



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

Date: September 6, 2005

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

Prepared by: Michael Orange, Principal Planner

Approved by: Barbara Sporlein, Director, Planning

Subject: Determination of the need for an Environmental Impact Statement and the adequacy of the EAW for the proposed City of Lakes Condominium Project at 110 E 18th Street

Previous Directives: None

RECOMMENDATION: The Committee make the following findings conclusions:

1. The Environmental Assessment Worksheet, the “Findings of Fact and Record of Decision” document, and related documentation for the City of Lakes Condominium 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 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 above findings 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.

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

Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the City of Lakes Condominium Project

- 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 the EAW is adequate and no Environmental Impact Statement (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 formally initiate the City’s process for considering the specific discretionary and ministerial permissions necessary for redevelopment, and for the City in this process, informed by the record of the EAW, to identify and encourage the elements for compatible redevelopment, and assure their implementation at this important site.

Consequently, the City does not require the development of an Environmental Impact Statement for the project.

Financial Impact: Not applicable

Community Impact: See attached “Findings” Exhibit C Ward: 6 Neighborhood Notification: See attached “Findings” Exhibit C City Goals: Not applicable, this process and decision is mandated by the EQB rules. Comprehensive Plan: Not applicable Zoning Code: Not applicable Living Wage/Job Linkage: Not applicable Other: Not applicable
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Background and Supporting Information

See attached “Findings of Fact and Record of Decision” and City of Lakes Condominium Project Environmental Assessment Worksheet (distributed to the City Council and Mayor on 7/29/05 (available upon request).

FINDINGS OF FACT AND RECORD OF DECISION

ENVIRONMENTAL ASSESSMENT WORKSHEET

For the City of Lakes Condominium Project

**Location: 110 East 18th Street 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

Gateway Commons LLC
P. Palanisami, P.E.
5661 International Parkway
Minneapolis, MN 55428

763 533-9403
763 533-9586

swami.engineer@palanisami.com

Final action (refer to Exhibit E): Based on the Environmental Assessment Worksheet, the “Findings of Fact and Record of Decision,” and related documentation for the above project, the City of Minneapolis concluded the following on September 23, 2005:

1. The Environmental Assessment Worksheet, the “Findings of Fact and Record of Decision” document, and related documentation for the City of Lakes Condominium 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 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 above findings 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 the EAW is adequate and no Environmental Impact Statement (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 formally initiate the City's process for considering the specific discretionary and ministerial permissions necessary for redevelopment, and for the City in this process, informed by the record of the EAW, to identify and encourage the elements for compatible redevelopment, and assure their implementation at this important site.

Consequently, the City does not require the development of an Environmental Impact Statement for the project.

I. ENVIRONMENTAL REVIEW AND RECORD OF DECISION

The City of Minneapolis prepared a Mandatory Environmental Assessment Worksheet (EAW) for the City of Lakes Condominium Project according to the Environmental Review Rules of the Minnesota Environmental Quality Board (EQB) under Rule 4410.4300 subpart 31, Historical Places. The project proposes demolition of structures located within the Stevens Square Historic District. Exhibit A includes the project summary, and Exhibit B includes the Record of Decision.

II. EAW NOTIFICATION AND DISTRIBUTION

On July 29, 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 August 1, 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 September 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 from the following:

1. Minnesota Pollution Control Agency, August 30, 2005
2. Metropolitan Council, August 31, 2005
3. Minnesota Department of Transportation, August 8, 2005
4. Minnesota Historical Society SHPO, August 30, 2005

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

1. Minnesota Pollution Control Agency

Comment: Certain permits, including those relating to potential Construction stormwater, Demolition Debris and Asbestos, not identified in section 8 of the EAW may be required for this project

Response: Noted for the record

2. Metropolitan Council

Comment: Sanitary sewer connection plans . . . need to be submitted to both the MPCA and the MCES for review and permit.”

Response: Noted for the record

3. Minnesota Department of Transportation

Comment: Has reviewed the EAW, finds project should have little or no impact on Mn/DOT's highway system.

Response: Noted for the record

4. Minnesota Historical Society, State Historic Preservation Officer

Comment: The project calls for the demolition of the “Janney Building” portion of the former Abbott Hospital complex. This building is a contributing element of the District, and its preservation would reinforce the District's character, and,

The height, massing, materials and setbacks proposed for the project may not be compatible with the historic character of the district

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Response: as noted in section 25 of the EAW, the Minneapolis Heritage Preservation Commission will specifically address these issues during the review of this proposal.

V. ISSUES IDENTIFIED IN THE EAW

The EAW identified the significant issues for this EAW as those relating to the impacts of this proposal on the resources of the Stevens Square Historic District, the consistency with the Comprehensive Plan and regulations for development in this area, and the exposure of the project to noise generated by traffic on I 94.

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 and the comment letters are the projects inconsistency with adopted historic and Comprehensive Plan policies and guidelines and the provisions of the zoning ordinance, can be addressed by design features of the phase two building.

B. Cumulative Effects of Related or Anticipated Future Projects

Residential development at this site is consistent with the overall objective of the Plan and the zoning regulations of the City. Specific design elements of this proposal may be mitigated during the City's land use approval process. No 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 the City and State have ministerial authority through the permit approvals required for this project, to address, mitigate or avoid the environmental effects identified in the EAW and the comment letters.

D. Extent to which Environmental Effects Can be Anticipated and Controlled as a Result of other Environmental Studies Undertaken by Public Agencies or the

Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the City of Lakes Condominium Project

Project Proposer, or of Environmental Reviews Previously Prepared on Similar Projects.

The construction of another residential building in the near 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 for this project, the City of Minneapolis, the responsible governmental unit (RGU) for this environmental review, concludes the following:

1. The Environmental Assessment Worksheet, the “Findings of Fact and Record of Decision” document, and related documentation for the City of Lakes Condominium 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 for the project have satisfactorily addressed all of the issues for which existing information could have been reasonably obtained.
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Consequently, the City does not require the development of an Environmental Impact Statement for the project.

Exhibits:

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

EXHIBIT A

Project Description

The project is redevelopment of the former Abbott Hospital site at 110 East 18th Street in the Stevens Square Historic District of Minneapolis. The original hospital building, but not the adjoining 1919 addition on First Avenue, will be converted into 12 apartments. The later additions along 18th St. and Stevens Ave. will be demolished and replaced by a four-story building containing 83 apartments. The 1919 addition on First Avenue will be demolished and its site will become part of the Phase Two development. The second phase of the project will be a 23-story, 199-unit, apartment building located on the present surface parking area at First Ave and 17th St. /I 94.

Phase one will redevelop 52,858 sq. ft., approximately 70% of the site area, and accomplish all the demolition. The original 1910 hospital building will be renovated to provide 12 new apartments and a 4-story "L" shaped building will be constructed following the 18th Street and Stevens Avenue frontage of the site. This building will contain 83 new apartments and an underground parking garage with 177 spaces.

Construction of Phase Two will begin when Phase One is completed. In this phase, the remaining 21,568 sq. ft. of the site will be developed by a 23-story apartment building with 199 housing units and 200 underground parking spaces. No elevations or renderings of the design of this building have been prepared.

EXHIBIT B

**Environmental Review Record for the City of Lakes Condominium
Project Environmental Assessment Worksheet**

**CHRONOLOGY IN COMPLIANCE WITH THE PROCEDURES OF THE
MINNESOTA ENVIRONMENTAL POLICY ACT
(Future dates in *italics*)**

DATE	ITEM
7/29/05	City staff distributes EAW to official EQB mailing list and Official Project List.
8/1/05	Minnesota Environmental Quality Board (EQB) publishes notice of availability in <i>EQB Monitor</i> . 30-day comment period commences.
8/31/05	End of EAW public comment period.
9/15/05	<i>Zoning and Planning Committee (Z & P) of the City Council considers the "Findings of Fact and Record of Decision" report, provides recommendation to the City Council.</i>
9/23/05	<i>City Council approves Z & P Committee recommendation and makes a finding of Negative Declaration: EAW is adequate and no EIS is necessary.</i>
9/29/05	<i>Mayor approves Council action regarding EAW</i>
10/1/05	<i>City publishes notice of Council/Mayor decision in Finance and Commerce. Moratorium on issuance of final permits lifted.</i>
10/3/05	<i>City publishes and distributes Notice of Decision and availability of final "Findings" report to Official EQB List and the Official Project List</i>
10/10/05	<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 City of Lakes Condominium Project t EAW:

1. The City maintains an updated list based on the Official EQB Contact List. The Planning Division also distributes copies of the EAW via interoffice mail to elected and appointed officials, City staff and others who have expressed interest in the project.
2. A notice of the availability of the City of Lakes Condominium Project EAW, the dates of the comment period, and the process for receiving a copy of the EAW and/or providing comment was published in the EQB Monitor on June 20, 2005, and provided to the City's Communications/Public Affairs office for notice and distribution.
3. The Planning Division distributed the Notice of Decision with information regarding the final "Findings" document to the Official EQB Contact List and the project list.
4. The EQB published the Notice of Decision in the *EQB Monitor*.

Attached:

Official EQB Contact List

Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the City of Lakes Condominium Project

EXHIBIT D

Comments Received on the Eclipse Condominiums Project EAW

Comments were received from:

1. Minnesota Pollution Control Agency, August 30, 2005
2. Metropolitan Council, August 31, 2005
3. Minnesota Department of Transportation, August 8, 2005
4. Minnesota Historical Society, August 30, 2005

A copy of each written comment follows.

**Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the City of Lakes
Condominium Project**

EXHIBIT E

Council /Mayor Action