



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

Date: December 7, 2005

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: 1010 Park Avenue Project: Environmental Assessment Worksheet
And Draft "Findings of Fact and Record of Decision Document"

RECOMMENDATION: Based on the information in the Environmental Assessment Worksheet, the "Findings of Fact and Record of Decision Document," and the related documentation for the 1010 Park Avenue Project (Project), the City Council should conclude the following:

1. The Environmental Assessment Worksheet, the "Findings of Fact and Record of Decision Document," and related documentation in the public record for the Project were prepared in compliance with the procedures of the Minnesota Environmental Policy Act and Minn. Rules, Parts 4410.1000 to 4410.1700 (1993).
2. The Environmental Assessment Worksheet, the "Findings of Fact and Record of Decision Document," and related documentation in the public record for the Project have satisfactorily addressed all of the issues for which existing information could have been reasonably obtained.
3. The Project does not have the potential for significant environmental effects based upon the findings in the "Findings of Fact and Record of Decision Document" and the evaluation of the following four criteria (per Minn. Rules, Parts 4410.1700 Subp. 7):
 - Type, extent, and reversibility of environmental effects.
 - Cumulative effects of related or anticipated future projects.
 - Extent to which the environmental effects are subject to mitigation by ongoing public regulatory authority.
 - Extent to which environmental effects can be anticipated and controlled as a result of other environmental studies undertaken by public agencies or the Project proposer, or of environmental reviews previously prepared on similar projects.

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4. The finding by the City that the EAW is adequate and no EIS is required provides no endorsement, approval, or right to develop the proposal by the City and cannot be relied upon as an indication of such approval. This finding allows the proposer to initiate the City’s process for considering the specific discretionary and ministerial permissions necessary for the Project, and for the City in this process, informed by the record of the EAW, to identify and mitigate any potential adverse environmental effects potentially associated with the Project. Consequently, the City does not require the development of an Environmental Impact Statement for the Project.

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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

Community Impact

Ward: 7
Neighborhood Notification: Completed (refer to Record of Decision in Exhibits D & E in attached “Findings of Fact and Record of Decision Document”)
City Goals: Consistent with some; inconsistent with others (refer to the attached EAW)
Comprehensive Plan: Consistent with some of the goals and policies; inconsistent with others (refer to the attached EAW)
Zoning Code: Consistent with parts of the Code; inconsistent with other parts (refer to the attached EAW)
Living Wage/Job Linkage: Private development
Other:

Background/Supporting Information

A. Options before the City Council:

There are three options before the City Council:

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1. Agree with the above staff recommendation and conclude that the EAW is adequate and that the development of an Environmental Impact Statement (EIS) for the Project is not necessary. This is called a Negative Declaration.
2. Conclude that the development of an EIS for the Project is necessary, called a Positive Declaration. The City must then approve the scope of the EIS by defining exactly the nature and detail of information needed to complete the EIS. An EIS normally takes nine or more months to complete. Already having an EAW in this case may shorten the process by a couple of months.
3. Conclude that the EAW is not adequate because more information is needed. The City must then define what additional information is needed to make it complete and postpone its decision on the need for an EIS until that information is available. State rules allow for a 30-day postponement of the decision. The following is an excerpt from the Minnesota Environmental Quality Board's report, "EAW Guidelines: Preparing Environmental Assessment Worksheets" (emphasis added):

The RGU may postpone its decision on the need for an EIS for up to 30 additional calendar days if it determines that **“information necessary to a reasoned decision about the potential for, or significance of, one or more possible environmental impacts is lacking, but could be reasonably obtained”** (part 4410.1700, subpart 2a). This provision is intended to provide for a postponement only on the basis of important missing information that bears on the question of potential for significant environmental impacts. **If the missing information is not critical to the EIS need decision in the opinion of the RGU, the decision should not be delayed. The information can be developed later as part of an appropriate permitting process.** In its record of decision, the RGU can describe the information and how it will be obtained and used.

B. Steps in the Decision-Making Process

There are several steps the City must take prior to making a decision on the need for an EIS:

- The City must consider the extensive environmental review record for the Project, which includes the EAW and the “Findings of Fact and Record of Decision Document. City staff have completed this analysis and on that basis recommend the City make a Negative Declaration (option 1).
- The City must order an EIS for “projects that have the potential for significant environmental effects” (Minn. Rules, Parts 4410.1700 Subp. 1). “In deciding whether a project has the potential for significant environmental effects the [City] shall compare the impacts that may be reasonably expected to occur from the project with the criteria in this part” (Minn. Rules, Parts 4410.1700 Subp. 6). The

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following are the four Evaluation Criteria (Minn. Rules, Parts 4410.1700 Subp. 7), all of which were documented in the Findings document:

1. Type, extent, and reversibility of environmental effects.
2. Cumulative effects of related or anticipated future projects.
3. Extent to which the environmental effects are subject to mitigation by ongoing public regulatory authority.
4. Extent to which environmental effects can be anticipated and controlled as a result of other environmental studies undertaken by public agencies or the project proposer, or of environmental reviews previously prepared on similar projects.

The third Evaluation Criteria is an important factor in this case. If there is specific mitigation by ongoing public regulatory authority that is reasonably certain to take place and that the City Council reasonably believes will eliminate the potential for what would otherwise be significant environmental effects, then the Council can conclude, depending upon consideration of the other factors in Minnesota Rules 4410.1700 Subpart 7, that there is no potential for significant environmental effects and conclude no EIS is needed (option #1 above). That decision can also rely on the authority of the City to order whatever additional information is needed during the permit review process.

On the other hand, if the City believes that its ongoing public regulatory authority cannot mitigate the potential environmental effects of the Project to the extent needed to conclude that there is no potential for significant environmental effects as defined by Minnesota Rules, Part 4410.1700, or if the City finds that an EIS is the only way to order any missing information it deems necessary to complete the environmental review, then the City should order the development of an EIS (option #2 above).

As stated above, the third option is to delay the EIS need decision and order the preparation of any missing information as part of the EAW.

Attachments:

1. “Findings of Fact and Record of Decision Document” for the Environmental Assessment Worksheet for the 1010 Park Avenue Project, draft dated 12/7/05.
2. Environmental Assessment Worksheet for the 1010 Park Avenue Project, dated 10/24/05.

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ATTACHMENT 1

“Findings of Fact and Record of Decision Document” for the Environmental Assessment Worksheet for the 1010 Park Avenue Project, draft dated 12/7/05.

**Community Planning & Economic Development
Planning Division**

350 South 5th Street, Room 210
Minneapolis, MN 55415-1385
612-673-2597 Fax: 612-673-2728



The “Findings of Fact and Record of Decision Document” for the Environmental Assessment Worksheet prepared by the City of Minneapolis for the 1010 Park Avenue Project located at 1010 Park Ave. in the City of Minneapolis is now available for public review

The Environmental Assessment Worksheet (EAW) provides information regarding the potential environmental effects of the 1010 Park Ave. Project (Project). Heritage Development proposes the redevelopment of a 2.26 acre site assembled within the block bounded by 10th Street, Park Avenue, Grant Street, and Portland Avenue on the east edge of Downtown Minneapolis. The mixed-use redevelopment, when complete, will provide 420 housing units and 37,952 sq. ft. of commercial space served by 577 enclosed off-street parking spaces. The first phase will include 133 housing units in linked towers of 11 and 22 floors. The remaining 287 housing units will be constructed in linked towers of 25 and 40 floors during the final phase. One building on the site, 619 10th St. S., is listed on the National Register of Historic Places and will not be altered during the redevelopment.

In addition to the record of the decision-making process, the Findings Document includes copies of the comments received on the EAW and responses to the substantive comments. Copies of the Findings of Fact and Record of Decision Document and the EAW are available for review at the downtown Minneapolis Public Library located at 250 Marquette Ave. and in the office of the City Planning Division at 210 City Hall. **It is also available for review on the City of Minneapolis web site: <http://www.ci.minneapolis.mn.us/planning>.** Paper copies of this Findings Document and EAW and a compact disk of the report can also be provided upon request to Michael Orange (refer to contact information below).

Planning Division staff will present the EAW and the Findings Document to the Zoning and Planning Committee of the City Council on Thursday 12/15/05 (meeting begins at 9:30 a.m. in Room 317 City Hall). Subsequently, the City Council will act on the Committee’s recommendation.

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

Attention: If you want help translating this information, call - **Hmong** - Ceeb toom. Yog koj xav tau kev pab txhais cov xov no rau koj dawb, hu 612-673-2800; **Spanish** - Atención. Si desea recibir asistencia gratuita para traducir esta información, llama 612-673-2700; **Somali** - Ogow. Haddii aad dooneyso in lagaa kaalmeeyo tarjamadda macluumaadkani oo lacag la’ aan wac 612-673-3500

DRAFT FINDINGS OF FACT AND RECORD OF DECISION

ENVIRONMENTAL ASSESSMENT WORKSHEET For the 1010 Park Avenue Project

**Location: Part of the Block Surrounding 1010 Park Avenue
in the City of Minneapolis, Hennepin County, Minnesota**

Responsible Governmental Unit: City of Minneapolis

Responsible Governmental Unit

City of Minneapolis
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Proposer

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I. ENVIRONMENTAL REVIEW AND RECORD OF DECISION

The City of Minneapolis prepared a Mandatory Environmental Assessment Worksheet (EAW) for the 1010 Park Avenue Project according to the Environmental Review Rules of the Minnesota Environmental Quality Board (EQB) under Rule 4410.4300 subpart 19, Residential Development. The Project proposes construction of more than 375 attached residential units. Exhibit A includes the Project summary and Exhibit B includes the Record of Decision.

II. EAW NOTIFICATION AND DISTRIBUTION

On October 21, 2005, the City caused the EAW to be published and distributed to the official EQB mailing list and to the Project mailing list. The EQB published notice of availability in the *EQB Monitor* on October 24, 2005. Exhibit C includes the public notification record and these mailing lists.

III. COMMENT PERIOD, PUBLIC MEETING, AND RECORD OF DECISION

Exhibit D includes the comment letters received. The Zoning and Planning Committee of the Minneapolis City Council considered the EAW and the draft of this “Findings of Fact and Record of Decision Document” during its December 15, 2005, meeting. Notification of this public meeting was distributed via the City’s standard notification methods and to the official list of registered organizations (refer to Exhibit C).

IV. SUBSTANTIVE COMMENTS RECEIVED AND RESPONSES TO THESE COMMENTS

The City received four written comments during the public comment period.

1. Minnesota Department of Transportation, November 17, 2005
2. Metropolitan Council, November 22, 2005
3. David Fields, Elliot Park Neighborhood, Inc., November 22, 2005
4. Daniel Quirk, 1020 Portland Avenue

The following section provides a summary of these comments and response. (Exhibit D includes the letters).

1. **Minnesota Department of Transportation:** MNDOT has no concerns at this time.

RGU Response: Noted for the record

2. **Metropolitan Council:** “The EAW is complete and accurate with respect to regional concerns and raises no issues of consistency with Council policies.”

RGU Response: Noted for the record

3. **Daniel Quirk:** The proposed design with no residences on the 2nd through 6th floors and with service and retail alleys may create refuges that are not sensitive or responsive to the crime problems in the neighborhood. The proposed design does not incorporate the lower 3-to-4 story structures on the street edges provided by the other recent tall buildings in the vicinity where the tallest parts of the building are located away from the street. These lower elements along the street are necessary to buffer the adjacent remaining low-rise structures and to complement the existing low-rise feel of the neighborhood. The shadow studies do not accurately depict the impact on the adjacent low-rise buildings.

RGU Response: These design elements, described and illustrated in the EAW, and the accuracy and usefulness of the shadow studies will be directly addressed by the City’s Land Use Approval Process for the approvals described in the response to Question 8 in the EAW.

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4. Elliot Park Neighborhood, Inc. (EPNI), David Fields: A letter from Mr. Fields dated August 3, 2005, is included as Attachment I to the EAW, and provides EPNI’s general support for the Project as known at that time. Mr. Fields’ November 22 letter commenting on this EAW notes the Project described in the EAW has changed in ways that will overwhelm the neighborhood, and, as described in the EAW, may be just too much building for this site. He also reinforced Mr. Quirk’s comments.

RGU Response: As described in the EAW, the Project proposers will need to request a rezoning of the site and other permits in order to permit the height, bulk, and number of units as proposed. In most zoning districts, the City’s Zoning Code regulates the intensity of development by three measures. First, by limiting the maximum number of housing unit by setting a minimum lot area per unit (but not in the Downtown Districts). Second, by limiting building bulk, as measured by the Floor Area Ratio (FAR), by limiting the total floor of the building as a ratio of the lot area. Third, by limiting the height of the building (but not in the Downtown Districts). The Zoning Code provides bonuses and variances to increase the allowable dwelling units and the maximum FAR, and it allows an unlimited increase in height subject to the approval of a conditional use permit. The following table describes the relationship of the proposed Project to these regulations in the C3A, the OR3, and the B4 Districts:

	Proposed	C3A	OR3	B4 Districts
Lot area (sq. ft.)	98,496	400/DU	300/DU	None
Allowable Dwelling Units (DUs)		246	328	
Eligible bonuses				
Enclosed parking		20%	20%	
Mixed commercial-residential		20%	20%	
DUs after bonuses	420	345	460	
Maximum possible variance		30%	30%	
Maximum possible DUs after variance	420	419	558	No restrictions
Maximum Floor Area Ratio (FAR)	8.4	2.7	3.5	8 to 16
Allowable build out		265,939	344,736	Varies
Floor Area Ratio (FAR) bonuses				
Enclosed parking		20%	20%	20%
Mixed commercial-residential		20%	20%	
Allowable build out after bonuses		372,315	482,630	
Maximum possible FAR variance		30%	30%	
Maximum possible build out after variance	823,994	452,097	586,051	Varies
Possible as a percent of proposed build out		55%	71%	
Allowable height (whichever is lower)	11 & 22 stories	4 stories/56'	6 stories/84'	Not regulated
Increasing maximum height by conditional use permit		yes	yes	

As can be seen from the table, the Project would have to obtain the following permits to be built:

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- **If rezoned to C3A:** The Project will need a lot area variance for the maximum amount to build 419 of the proposed 420 units, and a conditional use permit to exceed the 4-story height limit. Even with the maximum allowable FAR variance, only 55% of the proposed building bulk could be built.
- **If rezoned to OR3:** The Project will not need a lot area variance to build the proposed 420 units but it will need a conditional use permit to exceed the 4-story height limit. Even with the maximum allowable FAR variance, only 71% of the proposed building bulk could be built.
- **If rezoned to the B4:** There are no lot area minimums or height limits in the Downtown Districts. The allowable FAR will accommodate the proposed building bulk.

The design elements, described and illustrated in the EAW, and the accuracy and usefulness of Attachment D and the shadow studies will be directly addressed by the City's land use approval process for the approvals described in the response to Question 8 in the EAW.

V. ISSUES IDENTIFIED IN THE EAW

The sole environmental issue identified in this EAW is the impact of the proposed building heights and bulk and the number of dwelling units. As stated in the EAW, the developers are currently involved in the City's approval process. The Project will need the discretionary approval of the various applications described above in Section IV and in the response to Question 8 of the EAW to be realized. These applications will be formally considered through the City's land use approval process. These are established and open processes that encourage comment from the public; provide for evaluation, comment, and recommendations by professional staff; and result in decisions by local elected officials. These potential impacts will be directly addressed and can be mitigated by the City during the land use approval process for this Project.

VI. COMPARISON OF POTENTIAL IMPACTS WITH EVALUATION CRITERIA

In deciding whether a project has the potential for significant environmental effects and whether an Environmental Impact Statement (EIS) is needed, the Minnesota Environmental Quality Board rules (4410.1700 Subp. 6 & 7) require the responsible governmental unit, the City in this case, to compare the impacts that may be reasonably expected to occur from the Project with four criteria by which potential impacts must be evaluated. The following is that comparison:

A. Type, Extent, and Reversibility of Environmental Effects

The environmental effects identified in the EAW are the Project's inconsistency with the development restrictions of the site's present designation under the zoning ordinance.

B. Cumulative Effects of Related or Anticipated Future Projects

Residential development at this site is consistent with the overall objective of the City's Comprehensive Plan and the adopted neighborhood plan. Specific design elements and the proposed density and bulk of this proposal may be mitigated during the City's land use approval process. No other project is related to this Project, and no significant environment effects are predicted by this development.

C. Extent to Which the Environmental Effects are Subject to Mitigation by Ongoing Public Regulatory Authority

The City has discretionary authority through its land use approval process, and ministerial authority through the permit approvals required for this Project to address, mitigate, or avoid the environmental effects identified in the EAW.

D. Extent to which Environmental Effects Can be Anticipated and Controlled as a Result of other Environmental Studies Undertaken by Public Agencies or the Project Proposer, or of Environmental Reviews Previously Prepared on Similar Projects.

The construction of another residential building on the edge of the downtown of a central city follows many precedents and is a known event with known effects.

VII. DECISION ON THE NEED FOR AN ENVIRONMENTAL IMPACT STATEMENT

Based on the Environmental Assessment Worksheet, the "Findings of Fact and Record of Decision," and related documentation in the public record for the 1010 Park Avenue Project, the City of Minneapolis concluded the following on December 23, 2005:

1. The Environmental Assessment Worksheet, the "Findings of Fact and Record of Decision Document," and related documentation in the public record for the Project were prepared in compliance with the procedures of the Minnesota Environmental Policy Act and Minn. Rules, Parts 4410.1000 to 4410.1700 (1993).
2. The Environmental Assessment Worksheet, the "Findings of Fact and Record of Decision Document," and related documentation in the public record for the Project have satisfactorily addressed all of the issues for which existing information could have been reasonably obtained.
3. The Project does not have the potential for significant environmental effects based upon the findings in the "Findings of Fact and Record of Decision Document" and the evaluation of the following four criteria (per Minn. Rules, Parts 4410.1700 Subp. 7):
 - Type, extent, and reversibility of environmental effects.
 - Cumulative effects of related or anticipated future projects.

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- Extent to which the environmental effects are subject to mitigation by ongoing public regulatory authority.
 - Extent to which environmental effects can be anticipated and controlled as a result of other environmental studies undertaken by public agencies or the Project proposer, or of environmental reviews previously prepared on similar projects.
4. The finding by the City that the EAW is adequate and no EIS is required provides no endorsement, approval, or right to develop the proposal by the City and cannot be relied upon as an indication of such approval. This finding allows the proposer to initiate the City's process for considering the specific discretionary and ministerial permissions necessary for the Project, and for the City in this process, informed by the record of the EAW, to identify and mitigate any potential adverse environmental effects potentially associated with the Project. Consequently, the City does not require the development of an Environmental Impact Statement for the Project.

Final action: Refer to Exhibit E.

Exhibits:

- A. Project Description
- B. Record of Decision
- C. Public notification record
- D. Comment letters
- E. Council/Mayor action

EXHIBIT A

Project Description

Heritage Development proposes the redevelopment of a 2.26 acre site assembled within the block bounded by 10th Street, Park Avenue, Grant Street, and Portland Avenue on the east edge of Downtown Minneapolis (refer to Attachment B, Site Context). The mixed-use redevelopment (Project), when complete, will provide 420 housing units and 37,952 sq. ft. of commercial space served by 517 enclosed off street parking spaces. The first phase will include 133 housing units in linked towers of 11 and 22 floors. The remaining 287 housing units will be constructed in linked towers of 25 and 40 floors during the final phase (refer to Attachment C). One building on the site, the Hinkle-Murphy Building at 619 10th St. S., is locally designated and is listed on the National Register of Historic Places. This building will not be altered during the redevelopment.

The 2.26 acre site includes seven tracts, four of which are now surface parking lots. The remaining three tracts house buildings that will be preserved (Attachment C, Site Plan). The historically designated Hinkle-Murphy mansion (619 10th St. on Attachment B) has been renovated for commercial/office use, and the exterior of the Baker building (609 10th St. on Attachment B) has been improved. The Enger building (640 Grant St. on Attachment B) is to be incorporated into the lobby of the East Tower during Phase I. Parcels located on the block that are not part of the redevelopment are identified on Attachments B and C as follows:

- 1005 Portland Ave., the Balmoral Apartment Building
- 1025 Portland Ave., the RS Eden Apartment Building
- 614 Grant St., the Learning Center.

The proposal has four elements (refer to Attachment D Building Plan):

- East Tower condominium building along Park Avenue
- Incorporation of the Enger Building into the lobby of the East Tower
- West Tower condominium along Portland Avenue
- Renovation of the Hinkle-Murphy Mansion for commercial/office use.

In the first phase, the 133-unit development with a stepped tower of 11 and 22 stories will be built on the east, Park Avenue frontage, portion of the site. In the second phase the 287 unit, stepped tower of 25 and 40 stories will be built on the west, mid-block, portion of the site. Construction of the first phase is intended to begin in June of 2006 and be completed in November of 2007. Construction the second phase is intended to begin in October of 2006 and be completed in February of 2008.

The East Tower site is presently comprised of the Enger building and an asphalt parking lot. This lot will be developed into a 133 unit, stepped tower condominium of 11 and 22 stories (Attachments E, Park Avenue Elevation East Tower; and F, 10th St. Elevation East and West Towers). Located on the ground level will be neighborhood-serving retail and the primary resident entrance. This entrance incorporates the Enger building and adds a library and a parlor to the entry lobby. In addition, the entrance is pulled back to provide a residential drop-off and to add a scaled, landscaped area at the corner. A secondary entrance is located within the new urban pedestrian plaza, ringed with neighborhood-serving retail that will be created around the Hinkle-Murphy

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mansion. The residential and commercial parking entrances are located on Grant Street near the corner of Park Avenue. The parking garage will provide a total of 257 spaces (169 enclosed spaces above grade and 88 below grade)

The West Tower site is presently two asphalt parking lots. This will be developed into a 287 unit, stepped tower condominium of 25 and 40 stories (Attachment G, Portland Avenue Elevation West Tower). Located on the ground level will be neighborhood-serving retail, and two entrances. The main resident entrance is located within the new urban plaza directly across from the East Tower's entrance, creating a pedestrian front door for the towers. On Portland Avenue, the West Tower features storefront commercial spaces on the street and a secondary entrance for the residents. The residential and commercial parking entrances are on Grant Street. The parking garage will provide a total of 360 spaces (308 enclosed spaces above grade and 52 below grade).

The renovation of the Hinkle-Murphy mansion has been completed and is ready for tenants.

EXHIBIT B

Environmental Review Record for the 1010 Park Avenue Project Environmental Assessment Worksheet

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

<u>DATE</u>	<u>ITEM</u>
10/21/05	City staff distributes EAW to official EQB mailing list and 1010 Park Avenue Project List.
10/24//05	Minnesota Environmental Quality Board (EQB) publishes notice of availability in <i>EQB Monitor</i> . 30-day comment period commences.
11/23/05	End of EAW public comment period.
<i>12/15/05</i>	<i>Zoning and Planning Committee (Z & P) of the City Council considers the “Findings of Fact and Record of Decision Document” and provides recommendation to the City Council: EAW is adequate and no EIS is necessary.</i>
<i>12/23/05</i>	<i>City Council approves Z & P Committee recommendation and makes a finding of Negative Declaration: EAW is adequate and no EIS is necessary.</i>
<i>12/29/05</i>	<i>Mayor approves Council action regarding EAW</i>
<i>12/31/05</i>	<i>City publishes notice of Council/Mayor decision in Finance and Commerce. Moratorium on issuance of final permits lifted.</i>
<i>1/3/06</i>	<i>City publishes and distributes Notice of Decision and availability of final “Findings” report to Official EQB List and the Official Project List</i>
<i>1/12/06</i>	<i>EQB publishes Notice of Decision in EQB Monitor.</i>

EXHIBIT C

Public Notification Record

The following describes the public notification process of the Planning Division for the 1010 Park Avenue project EAW:

1. The City maintains an updated list based on the Official EQB Contact List. The Planning Division also distributes copies of the EAW and related documents via interoffice mail to elected and appointed officials, City staff, and others who have expressed interest in the Project.
2. The City developed a 1010 Park Avenue Official Project List. The list included the names of everyone who inquired about the project and who submitted information or comments on the project.
3. The City notified the people and agencies on the 1010 Park Avenue Official Project List and the Official EQB Contact List regarding the availability of the EAW, the draft and final "Findings of Fact and Record of Decision Document," and the Notice of Decision. The notification materials included information regarding EAW/RGU Contact Person, the dates of the public comment period and the Public Comment Meeting, methods to obtain more information and submit comments, and the likely dates of the decision-making process for the EAW.
4. The City provided copies of the Findings of Fact and Record of Decision and the EAW to the downtown Minneapolis Public Library located at 250 Marquette Ave. The City posted the documents on the City of Minneapolis web site (<http://www.ci.minneapolis.mn.us/planning>) and provided paper copies and a compact disk of the report to all who requested them.
5. The EQB published the notice of availability of the EAW in the *EQB Monitor* on October 24, 2005; and the City provided the notice of availability of the EAW in the form of a press release to the StarTribune newspaper on October 17, 2005.
6. On **X**, the City distributed the Notice of Decision and the notice of availability of the final "Findings of Fact and Record of Decision Document" to the people and agencies on the 1010 Park Avenue Official Project List and the Official EQB Contact List.

Attached:

1010 Park Avenue Official Project List
Official EQB Contact List

**1010 Park Avenue Project EAW
Official Project List**

Daniel Quirk
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Mpls., MN 55404

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Heritage Development
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Ciara Schlichting
Dahlgren Shardlow Urban
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State EQB List Updated: 11-2-05

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Interagency Coordinator, Public Works
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Interoffice

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Skyway News
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Minneapolis MN 55403

Jim Haertel
Board of Water & Soil Resources
520 Lafayette Rd.
St. Paul MN 55155

Jason Wittenberg
Interoffice
300 PSC

Minneapolis Public Library (2)
Technology and Science
250 Marquette Ave
Minneapolis MN 55401

Corey Conover
City Attorney
300 Metropolitan Center
Interoffice

Carol Blackburn
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St. Paul MN 55155

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Becky Balk
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Roseville MN 55113

Thomas Balcom (3)
Department of Natural Resources
500 Lafayette Road
St. Paul MN 55155-4010

Gerald Larson
MnDOT Environmental Services
395 John Ireland Blvd MS620
St. Paul MN 55155

on Larsen
nvironmental Quality Board
58 Cedar St., #300
t. Paul MN 55155

Stewardship Team Manager
National Park Service
111 East Kellogg Blvd, Suite 105
St. Paul MN 55101-1288

ave Jaeger
nn. Co. Environmental Services
7 N. 5th Street
neapolis MN 55401

Jon Wertjes
Public Works
233 City Hall
Interoffice

EXHIBIT D

Comments Received on the 1010 Park Avenue Project EAW

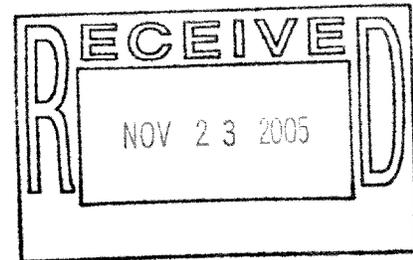
Comment was received from:

1. Metropolitan Council, October 18, 2005
2. Minnesota Department of Transportation, November 17, 2005
3. Daniel Quirk, 1020 Portland Avenue
4. David Fields, Elliot Park Neighborhood, Inc.

A copy of the written comment follows.

November 18, 2005

Michael Orange, Principal Planner
Minneapolis CPED - Planning
210 City Hall,
350 South 5th Street
Minneapolis, MN 55415



RE: Minneapolis – Environmental Assessment Worksheet (EAW) – 1010 Park Avenue
Project
Metropolitan Council District 7 (Annette Meeks, 612-341-8168)
Metropolitan Council Review File No. 19603-1

Dear Mr. Orange:

The 1010 Park Avenue Project proposes the construction of a mixed-use development with 420 housing units, 37,952 sq. ft. of commercial space and is served by 577 parking spaces. The project is located within a block bounded by 10th Street, Park Avenue, Grant Street and Portland Avenue. Our staff has reviewed the EAW and finds it is complete and accurate with respect to regional concerns and raises no major issues of consistency with Council policies. An EIS is not necessary for regional purposes.

This will conclude the Council's review of the EAW. The Council will take no formal action on the EAW. If you have any questions or need further information, please contact Denise Engen, Principal Reviewer, at 651-602-1513.

Sincerely,

A handwritten signature in cursive script, appearing to read "Phyllis Hanson".

Phyllis Hanson, Manager
Local Planning Assistance

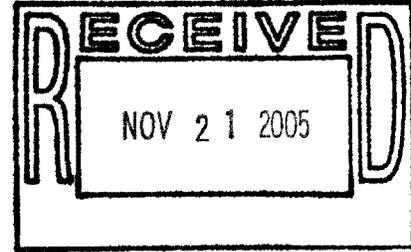
cc: Jack Jackson, MultiFamily Market Analyst, MHFA
Tod Sherman, Development Reviews Coordinator, MnDOT - Metro Division
Annette Meeks, Metropolitan Council District 7
Keith Buttleman, Environmental Services
Denise Engen, Sector Representative and Principal Reviewer
Cheryl Olsen, Reviews Coordinator



Minnesota Department of Transportation

Metropolitan District

Waters Edge
1500 West County Road B-2
Roseville MN 55113-3174



November 17, 2005

Michael Orange
Principal Planner, Minneapolis Planning Division
Community Planning and Economic Development Department
350 S. 5th Street, Room 210
Minneapolis, MN 55415-1385

SUBJECT: 1010 Park Avenue EAW, Mn/DOT Review # EAW05-010
Portland Avenue and 10th Street, North of I-94
Minneapolis, Hennepin County
Control Section 2781

Dear Mr. Orange:

The Minnesota Department of Transportation (Mn/DOT) has reviewed the above referenced Environmental Assessment Worksheet and has no concerns at this time.

Please address all initial future correspondence for development activity such as plats and site plans to:

Development Review Coordinator
Mn/DOT - Metro Division
1500 West County Road B-2
Roseville, Minnesota 55113

Mn/DOT document submittal guidelines require three (3) complete copies of plats and two (2) copies of other review documents including site plans. Failure to provide three (3) copies of a plat and/or two (2) copies of other review documents will make a submittal incomplete and delay Mn/DOT's 30-day review and response process to development proposals. We appreciate your anticipated cooperation in providing the necessary number of copies, as this will prevent us from having to delay and/or return incomplete submittals.

If you have any questions, please contact me at 651-582-1548.

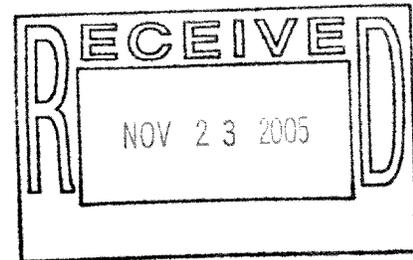
Sincerely,

Tod Sherman
Planning Supervisor

Copy: Mn/DOT Division File CS 2781
Mn/DOT LGL File - Minneapolis

November 18, 2005

Michael Orange, Principal Planner
Minneapolis CPED - Planning
210 City Hall,
350 South 5th Street
Minneapolis, MN 55415



RE: Minneapolis – Environmental Assessment Worksheet (EAW) – 1010 Park Avenue
Project
Metropolitan Council District 7 (Annette Meeks, 612-341-8168)
Metropolitan Council Review File No. 19603-1

Dear Mr. Orange:

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Sincerely,

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Phyllis Hanson, Manager
Local Planning Assistance

cc: Jack Jackson, MultiFamily Market Analyst, MHFA
Tod Sherman, Development Reviews Coordinator, MnDOT - Metro Division
Annette Meeks, Metropolitan Council District 7
Keith Buttleman, Environmental Services
Denise Engen, Sector Representative and Principal Reviewer
Cheryl Olsen, Reviews Coordinator

November 22, 2004

Michael Orange, Principal Planner
CPED Planning Division
210 City Hall
350 S. Fifth Street
Minneapolis, MN 55415

RE: EAW for 1010 Park Avenue Project

Dear Michael:

This is Elliot Park Neighborhood, Inc.'s response to the EAW issued for Heritage Development's 1010 Park Avenue mixed use development proposal. The response is the result of evaluation by EPNI's Building, Land Use & Housing Committee and the neighborhood's 1010 Park Development Review Task Force.

Although excited by the concept of the development proposal, EPNI is bothered essentially by a couple of things reflected in the EAW: 1) the overall sense that the project as proposed is too outsized for the parcels on which it is to be built and overwhelming to the surrounding environments; 2) an inconsistency in some of the numbers presented in the worksheet.

Recognizing that the 1010 Park development proposal is a creative and promising concept for a challenging block on which to develop, as the proposal has evolved, it appears to have grown to proportions incompatible with the surrounding Elliot Park environs. Much of this is due to basic design issues, which strictly speaking are not in the purview of the EAW. But the design issues reflect attempts to squeeze a maximum density of residential, commercial, and parking on a block that appears cannot easily accommodate it.

The site plan concept, "interweaving" new build with the existing buildings on the site, was approved by the Elliot Park Board of Directors. Heritage and DJR were applauded for their intention to preserve the existing buildings and incorporate them into the redevelopment, thus making a statement about the coexistence of the past and future in the neighborhood. But early on, vagueness in the particulars of the site plan and elevations presented in a succession of architectural drawings masked the enormity of project. The latest iteration of renderings, however, revealed the details that, simply put, make the new build on the site appear to overwhelm the existing buildings and in effect remove the development from grounding in and integration into the neighborhood.

In addition to this, the numbers for the residential units and parking spaces have continually increased with each new presentation of the proposal to the community. What originally was approved by EPNI as some 382 residential units is now stated in the EAW as 420 units. Each of the four towers also has gained some four stories above what EPNI approved. And if you track the numbers for parking spaces stated in the EAW, there is confusion and ambiguity about just

how many spaces are indeed planned. The total parking spaces is variously stated as 577, 617, 517; I even added up scattered numbers for specified parking spaces that appeared to total some 660. It is admirable that the parking ratio in fact is comparatively low; but that ratio belies what may be just too much occupied square footage on the site.

Illustrative of some of the misleading representations in the EAW is the 3-D computer rendering of the planned development, “Attachment D Building Plan.” The building massings in this drawing do not accurately represent existing conditions (and soon to be existing conditions) on surrounding blocks. For example, the Skyscape residential tower (which is just now being constructed) across Tenth Street from the Heritage site is oriented wrong and drawn wider than it actually will be. The three-story liner retail for the Skyscape development is shown on the north side of the tower, when in fact the lower height liner will be facing Tenth Street on the south, as well as along Portland Avenue. Whether intentional or not, this reversal creates the impression that the 20 story plus 1010 Park tower footing on Tenth Street is reflective of the Skyscape tower coming to street level on Tenth. Which is not so. Skyscape planned a three-story liner presentation on Tenth Street and Portland Avenue in order to be compatible with the surrounding scale of existing buildings along the street walls on tangential blocks (the Roselle, The Lenox, the Balmoral, the Baker, and the Grant Park town homes).

This misleading drawing seems to want to “mask” a disturbing reality of the Heritage proposal: that neighborhood-scale street walls and ceilings on surrounding blocks will suffer dissonant intrusions by the 1010 Park towers that come right down to the sidewalk on Tenth and on Portland. The resulting effect is a feeling of Downtown core heights dwarfing street-level residential and small retail vitality.

“Attachment D” conveniently does not reveal the three-story Balmoral apartment building on the northwest corner of the block. This low-income housing building will be entirely surrounded by the 1010 Park towers. To furtheracerbate this problem, the side-yard and Portland set backs of the West tower will ensure that the residents of the south units of the Balmoral will be kept in dark, gazing out their windows at a multi-level parking structure. And again, the three-story scale of the Grant Park town homes along Portland across the street from the West tower is obliterated in the “Attachment D” rendering by the shadow casting of a convenient southeast sun.

The net effect of the “Attachment D” rendering reflects the tendency throughout the entire EAW to minimize the probable impact of the 1010 Park development on the surrounding environment. This leaves the impression that the developer and architect know they are “pushing an envelope” here, and perhaps are trying to disguise their own unease.

The specific values of the various technical analyses in the EAW’s sections on water resources, waste management, emissions, impervious surfaces, and other environmental impacts are frankly beyond the expertise of laymen to evaluate. However, the cumulative impression is that the size and density of the proposed project will challenge the capacities of the site, even allowing that the developers are acknowledging measures to mitigate the impacts.

Finally, the issue of automobile traffic volumes and parking. It appears that the preliminary traffic management analysis is realistic enough. Perhaps even unfortunately, the highest percentage of traffic volumes to which the 1010 Park development will contribute is along those routes leading directly out of the neighborhood—to the freeways primarily. And unfortunately, too, there really is no question that the wide one-way pair connector feeders of Portland and Park are designed to move traffic, not to accommodate a pedestrian environment. There are lingering concerns about the traffic impact along Grant/14th Street, however, where all the parking structure access will be.

A laudable aspect of the 1010 Park development is its proposal to create bump-outs and scored pedestrian crossings at the intersections along Park and Portland. Both the developer and the neighborhood agreed on how critical these would be to create safer, appealing pedestrian connections between 1010 Park and surrounding residential blocks—even given the likely resistance to such traffic calming measures by Public Works/Traffic. We intend to push for these improvements.

Parking this site is a challenge to the developer. It is unfortunate that parking still has to drive design in Minneapolis, but that apparently is going to be a reality for several years to come. Still, the reality is that the multi-levels of above-ground parking proposed in the 1010 Park design will likely have the effect of placing the occupied residential spaces on a pedestal wall bulging out to the sidewalks on almost every parcel. As one community member expressed it: “This will result in the 1010 Park residents living *above* the neighborhood, not *in it*.” Granted, the retail spaces at street-level, and the courtyard access around the Hinkle Murphy mansion will encourage some life on the street. But 500 parking spaces hidden behind massive parking structures that ground most of the development might create the effect that the street is a no-man’s land for the *hoi polloi*, cut off from the inner sanctum of fine condominium living. The development team has made efforts to replicate “residential-appearing” windows for the parking structure, but these still will be “dead eyes” to the streets going four to six levels up around the entire circumference of the project.

Perhaps much of what is said in this response to the EAW is not strictly “environmental.” But built form and design issues indeed have impact on the environment—especially the social environment that ultimately effects the “natural” environment. EPNI still supports Heritage’s concept for development on the site: bringing new density and retail to the block with a creative integration of the new and the old. At this juncture of the development proposal, however, Elliot Park Neighborhood feels that much more work has to be done to proportion 1010 Park’s impact so that it contributes to and does not overwhelm its environment.

If you have any questions about EPNI’s response to this EAW, please feel free to contact me.

Yours,

David Fields
Community Development Coordinator
Elliot Park Neighborhood, Inc.

Copy Susan Braun, EPNI Executive Director
Julie Kearns, EPNI Board President
Millie Schafer, EPNI Vice-President, Chair of Building, Land Use & Housing Committee

From: Quirk's Info [info@quirks.com]
Sent: Monday, November 21, 2005 4:57 PM
To: Orange, Michael
Subject: 1010 Park EAW
Please confirm receipt

TO: Michael Orange
RE : 1010 Park EAW

As a resident living across the street from the 1010 Park Avenue project I have several concerns regarding the potential impacts as well as the accuracy of the project as detailed in the EAW and at neighborhood meetings. I believe these issues require further investigation.

I want to state, that in general, I am not opposed to adding retail or high rise housing to the block. However, I feel the specific design of this project will very negatively impact the surrounding community and existing residents and I don't feel these impacts have been completely studied.

I will begin with impacts I feel have been overlooked or brushed over and follow up with some elements of the EAW that I think are inaccurate.

Impacts needing more consideration:

1. Pedestrian Alleys and Crime

This development creates several off-street pedestrian alleys. Some of these alleys will contain retail but two proposed from the Portland side will simply be dead-end service alleys. When the retail is open, these alleys may have traffic significant enough to discourage crime but I am worried about how the alleys will be used during the later evening hours. Living across the street from the proposed development, I have seen my fair share of fights, drug dealing, drinking, prostitution and public urination in the open parking lot. I believe that creating off-street alleys will only increase the crime problem and hide it from view.

2. Lack of housing at the lower levels (2-6th stories) and Crime

This development has a total of 5 or 6 stories of parking above the retail – meaning that the first housing unit begins on the 7th level. Crime will be able to flourish at night because late at night there will be little or no activity at lower levels – literally there will be few, if any “eyes” on the activity. When you combine the combination of off-street alleys with no housing at the lower levels you get the worst possible crime scenario. I strongly urge you to consider this impact of the design.

3. Height in relation to neighboring buildings

Although it is true that Elliot Park has recently approved two high-rise residential buildings (Skyscape and Grant Park) both of these buildings were more sensitive to existing structures and the street in their design.

Both Skyscape and Grant Park have incorporated 3-4 story buildings as part of their projects in an effort to act as a buffer to existing low structures and the street/sidewalk and to complement the existing low-rise feel of the neighborhood. In the case of Grant Park, the tower is set far back from the street on all sides either by landscaped gardens or by the parking garage and low-rise row houses (which are also set back from the sidewalk). Skyscape will similarly build four story buildings on both the North and the South of the tower in an effort to make the tower fit with existing structures. Both structures make every attempt to set the tallest portion of their buildings away from street.

By contrast, in the 1010 Park development not only are many of the towers taller than both Skyscape and Grant Park, but they lack any significant set backs. In fact, along 10th street the tower will rise 25 stories with approximately only a six foot setback at about the 7th floor. The setback along Portland Avenue is similar but the impact to the existing structures is more negative because all the neighboring structures (including across the street) are low-rise residential. The 1010 towers will loom over existing structures destroying the views, light and scale of these buildings. These were the very things that Grant Park and Skyscape took care to preserve.

3. Pedestrians and the street

Although this project speaks of bump-outs and plazas to create a pedestrian friendly environment, the mass, alleys, proximity of height to the street, height proximity to neighboring structures and the lack of eyes on the street will actually diminishes the sense of security and the sense of this project as a pedestrian friendly environment. A more sensitive approach is needed if the neighborhood is needed to keep its pre-WWII feel at the street level.

Now let me address what I think are inaccuracies in the EAW.

1. Attachment D (page 28) completely misrepresents how the neighboring structures interact.

On Page 5 the EAW says “attachment D locates these most recent building [Grant Park and Skyscape] and illustrates their height and the height of the Project in relation to the height of the traditional development retained on the block and in the immediate vicinity.”

Although attachment D, does show the recent towers, it obscures with a black shadow the 3 story row houses on the West side of Portland which were built as part of Grant Park to create a better streetscape and to set the tower back. Likewise, it does not show the 3 story condos on the south

side of Skyscape – also designed to provide setback for the tower portion. And, finally, it completely hides the three story Balmoral and RS Eden buildings which are surrounded by the 1010 project.

This graphic implies that the shadow from the western-most tower (the tallest one) is cast on the Grant Park tower and Grant Park parking garage. However, the shadow of the 1010 tower actually completely blocks out the light to the residential row houses built as part of Grant Park along the West side of Portland Avenue. It is important to note the existence of these row houses because the 1010 Park project will put them in a large shadow for much of the day – not just during the one time frame represented in this graphic.

Furthermore, the most negative impact for shadowing is on the Balmoral building which is on the far right corner of the project (again not visible in this graphic!). The Balmoral already has its western sun blocked from the Grant Park tower and its northern sky will soon be blocked by the Skyscape tower. The impact of the 1010 project will have a devastating impact on this property and it should have been more fully disclosed in this graphic. This building will lose both the Eastern and the Southern exposures if this project is built.

2. Equinox 0800 Graphic (pg 36), Summer 0800 Graphic (pg 37), Winter 0800 Graphic (pg 38) all misrepresent the true shadowing.

I believe these 3 graphics (in particular) to be misleading because they do not fully identify the entire shadow caused by the 1010 project. Some parts of the shadow are in red, but other parts are in black making it impossible to tell from which building a shadow is caused. The implication is that the addition of the 1010 structures creates minimal new shadows. In reality, however, these towers will darken areas that currently receive no shadows and they will significantly darken areas that may already receive some shadowing. The graphics make it impossible to tell which shadows are actually caused by the addition of the 1010 project. Without this information, it is difficult to see the true impact of the shadowing.

As an example, in the 0800 Summer graphic, the entire shadowing on the lower left is caused by the 1010 project. However, because only part of the shadow is in red, it appears to minimize the shadow effect.

(As an aside I also want to point out that on the Winter 0900 graphic they show a shadow for the Grant Park tower to the North. No such shadow exists when the sun is in the east.)

#3 – “Stepped tower”

On page 3 of the EAW, this project refers to a “stepped tower”. I don’t know the official definition of “Stepped”, but my understanding is that each tower has only one “stepped” portion

of no more than 6 to 7 feet at the 7th floor. I think calling a six foot “step” on a 41 story tower a “stepped” tower is rather inaccurate.

Conclusion

As I stated earlier I am not opposed to adding retail or high rise housing to this block. However, I feel that the impact of this project as designed will be significant and negative. I believe that the inaccuracies contained in the EAW and the issues raised by this development need further consideration and a more detailed environmental Impact Study.

Sincerely,
Daniel Quirk
1020 Portland Ave
Minneapolis, MN 55404
612-824-2549

EXHIBIT E

Council /Mayor Action

Not yet available