

**Amended Development Objectives
Approved by City Council 8-11-00**

Grain Belt Brewery Area Development Objectives

I. Geographic Area

The area addressed by these Development Objectives is generally bounded by the Mississippi River, Broadway Street Northeast, Marshall and Main Streets Northeast, and 15th Avenue Northeast. This is also the boundary of the Grain Belt Brewery Redevelopment Project, which was approved by the Minneapolis City Council in December 1986.

This amendment to the Development Objectives will expand the Grain Belt Brewery Area to include the half block on the east side of Marshall Street between 13th and 14th Avenue Northeast and the three residential structures on the south side of 13th Avenue Northeast near its intersection with Grand Street. The revised boundary map for the Grain Belt Brewery Area is attached as Map A. A modification is also proposed to add these same areas to the Grain Belt Brewery Redevelopment Plan.

II. Intent

A. Vision for Area

The City's new comprehensive plan, The Minneapolis Plan, identifies the river corridor as a study area where future changes can be anticipated. The study specific to the area, entitled Above the Falls, is consistent with these development objectives for the Grain Belt complex. The upper river area is considered a part of the City where there is need for improvement in the park system and the creation of stronger greenway connections to nearby neighborhoods currently isolated from riverfront facilities and amenities. The Minneapolis Plan also shows the upper river as a major housing site that should see significant housing development in the future. The Above the Falls study refers the Grain Belt Brewery complex as one of the great architectural and cultural resources of the Upper River and the most significant landmark in Northeast Minneapolis. The Grain Belt complex received local designation as a historic property in 1977 and was placed on the National Register of Historic Places in July 1990. The vision for the area involves a varied yet cohesive mix of land uses complementing and enhancing the historic character of the brewery complex. Such uses might include neighborhood commercial services, including hospitality and restaurant facilities; residential uses, perhaps including residential units above ground-floor commercial uses; arts and arts-related uses; light industrial uses, including sound and video production facilities, that are compatible with commercial, residential and recreational uses; a corporate

headquarters complex that includes retail and recreational uses; and a public riverfront attraction, including a park and activity node.

B. Objectives

The MCDA and the City of Minneapolis seek to achieve the following objectives within the Grain Belt Brewery area:

1. Preserve the historic and landmark nature of the brewery complex through the renovation, reuse and interpretation of the historic buildings.
2. Improve public access to and enjoyment of the Mississippi Riverfront.
3. Encourage development that can become the key focus of the revitalization of the Upper Riverfront area and that complements and encourages other revitalization efforts in the area through the removal of blight and uses that are not supportive of the vision for the area.
4. Encourage appropriate residential development that maximizes the value of the riverfront amenity and the historic setting.
5. Retain and provide job opportunities for neighborhood residents.
6. Enhance the tax base of the City.

C. Planning Standards

Proposals for the reuse of the brewery complex and the surrounding area will be evaluated according to the following planning standards:

- The historic nature and value of the brewery complex is to be preserved and enhanced.
- A mix of compatible land uses is to be achieved.
- The Mississippi River amenity is to be enhanced through development of public facilities and improved public access to the riverfront as suggested in the Above the Falls study.
- Energy efficient construction and proposals that strengthen the relationship between public transit and development are encouraged.
- Proposals that will encourage further development in the area and that will attract people to northeast Minneapolis as a destination will be preferred.

III. Future Land Uses

In recognition of the unique character of the brewery area, a varied yet cohesive mix of land uses complementing and enhancing the historic character of the brewery complex will be permitted in the area. As stated in the above description of the vision for the area, such uses might include neighborhood commercial services, including hospitality and restaurant facilities; residential uses, perhaps including residential units above ground-floor commercial uses; arts and arts-related uses; light industrial uses, including sound and video production facilities, that are compatible with commercial, residential and recreational uses; a corporate headquarters complex that includes retail and recreational uses; and a public riverfront attraction, including a park and activity node.

IV. Design

A. General

Development occurring in the brewery area should generally comply with the provisions of the Mississippi National River and Recreation Area (MNRRA) Comprehensive Management Plan, including observation of the suggested shoreline preservation area setback of 100 feet. Although the MNRRA Plan includes suggested building height limits within certain distances from the river, the primary design standard for the brewery area is that building heights and massing should be compatible with the existing historic buildings, and should preserve the vistas of the historic buildings.

It is intended that development along the riverfront will complement the development to occur in the balance of the brewery area. The design and development concepts for the riverfront and the balance of the area should therefore be interrelated and mutually supportive. Although the riverfront area is likely to be developed by the Park Board, some form of public/private partnership in this effort is necessary.

The historic status of the brewery complex brings with it certain design standards regarding the renovation and reuse of the buildings. The Minneapolis Heritage Preservation Commission (HPC) regards the Grain Belt Brewery complex as being of utmost importance to the City of Minneapolis, both for its historical importance and its commanding architectural presence. The National Park Service, which placed the complex on the National Register of Historic Places, and the Minnesota State Historic Preservation Office have design standards and specifications that must be adhered to in order to receive federal tax credits for renovation, pursuant to historic review procedures of Section 106 of the National Historic Preservation Act. The HPC will review all applications for permits related to buildings in the brewery complex.

B. Parks

In the Above the Falls study, a public park is planned near the Grain Belt Brewery area that will part of a continuous linear park system. Generally, park development

on the east side of the river is expected to average 100 feet in depth, although it will be wider in places where Park Board is planning activity nodes. The boundary between the proposed Northeast Arts Park and the adjacent private development of the Grain Belt properties should be clearly demarcated by a physical boundary. The new park will provide a connection between development in the Grain Belt Brewery area and riverfront property north and south of the brewery area through a system of public trails and could potentially include facilities that promote motorized boating activities. Access to the riverfront park will be provided from 13th and 14th Avenues.

The preservation of views to the river is a planning principle that should guide development in the Grain Belt area. It is important that views to the river should open up as one moves toward the riverfront along 13th and 14th Avenues. For example, the Above the Falls study suggests that a "view cone" to the river should be preserved along 14th Avenue between Marshall Street and the river. It further recommends that development adjacent to any extension of 14th Avenue should be set back sufficiently to preserve views toward the river from the neighborhood and that an area adjacent to that road be considered as a site for the creation of a filtration wetland to treat stormwater runoff.

C. Marshall Street Northeast and other Streetscape Improvements

Improvements to Marshall Street are expected that will redesign this heavily-used thoroughfare into a boulevard with a streetscape that will be "greener, less cluttered, and safer". The development of this streetscape may include the installation of new lighting system with historic design and the the creation of a plaza on the east side of Marshall Street opposite the Brewhouse is also proposed that will be called Brewery Square. This will be a European-style plaza that will be part of the private development that takes place on this block but would be publicly-accessible to permit the viewing the facade of the Brewhouse. It is also a goal to encourage the development of streetscape improvements on 13th and 14th Avenues Northeast between Marshall Street and the river to make these streets attractive gateways with landscaping and infrastructure to promote pedestrian and bicycle movement from the neighborhood to the riverfront.

D. Brewhouse

This section on the Grain Belt Brewhouse previously included a description of the general standards regarding acceptable alterations to the exterior walls and roof of the Brewhouse. However, this section is being changed due to the imminent development of the Brewhouse by Ryan Companies for commercial reuse. This historic preservation project will be subject to oversight by the Minneapolis Heritage Preservation Commission (HPC) and the Minnesota State Historic Preservation Office (SHPO) pursuant to Section 106 regulations and a Programmatic Agreement between the City of Minneapolis and SHPO. This project must also adhere to the Secretary of the Interior's Standards for the Treatment of Historic Properties, as well as the Guidelines for Preserving, Rehabilitating ,Restoring, and Reconstructing Historic Buildings, and the Guidelines for the Treatment of Cultural Landscapes.

E. Other Buildings in Brewery Complex

The Grain Belt property received local historic designation in 1977, and in July of 1990, this property, including many of the buildings in the district, was placed on the National Register of Historic Places. As part of this national designation, seven elements within the Grain Belt property were identified as contributing resources: 1) the Brewhouse; 2) the Power Station (a.k.a. the Boiler House; 3) the Wagon Shed and Shops (a.k.a. the Gasthaus); 4) the Grain Belt Office; 5) the Bottlehouse, including the 1969 addition; 6) the 1906 Warehouse, including its 1949 and 1957 additions, but not its 1964 addition; and 7) a railroad spur. Any buildings in the Grain Belt complex or in the area designated by these Development objectives (see attached Map A) are also subject to the Programmatic Agreement between the City of Minneapolis and SHPO. The HPC will review all applications for permits for alterations to the Brewhouse and the other buildings in the Brewery complex. A high level of design quality and amenities are to be incorporated into any alteration or renovation of any the buildings in the brewery district.

F. New Construction

In the area west of Marshall Street, new construction should be surfaced with materials and built in a design which complements the materials, design, massing and placement of the brewhouse. New facades that face public areas should complement the same materials and design of the brewhouse. Site planning should preserve the vista/silhouette of the brewhouse as viewed from the riverfront and Broadway. Site materials and treatment should be of a quality and character consistent with the historic nature of the brewery buildings.

In the area east of Marshall Street, new construction should be of the character, material and placement compatible with the existing Grain Belt office building. Such new construction should be limited in height so as not to obscure the easterly view of the brewhouse. Any development on the Grain Belt Office block (referred to later in this document as Site One) must include the previously mentioned Brewery Square as a design component.

It is generally expected that a high level of design quality and amenities will be incorporated into any new development in the brewery area.

G. Potential New Construction Housing Development Sites

With the apparent progress on the development of the Brewhouse, there are now portions of the Grain Belt Brewery Area that seem primed to attract high-quality, new rental and homeownership housing development, and supportive retail and office uses, and a Request for Proposals (RFP) will be issued to determine the market for such uses. The impressive growth of the arts community in the area also creates a strong market for art studio/living space that should be considered by any potential developer. In terms of the City Affordable Housing Policy, proposals for rental housing in the Grain Belt area that involve public financial assistance must have 20% of their units affordable at 50% of metropolitan median income (MMI).

Five sites in the Grain Belt Brewery Area have potential for new housing and are being proposed as possible housing development sites (see attached Map B). These proposed sites include several buildings that are listed as “contributing resources” within the Grain Belt property under its National Register designation. The development of new housing on these sites would require working with the Heritage Preservation Commission (HPC) and the State Historic Preservation Society (SHPO), pursuant to Section 106 historic review procedures, to reevaluate the designation of these buildings as contributing resources in terms of their potential for adaptive reuse and in light of current demand for housing near the riverfront. However, any reevaluation would not include the Grain Belt Office Building that must be retained and rehabilitated. Any structures developed on these five sites must not interfere or compete with the historic Brewhouse in terms of massing or height.

Site 1

The first site is known as the “Caswell Block” because it is the location of the former Caswell Manufacturing Building and also the historic Grain Belt office building, which are both owned by the MCDA. Site 1 would be made available for new housing proposals, but the rehabilitation of the historic Office Building would also be required as part of any proposal (although it would not have to remain an office use but could be converted to housing). Site 1 includes three occupied residential structures that are not owned by the MCDA and are not currently part of the Grain Belt Brewery Redevelopment Area. However, these properties would be added to the Redevelopment Project Area and the Land Acquisition Plan by Modification No. 1 that is being proposed concurrently with these amended Development Objectives. The three residential structures would be submitted to the HPC and to SHPO for an evaluation to determine their historical significance, pursuant to Section 106 historic review procedures. At this point, one of the residential structures (130 13th Avenue Northeast) is already on the HPC’s 800 list of historical resources. Street-level, supportive commercial uses on this site would also be encouraged. In addition, any development that occurs on this site must :

- 1) Include a sufficient set back from Marshall Street to a public plaza (Brewery Square) for viewing the historic Brewhouse across the street. This plaza would be part of the private development but would be publicly-accessible.
- 2) Include a shared parking plan that would provide overflow parking for Northeast State Bank and special community events.

Site 2

This one-half block is on the east side of Marshall Street between 13th and 14th Avenue and includes three commercial uses (an auto sales/repair operation, an antique furniture restoration business, and a bar with 2nd floor residential apartments), and one residential property. All of these properties are currently privately owned. However, proposed Modification No. 1 would add them to the Redevelopment Area and the Land Acquisition Plan for the purpose of clearance

and redevelopment, or for infill development which would consider multiple owner development that would complement the Grain Belt area. These properties would be submitted to the HPC and to SHPO for evaluation for historical significance, pursuant to Section 106 historic review procedures.

Site 2 would be available for new housing development under the RFP, with supportive, street-level commercial uses also encouraged. Development of Site 2 could involve some staging. At present, the MCDA does not control any of the properties and time will be required to acquire the properties, to relocate the current residents and businesses, and to consider possible multiple-owner, infill development proposals that might be received in response to the RFP.

Site 3

This site includes the building known as the Stockhouse that was built in 1939 with a 1962 addition. The Stockhouse and the adjacent vacant lot are owned by the MCDA. The Stockhouse was not identified as a contributing resource nor was it included within the district boundaries when the Grain Belt property received National Register designation in 1990. In the short term, it is proposed that this structure be cleared and the land used to provide 120 spaces of interim surface parking for the Brewhouse. When this site is redeveloped for housing, these interim parking spaces must be replaced on site for use by the owner/tenants of the Brewhouse as part of any new development. The permit to demolish this building is subject to review by the HPC and the approval of the City Council.

Site 3 would be available for new housing, with supportive, street-level commercial uses also encouraged. Any new development on this site should be designed with appropriate massing and materials in relation to the other buildings in the Grain Belt complex and in a way that maintains the current streetscape view. The structures at the north end of this block near 14th Avenue Northeast are not owned by the MCDA and are not included in this housing development site.

Site 4

This site includes the building known as the Bottling House Addition that was built in 1969. This building is currently owned by the MCDA and is the location of the relocated area heating plant for the Bottling House and Warehouse buildings. The Bottling House Addition was identified as a contributing resource within the Grain Belt property when it received national historic designation in 1990. The development of new housing on this site would require working with the Heritage Preservation Commission (HPC) and the State Historic Preservation Society (SHPO), pursuant to Section 106 historic review procedures, to reevaluate the designation of this building as a contributing resource in terms of its potential for adaptive reuse and in the light of current demand for new housing on the riverfront. Development proposals for Site 4 must accommodate the area heating plant in its design and must also provide replacement parking for the tenants and users of the 1906 Bottling House (Building A on the attached map). The Bottling House is already rehabilitated and occupied and is not part of this housing development site.

New housing development on Site 4 should start at the third story level to allow for views over the 1910 Warehouse on Site 5, with parking on the first two levels and underground. The physical linkage of Site 4 with Site 5 is also encouraged in terms of the bridging of development across Ramsey Street or the provision of a skyway connection.

Site 5

This development site includes the 1949, 1957, and 1964 additions to the 1910 Grain Belt Warehouse building. The 1910 Warehouse (Building B on attached Map B) has already been rehabilitated and occupied and is not part of this development site. When the historic Grain Belt property received National Register designation in 1990, the 1949 and 1957 additions were identified as contributing resources, but not the 1964 addition. The proposal for Site 5 is to clear the 1957 and 1964 additions and make the land available for new housing development. However, the one-story 1949 addition that shares a wall with the historic Warehouse would remain, although the reservation of air rights would permit development over this building. The development of new housing on Site 5 would require working with the Heritage Preservation Commission (HPC) and the State Historic Preservation Society (SHPO), pursuant to Section 106 historic review procedures, to reevaluate the designation of the 1957 addition as contributing resource to the Grain Belt Historic property. The HPC will also review any application for alternation to the 1949 addition or removal of the 1957 addition.

Site 5 also includes much of the vacant land to the west that is now being used for parking and open space. Most of this property is owned by the MCDA, except for some land near the river that is owned by the Park Board (the old Foundry site) which it plans to develop as part of the new Northeast Arts Park. The MCDA's vacant land parcel will be included in the new housing site, along with the land under the 1957 and 1964 additions and the air rights over the 1949 addition (as shown on Exhibit B). Development on Site 5 must also include replacement parking and service access for the Warehouse. Some exchange of land between the Park Board and the MCDA will be necessary to facilitate the development of the riverfront park and the development of housing on Site 5, and the division of land should generally follow the boundary line shown on the attached Map B.

Development proposals for Site 5 will be evaluated in terms of how well their designs provide access to and integrate with the proposed park, and how well they protect river views from 13th and 14th Avenues and from the historic Warehouse (Building B on attached Map B). As previously mentioned in Section IV. B., it is important that views to the river should open up as one moves toward the riverfront along 13th and 14th Avenues. For example, the Above the Falls study suggests that a "view cone" to the river should be preserved along 14th Avenue between Marshall Street and the river. It further recommends that development adjacent to the extension of 14th Avenue should be set back sufficiently to preserve views toward the river from the neighborhood and that an area adjacent to that road be considered as a site for the creation of a filtration wetland to treat stormwater runoff.

Buildings A, B, and C

Building A (the historic Bottling House) and Building B (the historic Warehouse) are owned by the MCDA but not included as part of the potential housing sites under these Development Objectives. Building C (the 1949 warehouse addition) is included in Site 5 but only its air rights to allow some housing construction over it. These three buildings are occupied by tenants, including many arts-related businesses. The MCDA is currently working on the possible market sale of these buildings to these arts related businesses. If the sale to an artist-based organization is successful, potential housing developers will then be directed to work around these buildings when developing and structuring their proposals. It is expected that any conditions of sale of these buildings that impact the placement of housing or parking will be known prior to or shortly after a housing Request for Proposals (RFP) is issued and will be included in an addendum to the RFP.

If the artist community is not successful in developing a viable proposal for the purchase of these buildings, the MCDA will explore other options for the sale of these buildings, possibly to the developer or developers that may be selected to develop the Grain Belt housing component. However, in that event, it would still be the MCDA's intention to keep the tenant emphasis in these buildings on arts studio space.

V. Public Improvements and Redevelopment Activities

The City of Minneapolis and the MCDA may assist private redevelopment activities in the Grain Belt Brewery area through the following public improvements and redevelopment activities:

- Acquisition of properties
- Relocation of occupants of acquired properties
- Disposition of properties
- Property management
- Demolition of selected buildings and site clearance
- Rehabilitation of structures
- Roadway improvements and street vacations
- Provision of public utilities (income from private development or a special assessments district will be necessary to help finance additional public utilities)
- Streetscape improvements
- Parking facilities

The MCDA may issue Request for Proposals for commercial or housing development in the Grain Belt Brewery Area. In terms of housing development, priority will be given to proposals that involve the development of all of the five housing sites. The MCDA will accept individual proposals for Sites 1 and 2. However, Sites 3, 4, and 5 cannot be separated, and development proposals must include all three as a package. Proposals will be reviewed for consistency with these Development Objectives and the Grain Belt Brewery Redevelopment Plan. Final

selection of developers will be made by the Minneapolis City Council and the MCDA Board of Commissioners.

VI. Regulatory Issues

The City of Minneapolis recently approved a new comprehensive plan and a new zoning code. Under the new zoning code, the Grain Belt complex is zoned industrial (I1). The development of housing in the Grain Belt area will require a change in the existing zoning either in the form of an approval of an Industrial Living Overlay District or an actual rezoning to residential and/or commercial. In addition, any housing development that has more than 5 units will require a Site Plan Review and the approval of a conditional use permit by the City Planning Commission.

All of the housing sites covered in the development objectives, except for Site 1 (and the Brewhouse), are in the Mississippi River Critical Area Overlay District, which has a long list of regulations relating to the Mississippi River Critical Area Plan. This district also has a height limit of 2.5 stories or 35 feet, whichever is less, within 300 feet of the river, although this limit can be increased through the conditional use permit process.

Most of Site 5 is in a Shoreland Overlay District and a Floodplain Overlay District. A Shoreland Overlay District has environmental standards that prohibit development in some cases and require a conditional use permit in others. A Floodplain Overlay District has different prohibitions and restrictions depending upon whether the site in question is in a flood fringe or on the floodway.

In general, the regulations for the Mississippi River, Shoreland, and Floodplain Overlay Districts are extensive and difficult to summarize, and therefore potential developers should consult with the City Planning department about exact requirements.

At the present time, there is also a moratorium on new development within 300 feet of the river in any areas zoned I1, I2, or I3. Any new housing development in the area would need to get a waiver from the moratorium to proceed if the moratorium is still in effect and the property was not rezoned to residential or commercial. In general, a waiver would require an applicant to show that there is a hardship and that development would not compromise the Above the Falls study.

The primary environmental concerns related to the Grain Belt Brewery area likely to be riverfront development, parking, air quality, and impact on historic structures. In addition to the regulatory issues previously mentioned, various federal and state environmental assessments and reviews may be required, e.g. an Environmental Assessment Worksheet (EAW), an Environmental Impact Statement (EIS), etc., depending upon the size of the development proposal (s) and the sources of public funding. An Indirect Source Permit from the Minnesota Pollution Control Agency is also a requirement if parking facilities exceed a certain threshold. The developer or developers involved in the Grain Belt area, with the assistance of the Minneapolis

Planning Department, will be responsible for the preparation of required environmental reviews.

VII. Initial Project Financing

Public funds available to assist redevelopment efforts in the Grain Belt Brewery area include \$500,000 in Minnesota Historical Society funds designated by the Minnesota Legislature for investment in the historic buildings. This grant award may be available to assist in the rehabilitation of the Gasthaus for public use.

To date, the MCDA has invested approximately \$10.0 million (net) in the acquisition, stabilization and improvement of the buildings in the brewery complex. The MCDA is currently working with Ryan Companies to formulate a public-private participation agreement for the restoration of the Brewhouse (estimated cost of \$19 million). Tax increment financing (TIF) will be one of several funding sources that will be used if the Brewhouse project is approved. The MCDA may also use TIF to assist future housing development activities in the Grain Belt area.

Investment tax credits may be available to developers restoring or rehabilitating the buildings within the historic district. The MCDA will also attempt to obtain any other federal, state, regional or local funds that may become available to assist redevelopment efforts in the area.

VIII. Citizen Participation

The Sheridan Neighborhood Organization (SNO) is recognized as the official neighborhood organization to be consulted by the MCDA in the review of plans and proposals for the Grain Belt Brewery area since the Brewery complex is physically located in that neighborhood.

In 1996, the Grain Belt Development Objectives Committee was created, pursuant to procedures stipulated by the City Council, and was charged with writing the original development objectives for Grain Belt. This Committee was reconvened in March of 2000 to work on drafting an amendment to these objectives to address housing development in the Grain Belt area. As the officially recognized neighborhood organization, SNO was asked to send a representative to participate on this committee which also included City staff from the Planning Department, the Heritage Preservation Commission, the Park Board, and the City Finance Department. However, since the development of the Brewery has an impact beyond the Sheridan neighborhood boundaries, SNO asked that the Bottineau Neighborhood Association and the St. Anthony West Neighborhood Organization also be added to this Committee. The North East Business Association (NEBA), the officially recognized business organization for the area, participated in the drafting of the original 1996 Development Objectives that emphasized the commercial development components of the Grain Belt complex, but was not involved in drafting this amendment because it deals with housing development.

Upon the completion of the drafting of this amendment by the Grain Belt Development Objectives Committee, the proposed amendment, along with the related redevelopment plan modification, will be transmitted for formal 45-day review to SNO and to other neighborhood organizations and interested parties who will all have an opportunity to submit comments during this 45-day period and also present these comments at the eventual public hearing held by the City Council.

Grain Belt Brewery Area Development Objectives

Appendix: Planning and Redevelopment History and Framework

I. History and Background

Brewing operations began on the Grain Belt Brewery site in 1850 by John Orth, a German immigrant and the first brewer in what is now Hennepin County. The Minneapolis Brewing and Malting Company was established in 1890 as the result of the consolidation of four Minneapolis breweries: the John Orth Brewing Company, the Heinrich Brewing Association, the Germania Brewing Company, and the F.D. Norenberg Brewing and Malthouse. The Minneapolis Brewing Company constructed the brewery in 1891. By 1893, the company adopted the "Grain Belt" beer label. The brewery operated successfully at the site, brewing 500,000 barrels annually by 1900. During Prohibition, the Minneapolis Brewing and Malting Company was able to remain open for several years producing "near beer" and soft drinks, but closed in 1927 until the repeal of Prohibition in 1933. The company reached a sales peak in 1957, and through acquisition of an Omaha brewery, achieved the status of 22nd in national sales. (Source for historical information is the Registration Form for the National Register of Historic Places, prepared by Michael Koop, Preservation Consultant, in 1988.)

Some original construction has been removed over the years, while other buildings and facilities have been added. In 1975 the Brewery was sold to a local businessman who subsequently sold the rights to the Grain Belt label and closed the brewery.

Since the closing of the Brewery in 1976, significant efforts have been made to preserve the historically significant structures and promote the site for redevelopment. Several potential developments have been considered for the site, including proposals for a hotel/athletic club/restaurant/retail complex, an office complex, a printing and office facility for the Minneapolis Star Tribune, an office/commercial development, a marina, a conference center, an indoor volley ball facility, a sound stage and residential development. Project financing and marketing factors contributed to the inability to implement these proposals.

In 1986, the Minneapolis Community Development Agency (MCDA) prepared project Guidelines and Criteria and a proposed redevelopment plan for the area. The Guidelines and Criteria and the redevelopment plan were approved by the City Council in December 1986. The redevelopment plan anticipated the acquisition of all of the brewery properties by the MCDA for redevelopment for commercial use.

The MCDA acquired the brewery properties in 1989. The MCDA has stabilized and improved the conditions of the buildings, and has successfully leased the office

building and the warehouse complex. The tenants of the warehouse complex represent a variety of arts-related businesses.

Other public redevelopment activities in the area have included the sale of land to Northeast State Bank for building expansion and parking, the relocation of Grace-Lee Products, and the subsequent sale of the cleared Grace-Lee site to Harmony Scenic. Harmony Scenic constructed a film and video special effects facility on this site which reinforces the northern edge of the brewery complex. The "Harmony Scenic" property was recently sold to a new owner who continues to use the building for the same purposes.

II. Current Uses and Conditions

The area addressed by these Development Objectives is approximately 29 acres in size (including the land in the proposed Modification No. 1 area) and is located one and a half miles north of downtown along the bank of the Mississippi River within the northeast Minneapolis Sheridan neighborhood. The Sheridan neighborhood is generally characterized by mixed land uses, including single-family residential structures, residential units above commercial ground floors, neighborhood commercial uses, light industrial uses and active railroad tracks.

The Grain Belt Brewery area includes a mix of building types and uses, including the eight buildings that make up the brewery complex, other commercial and industrial buildings, and some residential structures. The Minneapolis Park Board has acquired and assembled two privately-owned riverfront properties, the former foundry and the Minneapolis Commodity property. The Park Board plans to combine this property along with some riverfront property that it will obtain from the Minneapolis Community Development Agency (MCDA) for the development of a riverfront park.

Buildings on the approximately nine acres that make up the Grain Belt Brewery complex include the brewhouse, the boiler house, the livery stable, the stock house, the bottling house and an addition, and the warehouse and three additions on the west side of Marshall Street NE. Buildings on the east side of Marshall include the historic office building and a manufacturing building. All of these buildings are structurally sound, but require restoration or rehabilitation.

The Grain Belt Brewery complex was designated as a local historic district by the Minneapolis City Council in August 1977. New construction in the district and any changes to the exterior of the historic buildings within the district must be reviewed by the Minneapolis Heritage Preservation Commission (HPC). The brewery district was also listed on the National Register of Historic Places by the National Park Service. The national designation provides eligibility for federal rehabilitation tax credits.

The Mississippi River is an obvious amenity in the area. The brewery site has about 1,000 linear feet of accessible river frontage. A planned public park will enhance the value of the riverfront amenity.

The area is easily accessible via I-94, Broadway Street Northeast and Marshall Street Northeast. There is a possibility that Sibley Street south of Broadway may eventually be closed due to the expansion plans of Graco, which would eliminate this point of access to the Grain Belt site.

Significant development constraints in the area include:

- the presence of two 200,000-volt power transmission towers and attendant power lines along vacated Water Street. Estimated costs to relocate the lines are prohibitive, and it must be assumed that the towers and lines will remain.
- the two-track rail line along Ramsey Street which bisects the Grain Belt properties west of Marshall Street. This Burlington Northern spur line serves the Scherer Brothers Lumber Company located south of Broadway. The track is used about once a day, five days per week.
- traffic levels on Broadway and Marshall Streets Northeast, which are significant and are unlikely to be reduced. There is some potential to install trees and other streetscape improvements on both streets, including the Broadway Bridge, to buffer adjacent uses from the sights and sounds of the traffic.