Community Planning & Economic Development
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City of Minneapolis
Department of Community Planning & Economic Development - CPED

MEMORANDUM

TO: Heritage Preservation Commission

FROM: Brian Schaffer, Senior City Planner, 612.673.2670

DATE: November 7, 2011

RE: Conceptual Review: Pillsbury A Mill Complex, Dominium Proposal

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HISTORIC RESOURCES OF THE PILLSBURY A-MILL COMPLEX

The Pillsbury A Mill Complex contains ten buildings; eight contributing and two non-contributing.

- Pillsbury Water Power System Infrastructure (1881)
- Great Northern Railway Corridor (ca 1880- ca1916)
- Pillsbury "A" Mill (1880-1881)
- Machine Shop (1916)
- Warehouse II (1918-1919)
- South Mill (1916-1917)
- Warehouse I (1917)
- Cleaning House (1914-1917)
- Red Tile Elevator (1910)
- White Concrete Elevators (1914-1916)
- Manildra Hydroprocessing Building (non-contributing)
- Research & Development Annex Building (non-contributing)

Detailed descriptions, history, and statements of significance of each of these resources can be found in attachment A of this report.

BACKGROUND ANDCURRENT PROPOSALS FOR THE PILLSBURY A MILL COMPLEX

The Pillsbury "A" Mill Complex was the site of an approved rehabilitation and development project in the mid-2000s. The project received its approvals in 2006, but the development did not occur to market conditions. The owner and developer repositioned the project over the past few years to find new innovative uses for the site. The property went into foreclosure in the fall of 2010. On November 15, 2010 a Sherriff's sale occurred and the property went back into control of a coalition of banks, who underwrote the original project. In January 2011 the previous developer gave up their rights to the six month redemption period and returned the title of the property to the banks.

The property is currently owned by BNC Bank. In early 2011 the bank signed purchase agreements with two developers for portions of the Pillsbury A Mill Complex: Doran Companies and Dominium.

Doran Proposed Project
Doran Companies signed a purchase agreement for the site that contains the two non-contributing buildings adjacent to the Red Tile Elevator and for a portion of the site that is clear of buildings located between the former right of way for 5th Avenue SE and 6th Avenue SE. Doran's purchase agreement includes portions of the Great Northern Railway Spur Corridor, a contributing resource to the St. Anthony Falls Historic District.

Doran has presented plans to develop a six-story market-rate apartment building on the site located between the former right of way for 5th Avenue SE and 6th Avenue SE.. This has been called Phase I and the development is also known as "Mill and Main." Certificate of Appropriateness Applications for the Mill and Main project have been submitted to CPED, but have been deemed incomplete. The Applicant is working towards complete applications.

Doran's other development site has been called Phase II and is located on the site of the two non-contributing buildings adjacent to the Red Tile Elevator. CPED understands that Doran has no immediate plans to develop this site.

Dominium Proposed Project
Dominium has a purchase agreement for the eight contributing buildings. Dominium's agreement includes portions of the Great Northern Railway Spur Corridor, a contributing resource to the St. Anthony Falls Historic District. Dominium plans to rehabilitate the Pillsbury A-Mill, South Mill, Cleaning House, Warehouse I, Red Tile Elevator and Warehouse II into 250 affordable live-work apartments with shared common space in the A-Mill Complex of building. Dominium plans to sell the Machine Shop to a commercial user and plans to retain in-place the white concrete grain elevators.

Dominium plans to build an underground ground parking ramp to accommodate some of the parking for the project's tenants. The ramp will be located below the Great Northern Railway corridor between the A-Mill, Cleaning House and Red Tile Elevator and the White Concrete Elevators. Additional surface parking spaces will be provided in the Great Northern Railway corridor and between the Machine Shop and the White Concrete Elevators.

<u>Dominium's Proposed Scope of Work</u>
Dominium outlines the preliminary scope of work for the rehabilitation of the historic buildings in the attachment B. The following is a brief summary of the proposed work:

Pillsbury A-Mill

- Restore original historic windows to the extent feasible
- Replace non-historic infill and windows in non historic existing openings with new aluminum windows to match the historic wood window units.
- Reinterpret former steel loading dock structure on Main Street façade.
- Add new steel canopy over loading dock structure on Main Street Face.
- New entry in southeast corner of building
- Reclad penthouse walls and add new windows
- Add rooftop terrace

Transmission Building (building connecting A-Mill and Warehouse I)

- Remove masonry from cornice to ground on Main Street facade and replace with glass curtain wall to serve as a main entry to complex

Warehouse I

- Replace non-historic windows with new aluminum windows to match the original windows
- Install new aluminum storefront in historic overhead door openings at loading dock along Main Street
- Preserve canopy over loading dock

South Mill/Cleaning House

- Replace glass block with new aluminum windows that match historic industrial steel units from former drawings.
- Demolish existing one-story CMU addition at southeast corner of building and replace with new cmu one-story loading addition and new glazed entry between existing building and the Red Tile elevator
- Install new steel canopy on east elevation

Red Tile Elevator

- Install new thermal aluminum storm windows over restored extant historic industrial-steel windows
- Reopen in-filled openings and install new aluminum glazing different in appearance from adjacent historic units.

Warehouse II

- Replace deteriorated historic steel windows with aluminum windows to match appearance
- Install skylight in one-story addition of Warehouse II
- Non-historic south loading dock area to be selectively demolished to all new building entrance.

Site

- All existing historic railroad rails to be removed for stabilization of site, infill of holes and installation of new subsurface parking. Original rail switches and transfer junctions to reinstalled in original location. Original rails will be reinstalled when feasible or replaced with new rails to match in original locations

Dominium requests feedback from the Heritage Preservation Commission on the following issues:

- Site:
    a. Hybrid site plan as it relates to creating continuity for the complex, showcasing both Doran and Dominium parcels as a holistic approach.
    b. Prince Street design (Great Northern Railway corridor)- flow, parking access, plantings, use of 'relics,' retention of railroad tracks, etc.
    c. Sunken interpretive garden (no access, viewable only from above)
    d. Treatment proposed for Main Street
    e. 5th Avenue SE - intention to keep a private street and retain Soap Factory parking
- Window replacements
- Treatment of Main Street facade of Transmission Building
- Entry Addition at grade on Southeast corner of Cleaning House
- Rooftop construction (windows, terraces and roof reconstruction)

DEVELOPMENT ISSUES FOR THE COMPLEX

In the spring of 2011 the Pillsbury A Mill Complex was listed on the Preservation Alliance of Minnesota 10 Most Endangered Historic Property List. It was also listed on the National Trust for Historic Preservation 11 Most Endangered Historic Property List, a nationwide list. The property received this state and national recognition over concerns that the foreclosure would result in the property being "broken up for piecemeal development, an outcome that could have negative consequences for the site's historic buildings and landscape. Buildings that are more challenging to rehabilitate could sit vacant for years, deteriorating due to lack of maintenance and vandalism." With the imminent proposals for rehabilitation and new construction, the issue of the buildings sitting vacant for years is less of concern, but until the buildings are rehabbed and occupied this is still a valid concern.

Parking

Dominium is proposing 33 surface parking spaces in the Great Northern Railway corridor. Dominium plans to provide 154 parking spaces in an underground parking structure that sits below the Great Northern Railway Corridor and the surface parking lot between the Machine Shop and the White Concrete Elevators. In July 2011, the HPC reviewed three concepts for the treatment Great Northern Railway corridor. In reality these were three variations in treatment of one concept that provided all the parking for the historic buildings in a surface lot located in the Great Northern Railway corridor. Based on the feedback by the HPC and numerous other stakeholders Dominium has redesigned the parking for the historic buildings.

One of the concerns that arise with the dividing the complex into two separate development projects is the ability to provide sufficient parking for the proposed re-use of the historic buildings that satisfy both market needs and bank financing. The successful rehabilitation of the Pillsbury "A" Mill Complex is dependent upon marketability and financing. Some level of on-site parking is necessary for apartment buildings to be successful. More importantly financiers require some on-site parking.

The proposed division of the complex into two separate development projects complicates the ability to provide parking for the historic buildings in the new development sites and requires the

parking need to met on the site being purchased by Dominium. There is a potential to provide shared parking on the site being purchased by Doran, but both developers identify this as complicating financing and their developments further.

The proposed rehabilitation is also dependent upon receiving federal and state historic tax credits. The tax credits will provide up to forty percent of the redevelopment financing for the project. To receive the tax credits the project must meet the Secretary of the Interior Standard's for the Treatment of Historic Properties. Providing parking in the rail corridor was a concern of the National Park Service during development of previous developer's plans for the complex. If the National Park Service does not approve of the proposed underground parking, or the proposed underground parking is not feasible due to structural or financial issues the Pillsbury A-Mill Complex will face difficult challenges to overcome to provide enough parking to satisfy the project's financiers, while not destroying the integrity of the Great Northern Railway corridor-which will impact the project's ability to receive historic tax credits.

Treatment of the Great Northern Railway Corridor & the Cultural Landscape of Pillsbury A Mill Complex

A potential pitfall of the strategy to divide the complex into two separate development projects is that features and resources common to the complex might not be treated holistically, which would be an insensitive and perhaps destructive treatment of those resources and features. The proposed division of the complex straddles the Great Northern Railway Corridor. The division of the property could result in two different treatments of the cultural landscape of the Pillsbury A Mill Complex, which historically was one site.

To address these development concerns CPED has asked that both developers work together and provide the following for the entire Pillsbury A Mill Complex. It is expectation by CPED that these items would be part of any complete certificate of appropriateness application.

- A proposed site plan for the entire complex
- A proposed parking plan that is proven feasible and encompasses the parking needs of the entire complex
- A proposed phasing plan for the entire complex: Provide a proposed master site plan that shows anticipated dates or phasing of rehabilitation/new construction or alteration for the entire Pillsbury A Mill complex.
- Historical Elements Survey: Provide a historical resources survey report detailing all historic elements, features of the complex including buildings, landscape features, and objects. Describe the treatment of each historic element/feature (e.g. removed, rehabilitated, remain). The identification and subsequent description of the feature and its proposed treatment should be keyed to an overall site plan.
- Certificate of Appropriateness for the Treatment of the Rail Corridor throughout the entire complex.

In addition to the items listed above CPED has asked Dominium to complete its due diligence with regard to the proposed parking plan for their proposed project prior to finalizing future Certificate of Appropriateness submittals for the Complex. This will ensure that the subsequently proposed alterations (new construction and rehabilitation) are compatible with and will ensure the continued significance and

integrity of adjacent historic properties and will not impede the preservation of these surrounding historic resources.

It is important to understand the sequencing, phasing, and planning issues of the each of the proposed projects and how they fit together. The decisions on individual proposed projects or components of projects impact the ability to successfully preserve and rehabilitate the historic resources of the entire Pillsbury A Mill complex. A project's impact on the preservation of surrounding historic resources is one of the twelve required finding for a Certificate of Appropriateness outlined in section 599.350 of the Minneapolis Code of Ordinances.

Attachments

Appendix A- Material Provided by CPED

- A-1: National Park Service Part 1 Evaluation of Significance Pillsbury A-Mill Complex- submitted by previous developer, Schafer Richardson, in 2010
- A-25: *Analysis of Effects for the Proposed Pillsbury A Mill Complex Project, Minneapolis, Hennepin County, Minnesota* - The 106 Group. 2005. Submitted to the City of Minneapolis for the previous development proposal by Schafer Richardson

Appendix B- Material Provided by the Applicant

- B1-B4: Summary of Project
- B5: Project Plans