Zoning Code. The heights of the buildings will not exceed that of the Red Tiled Elevator. No illustration of this alternative is available at this time for inclusion in this draft Scoping document.
5. **No Action:** This no-action alternative, required by the state rules, assumes that the Project will not go forward.
6. **Elevator preservation: Alternative 6 assumes the Project is modified to allow the preservation of the elevators that are currently proposed to be demolished for the Project.**

F. Identification of potential impact areas resulting from the project itself and from related actions which shall be addressed in the EIS

This matter will be addressed in the materials prepared for Section A.

G. Identification of necessary studies requiring compilation of existing information or the development of new data that can be generated within a reasonable amount of time and at a reasonable cost

This matter will be addressed in the materials prepared for Section A.

Attachments:

1. Decision on the Need for an Environmental Impact Statement for the Pillsbury A Mill Complex Project
2. Proposed completion schedule
3. Illustration A (Concept of Alternative 1) and Illustration B (Concept of Alternative 2)
4. Illustration G (Concept of Alternative 3)

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ATTACHMENT 1

**DECISION ON THE NEED FOR AN ENVIRONMENTAL IMPACT STATEMENT FOR THE
PILLSBURY A MILL PROJECT**

Action of the Minneapolis City Council on July 2, 2004 and approved by the Mayor on July 8, 2004

Based on the [Environmental Assessment Worksheet (EAW)] and all sections of the above analysis, the City of Minneapolis, the responsible governmental unit (RGU) for this environmental review, concludes the following:

1. The EAW and related documentation were completed in compliance with the procedures with the Minnesota Environmental Policy Act and Minn. R., Pt 4410.1000 to 4410.1700.
2. The EAW and related documentation have not satisfactorily addressed all of the issues for which existing information could have been reasonably obtained. Based on information received during the comment period, the EAW is inadequate as follows:
 - The EAW fails to identify and discuss how the project may affect the integrity of the historic resources on or proximate to the site. Aspects of the project with potential impacts on these resources which have not been identified in the EAW include but are not limited to, the demolition of buildings and structures, construction of new buildings, and rehabilitation of existing buildings and structures.
 - The EAW fails to describe impacts related to proposed demolitions, or the historical importance of each property to be removed by demolition and the effect of that removal on the remaining historic properties.
 - The EAW fails to describe the visual and functional impacts on the historic district, and on individual historic properties resulting from the siting, height, design, massing and scale of the proposed new construction.
 - The EAW fails to address impact on views to, from and of the Mississippi River. Further, the EAW has not adequately disclosed the impacts on and within the Mississippi National and Recreation Area (MNRRA), the Mississippi River Critical Area, and the St. Anthony Falls National Register of Historic Places District.
 - The EAW fails to adequately address air quality issues, and staff has recommended that additional air quality studies be required. This study should be conducted as part of the environmental review process in order to inform the Council on this impact before it makes a decision on the EAW.
 - The EAW is inadequate because there is no useable information concerning how stormwater runoff will be managed, or its impact on the A Mill complex, nor was any credible information provided regarding the impact of major sewer and water utility improvements for the project on the historic sluice ways and mill races under the A Mill and Main Street.
 - The EAW is inadequate because it fails to provide adequate information on cumulative impacts of related development. In addition to the project, the proposer is also developing the adjacent Diageo site for the Phoenix Lofts development. These projects are being developed by the same proposer and fall just below the required mandatory threshold for an EIS by less than 10% of the required 1500 units for a mandatory EIS. However, the cumulative impacts of these projects is (sic) not adequately addressed in the EAW, but their assessment is left to the regulatory process.
 - The EAW is inadequate because it fails to provide any meaningful, substantive analysis of historic impacts which would help the proposer define and refine the project, and to help the City with its future reviews in the City's regulatory processes. The record of decision discloses that the EAW does not fully describe historic resources, impacts, and mitigation options and therefore fails to discuss in the EAW measures that may have already been taken or could be taken to address project impacts. The EAW also fails to identify effective and appropriate avoidance and/or mitigation measures, which actions are a central requirement and purpose of an EAW.
 - The EAW is inadequate because it does not provide sufficient information for the City to mitigate the environmental effects of the project by ongoing public regulatory authority, in the City's zoning and building permit processes. Since the record of decision contains little useable

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information on the environmental impacts, particularly relating to the height impacts, the City's ongoing regulatory processes will be inadequate to mitigate the environmental impacts of the project without this information.

- There is inadequate staffing in the Public Works Department and the Planning Department, including planners who support the Heritage Preservation Commission (HPC) to fully assess in the regulatory process, all the impacts on all the historic resources identified by commenters in the EAW, when these impacts have not been adequately identified in the environmental review process. Staff cannot adequately assess the environmental impacts while also addressing the regulatory standards in the zoning process. Staff cannot replicate in the regulatory process the expertise which would be required to identify and assess all the impacts of the project, and which could be brought to bear in the EIS process.

The Council determines the EAW is not adequate and that based on the EAW, all the comments and additional information received during the EAW comment period, the project has the potential for significant environmental effects and therefore, orders the preparation of an [Environmental Impact Statement (EIS)] pursuant to Minn. R. 4410.1700 Subp. 1 and 4410.2000, Subp 3.A.

Further, the City directs staff to commence the EIS scoping process pursuant to the requirements of Minn. R. 4410.2100, which scoping process shall include the following issues at a minimum for discussion during the EIS preparation period:

- The developer should prepare a more comprehensive analysis of the overall impacts of the entire project on the historic district. He should prepare a detailed statement describing the archaeological, historical, and architectural resources in the area, including a description of the nature and character of the historic district. The statement also should identify how the proposal implements the recommendations contained in the Secretary of the Interior's Standards for Rehabilitation and the guidelines adopted by the Minneapolis Heritage Preservation Commission (HPC), and describe any project-related impacts on these resources and measures to minimize or avoid these impacts. Submit additional information to satisfy the above concerns related to all phases of the project.
- The developer should evaluate the visual and functional impacts of all new construction on all of the historic resources on the site and proximate to it, including resources across the river and historic elements such as tunnels and raceways concerns related to all phases of the project. These impacts include siting, height, design, massing, and scale related to all phases of the project.
- Impact of the project on views to, from and of the River within the St. Anthony Falls Historic District, on both the east and west banks of the District and the east and west banks of the River contained within the Mississippi National Recreation Area, the Mississippi River Critical Area and the City's Shoreland Overlay District related to all phases of the project.
- The cumulative impacts on historic resources of the project and the Phoenix Lofts related to all phases of the project.
- The impacts on infrastructure for the project on the historic sluice ways and mill races under the A Mill and Main Street related to all phases of the project.
- Possible mitigation effects on historic resources of a master plan for the project site.
- Additional air quality study analyzing impacts on all phases of the project to further evaluate possible exposure of people to dangerous levels of pollutants from the Southeast Steam Plant and mitigating measures that will prevent such exposure based upon the heights and placements of buildings.
- Stormwater management plan and evaluation of potential impacts from groundwater on the nearby Southeast Steam Plant and surrounding natural and historic resources.
- In handling the approvals process, staff should make every effort to make sure that restoration of the A Mill is part of the first phase of the project.

Staff is further directed to comply with the procedures for scoping found in Minn. R. 4410.2100, Subp. 4 and Subp. 5, and to specifically invite comments from the Department of Natural Resources, the State Historic Preservation

**DRAFT SCOPING DECISION DOCUMENT for the PILLSBURY A MILL COMPLEX PROJECT
ENVIRONMENTAL IMPACT STATEMENT**

Office, the National Park Service and all other preservation organizations and others who provided comments during the EAW comment period.

ATTACHMENT 2

FASTEST POSSIBLE SCHEDULE FOR PREPARATION OF THE EIS²

A. Scoping Process

- 7/26: Notice of Positive Declaration and notice of time, date and place of scoping meeting to EQB
- 8/2: Draft EIS Scoping Report prepared and distributed
- 8/2: Notice of Positive Declaration notice of time, date and place of scoping meeting published in the *EQB Monitor*
- 8/16: Scoping Meeting (5:00 Room 220 City Hall)
- 8/19: Draft EIS Scoping Decision to Zoning and Planning (Z & P) Committee Clerk
- 8/26: Z & P considers draft EIS Scoping Decision
- 9/2: Close of public comment on the draft Scoping Decision document**
- 9/3: City Council approves EIS Scoping Decision
- 9/6: Final EIS Scoping Decision and EIS Preparation notice provided to Environmental Quality Board (EQB) and Notice of Accelerated (less than 280 days) Review
- 9/13: Final Scoping Decision and EIS Preparation notice published in EQB Monitor, Notice of Accelerated (less than 280 days) Review

B. Draft EIS Preparation

- 9/20: Notice to EQB of availability of Draft EIS and date of public comment meeting
- 9/27: Draft EIS completed and distributed
- 9/27: Notice of availability of Draft EIS and public comment meeting published in *EQB Monitor* and in *StarTribune*
- 10/18: DEIS Public comment meeting held
- 11/1: DEIS Public comment period ends

C. Final EIS Preparation and Final Action

- 11/8: Responses to comments prepared, Final EIS prepared and distributed
- 11/8: Notice of availability of FEIS and public comment meeting published in *EQB Monitor* and in *StarTribune*
- 11/22: Comment Period ends on FEIS
- 12/2: Draft “Finding of Fact and Record of Decision” submitted to Z&P Clerk (2005 schedule is a guess)
- 12/9: Z&P considers the Draft “Finding of Fact and Record of Decision”
- 12/17: City Council approves the “Finding of Fact and Record of Decision”
- 12/27: Notice of adequacy sent to EQB
- 1/3: Notice of adequacy published in *EQB Monitor*

² This schedule represents the fastest possible period to complete the EIS within the minimum time requirements called for in State rules. The actual completion schedule may be longer.

ATTACHMENT 3

Illustrations A & B

ILLUSTRATION A



ILLUSTRATION B



If you need more information or have special needs, please call the
Minneapolis Planning Division at 612-673-2597.

ATTACHMENT 4
Illustration G

