

**FINDINGS OF FACT AND RECORD OF DECISION ON THE
ADEQUACY OF THE FINAL ENVIRONMENTAL IMPACT STATEMENT
For The
Pillsbury A Mill Complex**

Located between Main Street and Second Street SE from Third Avenue SE to Fifth Avenue SE
and continuing along Main Street to Sixth Avenue SE, in the City of Minneapolis

Responsible Governmental Unit: City of Minneapolis

Responsible Governmental Unit

Michael Orange
City of Minneapolis
Planning Division
210 City Hall
350 South Fifth Street
Minneapolis, MN 55415-1385
Phone 612 673-2347
Fax 612 673-2728
email michael.orange@ci.minneapolis.mn.us

Proposer

David Frank
SchaferRichardson, Inc.
615 First Avenue NE – Suite 500
Minneapolis, MN 55403
Phone 612 359-5844
Fax 612 359-5858

email dfrank@sr-re.com

Final Action (See Exhibit F for the official publication): Based on the Final Environmental Impact Statement, the Draft Environmental Impact Statement and all previous environmental documents for this project and the comments in this "Findings of Fact and Record of Decision", the City Council of the City of Minneapolis concluded the following on May 27, 2005 and determined the Final Environmental Impact Statement is adequate, finding it:

- A. Addresses the potentially significant issues and alternatives raised in scoping so that all significant issues for which information can be reasonably obtained have been analyzed in conformance with part 4410.2300, items G and H; and
- B. Provides responses to the substantive comments received during the draft EIS review concerning issues raised in scoping; and
- C. Was prepared in compliance with the procedures of the act and parts 4410.0200 to 4410.6500.

I. ENVIRONMENTAL REVIEW AND RECORD OF DECISION

At their meeting on July 2, 2004, the Minneapolis City Council determined a discretionary Environmental Impact Statement (EIS) should be prepared prior to the City's consideration of the land use approvals for the redevelopment of the Pillsbury A Mill Complex site. On September 3, 2004, the City Council approved the Scope for the EIS. Exhibit A provides

excerpts from that decision describing the alternatives, issues and impacts to be addressed in the EIS. The City staff prepared the Draft EIS consistent with the Scoping Decision of the Council. The Draft EIS was distributed on February 11, 2005; see Exhibit D Public Notification Record. The Final EIS was distributed on April 22, 2005, and noticed in the EQB Monitor on April 25, 2005.

II. SUBSTANTIVE COMMENTS RECEIVED AND RESPONSES TO THESE COMMENTS

Written comments have been received from six reviewers: John Crippen, Director of Mill City and History Center Museums; the Metropolitan Council; the Midwest Office of the National Trust for Historic Preservation; Bluff Street Development, the Minnesota Chapter Society of Architectural Historians; and the Minnesota Department of Natural Resources. Their complete written comments are found in Exhibit E.

A response to one of the commentators on the Draft EIS was inadvertently omitted from the Final EIS Document. On page 7 of the Final EIS under the discussion of "2. The HPC and Secretary of the Interior Standards and Guidelines" this comment and response should have been provided:

Comment: 14-Brazaitis encouraged the HPC to use the Secretary's Standards and Guidelines in its review of the submitted project.

Response: The HPC staff is continuing to investigate the opportunity for the Commission to formally use the Secretary of Interior's Standards and Guidelines in its review of projects.

Summary of the written comments on the Final EIS

1. John Crippen

Comment: Taken together, the Final EIS with attached commentary by various agencies and citizens provides a compelling picture of the problems still to be solved before this development proposal should be granted final approval. The EIS and the ample opportunity for public comment and response has provided a foundation that should serve the City well as its works to achieve the right solutions in this complicated situation.

Response: Noted for the record

Comment: Crippen noted it is encouraging that there seems to be near-unanimous agreement on the importance of this National Historic Landmark, and the need to find a development solution that preserves it for the benefit and understanding of future generations; that alternatives one through three have various levels of detrimental impact on the historic resources and would require variances in the current city code leaving alternative four as the preferred solution; and the need for the city and the developer to keep this project moving as fast as possible within those parameters. The Pillsbury A Mill is one of our national treasures, and we must find a meaningful use for it before it falls victim to any of the problems that are so prevalent when a

building sits vacant and the renovation of the A Mill itself be completed in the first phase of work.

Response: Noted for the record

2. Metropolitan Council

Comment: The Final EIS adequately addresses the previous staff comments.

Response: Noted for the record

3. National Trust for Historic Preservation

Comment: There is no regulatory function that will require the Secretary of the Interiors Standards for Rehabilitation to be met during the lifespan of this project.

Response: See omitted comment to Brazaitis above.

Comment: A single, approved, detailed comprehensive plan and schedule for the redevelopment was not provided in the EIS.

Response: See the discussion of the City's land use review process and the project's status, especially "The Absence of a City Preferred Alternative" and "The Level of Detail of the Alternatives and Analysis" on pages 8 and 9 of the Final EIS; and "Government Approvals and Next Steps" beginning on page 57 of the Draft EIS.

Comment: The City and the owner should explore options that would allow the Concrete Grain Elevators to be retained.

Response: Noted for the record

4. Bluff Street Development

Comment: The staff's choice of the framework to summarize and respond to the issues raised by commentators assisted the staff in ignoring or providing only cursory responses to substantive comments by Bluff Street Development and others in violation of Environmental Rules.

Response: Each of the written comments received, in its entirety, is reproduced in Exhibit 1 attached to the Final EIS for review in determining the adequacy of the Final EIS and for use during the land use approval process of the City. The organization of the response to comments is consistent with the organization of the response to comments on the EAW for this project. The specific comments of the two commentators on behalf of Bluff Street Development were noted throughout the summary of the comments and response to the comments in the Final EIS.

Comment: Bluff Street Development does not agree with the responses to their comments in the following nine areas, and therefore the Final EIS cannot be found adequate.

- a. The description of the project (8)
- b. The Concrete Silos (6)
- c. The Rail Corridor (8)
- d. The level of detail (9)
- e. The use of the Secretary's Standards and Guidelines (6 & 7 and omitted Brazaitis response)
- f. HPC height standard (7)
- g. Absence of a City preferred alternative (8)
- h. MNDOT comment (11)
- i. 520 Project Solar Access (10)

Response: Each of the subjects of the comments raised in the Memo of May 9, 2005 were noted and responded to on the page of the Final EIS noted in parentheses following that subject and are part of the record available to all future reviewers.

These comments, and the similar comments in the Final EIS, represent important questions and assertions in the review of this redevelopment. They can be most appropriately, reasonably and productively addressed and answered during the City's land use approval process for the submitted project that will follow the completion of the EIS process. Therefore, they are highlighted and recorded in the EIS for use by reviewers and commentators during the City's land use approval process on the submitted project for the redevelopment for this site.

5. Minnesota Chapter of the Society of Architectural Historians

Comment: The Final EIS did not include comments or acknowledgement of the issues raised by the letter of March 23, significantly; the massing is not complementary with the historic industrial complex; Alternative 4 comes closer to conforming with the historic standards and guidelines; and direct, and visual and cumulative effects can be avoided in redevelopment of the site.

Response: The full text of the Chapter's letter was included for reviewers in the Final EIS. The comments on massing and effects are now noted for the record. The Chapter's preference for Alternative 4 is noted on page 10 of the Final EIS.

6. Minnesota Department of Natural Resources

Comment: Generally the Final EIS provided responses to the March 22, 2005 written comments the DNR submitted on the Draft EIS. The DNR has no additional comments to submit at this time.

Response: Noted for the record

III. Evaluation of the Adequacy of the Final EIS

In deciding if the Final EIS is adequate the Rules of the Minnesota Environmental Quality Board, 4410.2800 Determination of Adequacy, require the responsible governmental

unit, the City in this case, to determine if the following conditions have been met by the Final EIS.

A. Does the Final EIS address the potentially significant issues and alternatives raised in scoping so that all significant issues for which information can be reasonably obtained have been analyzed in conformance with part 4410.2300, items G and H?

The EIS discussed the alternatives selected by the scoping process and representative of the density and massing of the contemporary and reasonable redevelopment of sites in the Minneapolis Central Riverfront. The EIS compared the impacts of the alternatives and provided the policies and methodologies for analysis of the impacts of the submitted project during the City's land use approval process on the present character and the desired character of the Riverfront by the various adopted standards and plans.

The impacts on natural environment identified in the Scoping Decision were addressed by technical studies and professional investigations. The impacts on the cultural environment identified in the Scoping Decision were described and specific tests, standards and methodologies for making a reasoned choice between the alternatives and for review of the submitted project are presented in the EIS. The investigation and direction of the EIS was extended and confirmed by the commentary of various agencies and citizens provided in the Final EIS and the other environmental documents prepared for this project.

B. Does Final EIS the provide responses to the substantive comments received during the draft EIS review concerning issues raised in scoping?

In the context of the City's land use approval process and consistent with the status of this development in that process, the mandate to prepare the EIS as early in the process as possible and by the design of this EIS, responses to all substantive comments that can be reasonably provided at this time have been provided.

C. Was the Final EIS prepared in compliance with the procedures of the act and parts 4410.0200 to 4410.6500.

The Final EIS is an analytic rather than an encyclopedic document that describes the proposed action in detail appropriate with its preparation as early as practical in the formulation of the project and the ongoing regulatory authority of the City that will follow completion of the EIS process. The Final and Draft EIS analyzes the significant impacts on the natural and cultural environment identified in the Scoping Decision, discusses the reasonable and appropriate alternatives identified in the Scoping Decision, and explores methods by which adverse environmental impacts of the redevelopment of the site can assessed and be mitigated.

IV. Decision on the Adequacy of the Final EIS Prepared for the Redevelopment of the Pillsbury a Mill Complex

Based on the content of the Final and Draft EIS and all sections of the above analysis, the City of Minneapolis, the responsible governmental unit for this environmental review, concludes the following:

A. The Final EIS for this project addresses the potentially significant issues and alternatives raised in scoping so that all significant issues for which information can be reasonably obtained have been analyzed in conformance with part 4410.2300, items G and H; and

B. The Final EIS for this project provides responses to the substantive comments received during the draft EIS review concerning issues raised in scoping; and

C. The Final EIS for this project was prepared in compliance with the procedures of the act and parts 4410.0200 to 4410.6500.

Therefore, the City has determined the Final EIS for the Pillsbury A Mill Complex to be adequate.

Exhibits:

- A. Excerpts from the Scoping Decision
- B. Project description
- C. Record of Decision
- D. Public Notification Record
- E. Comment Letters
- F. Record of the Council's and the Mayor's action

Exhibit A Excerpts from the City of Minneapolis Scoping Decision

SCOPING DECISION DOCUMENT For the PILLSBURY A MILL COMPLEX PROJECT ENVIRONMENTAL IMPACT STATEMENT

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

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

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

1. **Project description:** The EIS will include a comprehensive description of the Project including all of its phases and all of the Alternatives identified herein.
2. **Description of the historic resources in the area:** The EIS will include a detailed statement describing the archaeological, historical, and architectural resources in the area, including a description of the nature and character of the St. Anthony Falls Historic District (District), focused on this sub-area of the District.
3. **Implementation of the Secretary of the Interior's Standards:** The EIS will identify how the Project implements the recommendations contained in the Secretary of the Interior's Standards for Rehabilitation and the guidelines adopted by the Minneapolis Heritage Preservation Commission (HPC).
4. **Historic impact analysis:** The EIS will evaluate the cumulative visual and functional impacts of all phases of the Project (including demolition and new construction) on all of the historic resources on the site and proximate to it, including the following:
 - Describe the Project's effects of siting, height, design, massing, and scale related to all phases of the Project.
 - Describe the Project's impacts on views—
 - to, from, and of the River within the St. Anthony Falls Historic District;
 - to, from, and on both the east and west banks of the District; and
 - on the east and west banks of the River contained within the Mississippi National Recreation Area, the Mississippi River Critical Area, and the City's Shoreland Overlay District, on resources across the river and historic elements such as tunnels and raceways.

- Analyze the Project’s impacts, if any, on infrastructure on the historic sluice ways and mill races under the A Mill and Main Street related to all phases of the project.
 - Describe the cumulative impacts on historic resources of the Project in addition to the other know actions in the immediate area, including the Phoenix Lofts project and 520 and 520-1/2 Second St. SE and 110 Fifth Ave. SE.
5. **Historic impact mitigation plan:** Describe possible measures to mitigate the impacts on historic resources of the Project, including scale, design, circulation and preservation, and specifically including restoration of the A Mill as part of the first phase of the Project. (This is applicable to all but the no-action Alternative.)
 6. **Air quality study and mitigation plan:** Complete an additional air quality analysis of the potential impacts of all phases of the Project to further evaluate possible exposure of people to dangerous levels of pollutants from the Southeast Steam Plant. If adverse impacts are determined, identify mitigating measures that will prevent or mitigate impacts of such exposure, including changes in building and mechanical system design, heights, and placements of buildings.
 7. **Stormwater management plan:** Prepare a stormwater management plan that includes an evaluation of potential groundwater impacts of all phases of the Project on the nearby Southeast Steam Plant and surrounding natural and historic resources.

E. Alternatives that will be addressed in the EIS

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

1. **Proposed Project:** Alternative 1 will include the Project as described in the completed EAW; however, it may be modified for the EIS.
2. **Height limited to Red Tile Elevator:** Alternative 2 will limit the heights of the buildgings in the Project to that of the Red Tiled Elevator.
3. **Reduced heights:** Alternative 3 allows heights above the Red Tile Elevator but reduces the building mass between the taller structures.
4. **Current zoning:** Alternative 4 involves a lower density development which retains the primacy of the height and massing of the historic mill buildings along this stretch of the river. It reduces the program for the Project significantly to stay

within the density and massing permitted by the Industrial Living Overlay District and the density of the R5 Multiple Family District in the City's Zoning Code. The heights of the buildings will not exceed that of the Red Tiled Elevator and no more than two buildings will equal the height of the red tile elevator.

5. **No Action:** This no-action alternative, required by the state rules, assumes that the Project will not go forward.

Exhibit B Project Description

This Discretionary EIS investigates the redevelopment of a former flour mill, the Pillsbury A Mill Complex, a 7.9 acre site located across the Mississippi River from Downtown Minneapolis located in the St. Anthony Falls Historic District. The site includes all of the area bounded by 3rd Avenue SE, 2nd Street SE, 5th Avenue SE and Main Street SE, and the southerly half of the block bounded by 5th Avenue SE, 2nd Street SE, 6th Avenue SE, and Main Street SE. See Figures 1 Project Location and Figure 2 Project Site. The proposed redevelopment of the site would preserve and renovate for commercial and residential use all of the historic structures at the site including the National Historic Landmark Pillsbury A Mill building except for the concrete grain elevators now located along 2nd Street SE, which would be demolished. Six new mid or high rise residential buildings and their linking structures along Main Street would be added to the site. Alternatives in the EIS test four variations of height and massing for the redevelopment of 759 to 1095 housing units and 105,000 sf of commercial space at the site. The redevelopment of the site is anticipated to be phased over the next 10 years depending on market demand and acceptance. No plan for the phasing of the elements of each phase has been proposed. The City of Minneapolis at this time has no preferred alternative. A final decision on regulatory controls and amongst the alternatives will be made based on the RGU's (City of Minneapolis) regular land use process. This process will consider the impacts described in this EIS, proposed and other suggested mitigations, the feasibility of the overall project and its overall costs and benefits, information from the EIS comment process and the regulatory hearing process.

Exhibit C Record of Decision

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

DATE

ITEM

Environmental Assessment Worksheet:

1/30/04	City staff distributes EAW to official EQB mailing list and to the project mailing list.
2/02/04	Minnesota Environmental Quality Board (EQB) publishes notice of availability in <i>EQB Monitor</i> . 30-day comment period commences.
2/12/04	Notice of availability of EAW is published in the StarTribune newspaper.
2/18/04	Public Comment Meeting at Marcy School
3/3/04	End of EAW public comment period.
3/15/04	Proposer requests 60 day extension of the period for the City's decision on the need for an EIS to allow preparation of additional documentation in response to comments received on the EAW
5/12/04	Proposer again requests extension of the period for the City's decision on the need for an EIS to allow preparation of additional documentation in response to comments received on the EAW
6/10/04	City staff provide EAW and Findings of Fact to City Planning Commission (CPC), Committee of the Whole.
6/24/04	Zoning and Planning Committee (Z & P) of the City Council considers "Findings of Fact and Record of Decision" report and EAW and recommends Negative Declaration.
7/1/04	City Council Committee of the Whole considers "Findings of Fact and Record of Decision" report and EAW.
7/2/04	City Council makes a finding of Positive Declaration and requires preparation of an EIS.
7/8/04	Mayor approves Council action regarding EAW.
7/10/04	City publishes notice of Council/Mayor decision in Finance and Commerce.
7/12/04	City publishes and distributes Notice of Decision official EAW mailing list and Official Project List.
7/19/04	EQB publishes Notice of Decision in <i>EQB Monitor</i> .

Scoping Decision for the Environmental Impact Statement:

7/26/04:	Notice of Positive Declaration and notice of time, date and place of scoping meeting to Environmental Quality Board (EQB).
8/2/04:	Draft EIS Scoping Report prepared and distributed to Official mailing lists.
8/2/04:	Notice of Positive Declaration notice of time, date and place of scoping meeting published in the <i>EQB Monitor</i>
8/16/04:	Scoping Decision meeting (5:00 Room 220 City Hall)

- 8/26/04: Zoning and Planning Committee of the City Council considers Draft EIS Scoping Decision
- 9/2/04: Close of public comment on the draft Scoping Decision Document
- 9/3/04: City Council approves EIS Scoping Decision.
- 9/9/04: Mayor signs EIS Scoping Decision Document
- 9/11/04: Official publication of the EIS Scoping Decision
- 9/24/04: EIS Preparation Notice and Notice of Accelerated Review published in *StarTribune*
- 9/27/04: Final Scoping Decision, EIS Preparation Notice, and Notice of Accelerated Review published in *EQB Monitor*

Draft Environmental Impact Statement:

- 2/14/05: Draft EIS prepared and distributed to Official mailing lists (included herein as Exhibit D)
- 2/14/05: Notice of Draft EIS availability; public comment period; and notice of time, date, and place of public comment meeting published in the *EQB Monitor*
- 2/14/05: City distributes notice of Draft EIS availability; public comment period; and notice of time, date, and place of public comment meeting via its public information system of emails, public notices, and a press release to the *StarTribune* newspaper.
- 2/16/05: Notice of Draft EIS availability had incorrect date for the end of the public comment period. City redistributed the notice of Draft EIS availability; public comment period; and notice of time, date, and place of public comment meeting via its public information system of emails, public notices, and a press release to the *Star Tribune* newspaper.
- 2/28/05: Corrected Notice of Draft EIS availability; public comment period; and notice of time, date, and place of public comment meeting published in the *EQB Monitor*
- 3/9/05: Public comment meeting for the Draft EIS (7:00 pm at Marcy Open School)

Final Environmental Impact Statement:

- 4/21/05: Final EIS prepared and distributed to Official mailing lists (included herein as Exhibit D)
- 4/25/05: Notice of Final EIS availability; public comment period published in the *EQB Monitor*
- 5/6/05: Close of the public comment period.
- 5/19/05: The Zoning and Planning Committee of the City Council considers the adequacy of the Final EIS.
- 5/27/05: Expected date that the City Council will consider the adequacy of the EIS.
- 6/2/05: Expected date that the Mayor will approve the action of the City Council.
- 6/6/05: Earliest date the City can make final decisions regarding permit applications for the project.
- 6/20/05: Expected date of publication in the *EQB Monitor* of the City's decision.

Exhibit D Official Distribution Lists

Jim Haertel Board of Water & Soil Resources One W. Water St., Suite 200 St. Paul MN 55107
Corey Conover City Attorney 300 Metropolitan Center Interoffice
Becky Balk Department of Agriculture 90 W. Plato Blvd. St. Paul MN 55107
Marya White Department of Commerce 85 7th Place East, Suite 500 St. Paul MN 55101
Environ. Health Division Department of Health 121 E. Seventh Place, Suite 230 St. Paul MN 55101
Thomas Balcom (3) Department of Natural Resources 500 Lafayette Road St. Paul MN 55155-4010
Developmetn Review Coordinator Mn/Dot - Metro Division (3) Waters Edge 1500 West County Rd B-2
Roseville, MN 55113
Mpls Public Library (2) Environ. Conservation Library 250 Marquette Minneapolis MN 55401
Bill Anderson Environ. Mgmt. 400 Public Health Interoffice
Jon Larsen Environmental Quality Board 658 Cedar St., #300 St. Paul MN 55155
Dave Jaeger Henn. Co. Environmental Services 417 N. 5th Street Minneapolis MN 55401
Maria Paulson HUD 920 2nd Ave. S. Ste. 1300 Minneapolis MN 55402
Carol Blackburn Legislative Reference Library 645 State Office Building St. Paul MN 55155
Reviews Coordinator (5) Metropolitan Council 230 E. Fifth Street St. Paul MN 55101
Dennis Gimmetad Minnesota Historical Society 345 Kellogg Blvd. St. Paul MN 55102
Beth Lockwood (3) MN Pollution Control Agency 520 Lafayette Road St. Paul MN 55155
Stewardship Team Manager National Park Service 111 East Kellogg Blvd, Suite 105
St. Paul MN 55101-1288
Tamara Cameron U.S. Army Corp of Engineers 190 Fifth Street E. St. Paul MN 55101
William Franz U.S. Environ. Protection Agency 77 W. Jackson Blvd. Chicago IL 60604-3590
T.C. Field Office ES U.S. Fish & Wildlife Service 4101 E. 80th Street
Bloomington MN 55425-1665

This is: SE Environmental List
Updated: 4/19/05

Irene Jones
Friends of the Mississippi River
46 E. 4th St.
St. Paul, MN 55101

Thomas Meyer
710 2nd St. S
Minneapolis, MN 55405

Linda Mack
StarTribune
425 Portland Ave. S.
Minneapolis, MN 55488

Ted Tucker
319 5th St. SE
Minneapolis, MN 55414

Gary Meyer
401 1st St. S #1012
Minneapolis, MN 55401

Jen Bever
210 CH

Rachel Ramadjyani
2117 W. River Rd. – Park Board

Roger Elo
338 9th St. SE
Minneapolis, MN 55414

Amy Lucas
210 CH

Winston Wallin
333 S. 7th St. #2550
Minneapolis, Mn 55402

Mike Cronin
8809 W. Bush Lake Rd.
Minneapolis, MN 55438

Jon Wertjes
PW – 233 CH

Thomas Lincoln
510 7th Ave. SE
Minneapolis, MN 55414

Jim Voll
300 PSC

Ann Calvert
CPED – CRM

Kathleen O'Brien
University Services
317 Morrill Hall
100 Church St. SE
Minneapolis, MN 55455

Marcy-Holmes Neighborh
Attn: Elissa Cortell
University Tech Center, #
1313 5th St. SE
Minneapolis, MN 55414

Jason Wittenberg
300 PSC

The Environmental Law Group
10 2nd St. NE #114
Minneapolis, MN 55413

W.D. Forbes Co.
P.O. Box 14828
Minneapolis, MN 55414

Applicant

Ben Heywood
No Name Exhibitions
P.O. Box 581696
Minneapolis, MN 55458

Metal-Matic Inc.
629 2nd St. SE
Minneapolis, MN 55414

Edna Brazaitis
4A Grove St.
Minneapolis, MN 55401

Steven Minn
Lupe Development Partners
9304 Lyndale Ave. S
Bloomington, MN 55420

Southeast Community Lib
1222 4th St. SE
Minneapolis, MN 55414

National Trust for Historic Preservation
Attn: Chris Morris
53 W. Jackson Blvd. #350
Chicago, IL 60604

Arlene M. Fries
1109 Xerxes Ave. S
Minneapolis, MN 55405

St. Anthony East Neigh. A
Attn: Jo Horan
909 Main St. NE
Minneapolis, MN 55413

Michael Norton
Kennedy & Graven
470 Pillsbury Center
200 South Sixth Street
Minneapolis, MN 55402

Aaron Rubenstein
MNSAH
3249 Emerson Ave S
Minneapolis, MN 55408

Jim Von Haden
National Park Service
111 East Kellogg Blvd. Suit
St. Paul, MN 55101 - 1256

David Braslau
David Braslau Assoc. Inc.
1313 5th St. SE #322
Minneapolis, MN 55414

Jan Morlock
University of Minnesota
110 Church St SE - Room 3
Minneapolis, MN 55455

Sandy Fecht
Department of Natural Res
500 Lafayette Road
St. Paul, MN 55155 - 4032

D'nardo Colucci
27 Maple Place
Minneapolis, MN 55401

Greg Archer
University of Minnesota
Environmental Health and Safety
410 Church St. SE
Minneapolis, MN 55455

John Anfinson
National Park Service
111 East Kellogg Blvd. Suit
St. Paul, MN 55101 - 1256

David Frank
SchaferRichardson, Inc.
615 First Ave. NE #500
Minneapolis, MN 55413

CM Paul Zerby
307 CH

Betsy Bradley
The 106 Group
370 Selby Avenue
St. Paul, MN 55102

Byron Starns
Leonard Street & Deinard
150 South 5th Street - Suite 2300
Minneapolis, MN 55402

Blake Graham
1006 Brenner Avenue
Roseville, MN 55113

Gary Meyer
150 2nd St. NE, #201
Minneapolis, MN 55413

Eric Galatz
Leonard Street & Deinard
150 South 5th Street - Suite 2300
Minneapolis, MN 55402

John Herman
Faegre & Benson
2200 Wells Fargo Center
90 South Seventh St.
Minneapolis, MN 55402-3901

Marni Matthews
GRAY PLANT MOOTY
500 IDS Center
80 S. 8th St.
Minneapolis, MN 55402

David Wood
1574 Marion St. #302
St. Paul, MN 55117

Julian Andersen
601 Main St. SE #529
Minneapolis, MN 55414

John Crippen
Mill City Museum
704 South Second Street
Minneapolis, MN 55401-21

Joni and Johann Gray
17 1st St. S. #604
Minneapolis, MN 55401

Jo Radzwill
507 2nd Ave. SE
Minneapolis, MN 55414

Kenneth Larson
University of Minnesota
360 McNamara Alumni C
200 Oak Street SE
Minneapolis, MN 55455

Bob Sherman
611 6th Ave. SE
Minneapolis, MN 55414

Pete Goelzer
100 2nd St. SE
Minneapolis, MN 55414

Bill Huntzicker
415 8th St. SE
Minneapolis, MN 55414

Jeff Smyser
2730 Garfield St. NE
Minneapolis, MN 55418

Exhibit E Comment Letters

Letters providing comment on the adequacy of the Final EIS were received from:

1. John Crippen, Director of Mill City and History Center Museums
2. The Metropolitan Council
3. National Trust for Historic Preservation Midwest Office
4. Bluff Street Development LLC
5. The Minnesota Chapter of the Society of Architectural Historians
6. The Minnesota Department of Natural Resources

Their comments follow.

May 5, 2005

Mr. J. Michael Orange
City of Minneapolis
Community Planning and Economic Development
Planning Division
350 South 5th Street, Room 210
Minneapolis, MN 55415-1385

Dear Mr. Orange:

This letter is intended as comment on the Final Environmental Impact Statement (EIS) recently completed for the Pillsbury A Mill Complex. Thank you for your continued work on this project, and for the ample opportunity for public comment and response.

Taken together, the final EIS with attached commentary by various agencies and citizens provides a compelling picture of the problems still to be solved before this development proposal should be granted final approval—and there are many. At the same time, it is encouraging that there seems to be near-unanimous agreement on the importance of this National Historic Landmark, and the need to find a development solution that preserves it for the benefit and understanding of future generations.

A common theme in comments on the draft is the severe choice that is presented by the four alternatives presented in the EIS. Alternatives one through three have various levels of detrimental impact on the historic resources and would require variances in the current city code. This naturally leaves alternative four as the preferred solution, except that the developer has stated that this alternative is not financially feasible. I think that this is a false choice, and that it would be shortsighted for the City of Minneapolis to accept this seemingly irreconcilable conflict without much more study and review.

Minnesota is well known for its leadership in finding creative solutions to historic preservation problems, and Minneapolis has been a large part of that reputation. The recent developments in the West Side Milling District are a prime example of what can be achieved when we accept challenging problems head-on and work towards adaptive reuse that is both respectful of our historical resources while remaining financially feasible. In that spirit, before this project is moved past the conceptual phase, the developer's proposal should be pushed to further explore options that do not present such stark choices.

At the same time, I would urge the city and the developer to keep this project moving as fast as possible within those parameters. The Pillsbury A Mill is one of our national treasures, and we must find a meaningful use for it before it falls victim to any of the problems that are so prevalent when a building sits vacant. Furthermore, once final plans are approved, the city should demand as part of that approval that the redevelopment of the A Mill itself be completed in the first phase of work. It is simply too valuable to wait at the end of the line in a development project that could last over many years.

Finally, I find it thrilling that progress is being made to find a meaningful, ongoing use for this site. The developers should be commended for their commitment to do right by this site, and you and other city officials should be commended for your diligent work so far. This foundation should serve you well as you try to achieve the right solutions for this complicated situation.

Sincerely,

John Crippen
Director of Mill City and History Center Museums

May 5, 2005

J. Michael Orange, Principal Planner
Minneapolis CPED – Planning Division
Room 210 City Hall
350 4th Street South
Minneapolis, MN 55415-1385

RE: City of Minneapolis - Final Environmental Impact Statement - Pillsbury A Mill Complex
Metropolitan Council District 8 (Lynnette Wittsack)
Metropolitan Council Referral File No. 19420-1

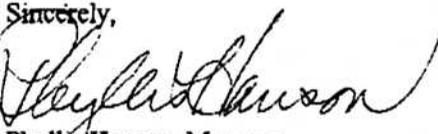
Dear Mr. Orange:

Thank you for submitting the Final Environmental Impact Statement (FEIS) for the Pillsbury A Mill Complex to the Metropolitan Council for review. Our staff is responsible for reviewing the FEIS to determine whether it adequately and accurately addresses regional concerns. The proposed project will include 1,095 residential units, 105,000 square feet of commercial and 1,832 parking stalls. The site is located on the east bank of the Mississippi River in downtown Minneapolis, near 2nd Street SE and Main Street SE.

The FEIS adequately addresses previous staff comments.

If you have any questions or need further information, please contact Jim Uttley, AICP, principal reviewer at 651 602-1361.

Sincerely,


Phyllis Hanson, Manager
Local Planning Assistance

cc: David Frank, Project Manager, St. Anthony Mill, LLC
Lynnette Wittsack, Metropolitan Council Member, District 8
Jack Jackson, MultiFamily Market Analyst, MHFA
Tod Sherman, Development Reviews Coordinator, MnDOT - Metro Division MHFA
Keith Buttleman, Environmental Quality Assurance
Jim Uttley, AICP, Principal Reviewer, Local Planning Assistance
Cheryl Olsen, Reviews Coordinator

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May 5, 2005

Mr. J. Michael Orange
City Planner
City of Minneapolis
City Hall Room 210
350 S. 5th Street
Minneapolis, MN 55415

Re: Final Environmental Impact Statement
(EIS) for the Pillsbury "A" Mill Complex
Project

Dear Mr. Orange:

As the nation's largest non-profit organization devoted to historic preservation issues, the National Trust is concerned with protection of the historic "A" Mill Complex, as well as that of the St. Anthony Falls Historic District in which it is located. The Trust provided comments during the Environmental Assessment Worksheet process, and has continued its involvement as a stakeholder during the EIS. We appreciate the opportunity to review and comment on the Final Environmental Impact Statement for the Pillsbury "A" Mill Complex Project, and we would like to offer the following comments:

We commend your efforts to position the "A" Mill Complex within a larger revitalization plan that will respect and rehabilitate the significant historic and architectural features of the Complex while providing new residential and retail opportunities. However we have reservations about certain components of the project as presented in the Final EIS that have the potential for negative or adverse effect on the historic resources within the Complex and the surrounding Historic District.

1. Specific rehabilitation strategies and treatments for the National Historic Landmark "A" Mill building, and the seven other historic properties on the site, have not been offered for review to date. Currently there is no regulatory function that will require the *Secretary of the Interiors Standards for Rehabilitation* to be met during this lifespan project, which "is intended to be phased over the next 10 years depending on market demand and acceptance". As a result, there is no mechanism that will ensure the *Secretary of the Interiors Standards* will be applied consistently and regularly over the course of the site's multi-year redevelopment, and therefore no assurance that the adverse impacts of the proposed new construction and demolition will be in any way mitigated by the sensitive rehabilitation of the existing historic structures.

Protecting the Irreplaceable



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We would recommend that a comprehensive redevelopment plan and schedule with proposed treatments for individual historic structures be submitted for review and approval as a means to guide appropriate and consistent rehabilitation of the properties over time. Access to this type of master planning document will greatly assist the Minneapolis Heritage Preservation Commission (HPC) in their understanding and review of the various phases of the development over time.

We also would recommend the City and owner further explore the option of preservation easements with the Preservation Alliance of Minnesota as a effective tool for the protection of the facades of all the historic structures on the site, or at a minimum, the "A" Mill building.

2. The EIS proposes that six new mid or high-rise residential buildings and their linking structures on Main Street will be added to the site, resulting in the creation of between 759 and 1,095 housing units and 105,000 sf of commercial space. Within the framework of the EIS, the overall design characteristics of the new construction are limited to a discussion of issues of scale, massing, siting, and height of the new construction, while critical issues of materials, detailing, window type and placement, etc. are omitted as items to be addressed in the future, and on a case-by-case basis, as outlined in the "Governmental Approval and Next Steps" of the Draft EIS.

Again, the lack of a comprehensive plan for the redevelopment of the site makes it difficult to gauge the overall impact of the new construction on the adjacent structures and the Historic District as a whole, since exterior treatments for individual buildings will be reviewed in a piecemeal fashion as they are developed, rather than as part of a comprehensive plan intended to preserve and complement the character of the Historic District.

3. Of the four alternatives proposed for consideration, Alternatives 1-3 rely upon the same figures for housing units, commercial space, and parking units to achieve the developer's desired end product, resulting in new construction "of a size, scale and extent that could be incompatible with other resources of the riverfront and historic district". According to the conclusions of the *Analysis of Effects for the Proposed Pillsbury "A" Mill Complex Project* completed by the Section 106 group, the proposed "A" Mill Complex Project, as well as the Phoenix and 520 and 521 2nd Street SE projects, will have "adverse cumulative effects...based on the loss of contributing properties and introduction of incompatible and intrusive new construction".

We feel this assessment is true for Alternatives 1-3, which attempt to maximize density and economic returns through the use of new construction that exceeds the height cap set by the Guidelines of the Minneapolis Heritage Preservation Commission. But Alternative 4 proposes new construction with a reduced number of residential units in structures that are both compliant with current zoning regulations and lower than the height of the Red Tile Elevators. Although still problematic due to the demolition of the Concrete Grain Elevators and the potentially inappropriate rehabilitation of the "A" Mill building, Alternative 4 at least has the potential to be brought into alignment with the *Secretary of the Interiors Standards*, whereas Alternatives 1-3 do not. The Midwest Office would be pleased to offer its services as a consulting party to discuss ways in which this Alternative might be modified to meet the *Standards*.

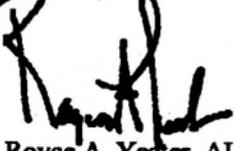
4. In our last comment letter we requested a schedule for the construction of the proposed development, including a comprehensive phasing plan describing treatments for all historic structures in the Complex that will remain vacant during redevelopment. This schedule was

5. not provided as part of the information within the Final EIS, nor was there any indication of the manner in which the vacant properties would be protected from fire or vandalism until they are rehabilitated. Although the Draft EIS calls for a security plan to be developed by the owner and submitted for review and comment of the Minneapolis HPC, this is specified as a *voluntary* action. There currently are no *requirements* for the protection of the vacant historic structures as part of the proposed redevelopment, including the "A" Mill building.
6. None of the alternatives considered the retention and preservation of the Concrete Grain Elevators either as a cultural artifact or renovated for a new use. These options were considered to be economically unfeasible, or to result in such a high degree of modification that "it [was] not clear that this approach would be significantly better than demolition". While we are sympathetic to the physical and economic challenges posed by on-going maintenance of vacant grain elevators and the effective adaptation of these structures, we feel it is premature to dismiss the possibility of their retention. The elevators are a contributing structure within the Historical District and an integral part of the "A" Mill Complex because they are an important component in the history and development of the site.

We strongly encourage the City and the owner to explore options that would allow the Concrete Grain Elevators to be retained in the redevelopment of the site, either in their current state as an artifact that assists with the understanding, viewing, and interpretation of the East Bank Milling Area, or in a reuse that may result in some modification, such as parking.

Thank you for considering our comments, and please do not hesitate to contact Christina Morris in the Midwest Office at 312.939.5547 x231 if you have any questions or comments.

Sincerely,



Royce A. Yeater, AIA
Midwest Director

Cc: Richard Moe, National Trust for Historic Preservation
Christina Morris, National Trust for Historic Preservation
Amy Lucas, Minneapolis HPC
Aaron Rubenstein, Minnesota Chapter of Society of Architectural Historians
Britta Bloomberg, Minnesota State Historic Preservation Office
Nina Archibald, Minnesota Historical Society

V

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MEMORANDUM

TO: J. Michael Orange, Principal Planner

FROM: Michael T. Norton on behalf of Bluff Street Development, LLC (Bluff Street)

DATE: May 10, 2005

RE: Comments on Final Environmental Impact Statement (FEIS) for the Pillsbury A-Mill Complex Project (the "Project")

INTRODUCTION

We provided you substantive comments concerning the FEIS for the Project in our memorandum dated May 2, 2005, which city staff and consultants (collectively, the "City") have reviewed in the Comments and Responses to the Comments for the FEIS (the "Comments"). While we appreciate the City's efforts to consider our concerns, it is patently clear that the FEIS compounds the fatal errors made in the EAW process, the Scoping process, and the DEIS process, with the result that the FEIS fails to meet the requirements of Minn. R. 4410.0200-44-10.6500 (the "Environmental Rules") and the specific rules as discussed below.

GENERAL COMMENTS

The City has attempted to quantify and qualify the 16 comments made on the DEIS into four broad categories for purposes of analysis:

- Impacts on the historic resources;

- Review process;
- Preferences;
- Requests

It is unclear why this organizational structure was chosen, other than for ease of administrative response by the City. This “framework” assists the City in either ignoring or providing only cursory responses to the substantive comments by Bluff Street and others concerning the City’s deficient analysis and resulting violation of the Environmental Rules.

In order to frame the specific substantive comments that follow, we are compelled to emphasize yet again the City’s failure to address two glaring errors in the FEIS which we have noted arose as early in the process as the preparation of the EAW.

The first error is the continued failure to adequately define a “project” for purposes of review, which has led to the continued failure to adequately analyze the impacts of the Project and the resulting failure to develop or recommend appropriate mitigation measures to address the environmental impacts on the historic resources as required by the Environmental Rules. A review of our comments during the EAW, Scoping, and DEIS processes analyzes the City’s failure. We will address this issue again with additional comments hereafter.

The second error perpetuated in the FEIS is the failure to meet the scoping review standards clearly mandated by the City Council in the Findings and Decision on the adequacy of the EAW. This critical issue has been analyzed at length previously in our submissions, but the City seems to take the position that it can continue to ignore its own direction as to the appropriate matters to be studied, even though this action results in non-compliance of the DEIS and the FEIS with the Environmental Rules. See, Minn. R. 4410.1700, 4410.2100, and 4410.2800.

DISCUSSION

As noted above, the City has lumped all the comments received during the FEIS process into the four categories stated above. While this may be convenient for the City, this analytical approach cannot obscure the failure of the FEIS to meet the requirements of the Environmental Rules in the four principle areas discussed below:

1. Concrete Silos.

In the Discussions of Impacts on Historic Resources in the FEIS, the City raises the subject of the concrete silos and simply concludes that no study of any alternative to demolition, nor development of any mitigation plan to address the demolition of the silos will occur. The City acknowledges that “preserving the concrete elevators could be a theoretical alternative,” but goes on to find based on the DEIS discussion that such an alternative is not “reasonable.” This argument continues to miss the point of the requirements of the Environmental Rules imposed upon the City by the Environmental Rules to actually define and study alternatives to the destruction of natural resources. See, Minn. R. 4410.2000, subp. 6, and 4410.2300 G.

Virtually no one would dispute that the total preservation and reuse of the silos would pose a difficult problem for a developer. However, the City’s position is wrong for at least two reasons: (1) the City rubber stamps the illegal action of its HPC to approve a demolition permit for the concrete silos in advance of completion of environmental review, and (2) the decision precludes any development of reasonable mitigation measures, if indeed the concrete silos are demolished. In effect, the City has substituted its regulatory processes for the required environmental review of the impacts on this important historic resource. As a result, the FEIS is fatally flawed with respect to the analysis of the alternatives or mitigation for the demolition of the concrete silos.

In this connection, not only does the City ignore Bluff Street's comments, it also ignores similar comments from the State Historic Preservation Officer ("SHPO") who advised that an alternative preserving the elevators should have been included in the scope of the DEIS. The City's decision to ignore Bluff Street and the SHPO cannot obscure the wrongful substitution of its judgment and its regulatory processes for the requirements of the environmental review process, a clear violation of the Environmental Rules and relevant case law authority. See, City of Bloomington v. City of Burnsville, 666 NW 2d 414 (Minn. 2003).

Further, the City's failure to demand a comprehensive analysis of alternatives to the demolition of the concrete silos results in no analysis or discussion of appropriate mitigation measures to address complete demolition. See, Minn. R. 4410.2300 G. This failure has a fundamental impact on a recently-identified historic resource, the "Rail View Corridor" established by the City Council action concerning the 520 2nd Street (the "520 Project") site plan approval as a significant contributing element to the District. In this regulatory action, historic diagrams and photos used by City staff to support the existence of the Rail View Corridor clearly establish that the Rail View Corridor from east to west includes the entire historic A-Mill site, and therefore the concrete silos. The pictures and diagrams of this Rail View Corridor clearly show the skyways and other structures linking the historic A-Mill with the concrete silos. The record of decision for the 520 Project clearly establishes the Rail View Corridor as an important element which contributes significantly to the District.

The City's failure to analyze alternatives to demolition or develop mitigation measures for the silos will surely result in the City effectively destroying the Rail View Corridor, which it clearly has identified as an important contributing element to the A-Mill complex and St. Anthony Falls Historic District. The City will achieve this result because the destruction of the silos, the rail spurs

supporting the silos, and the contributing elements, skyways, and the like remove virtually all the historic context associated with the Rail View Corridor. This failure will result in the City violating the Environmental Rules by disguising the preemptive HPC and City regulatory action of approving demolition of the concrete silos and the related features which impact the Rail View Corridor without the required analysis in the environmental review process. This failure also results in the destruction or impairment of natural resources, a violation of Minn. Stat. §116B.03.

Comment:

1. *The City has failed to develop or analyze alternatives to the demolition of the concrete silos.*
2. *The City's failure to analyze alternatives to the demolition of the silos will result in the destruction or impairment of the Rail View Corridor.*
3. *The City is substituting its regulatory processes and ignoring its obligations as the RGU to conduct meaningful environmental review.*

2. HPC and Secretary of the Interior Standards.

The City addresses the application of the Secretary of the Interior Standards and Guidelines (“the Guidelines”) in the context of using the Guidelines “as a tool for evaluation of the preservation and the new construction proposed in the alternatives in the draft EIS.” The City notes that there are ten standards in the Guidelines, and that the 106 Group analyzed only five standards considered by the Proposer to be the most relevant to the Project. However, the analysis of the relevance (or not) of the remaining five standards in the Guidelines is notoriously missing, in spite of comments from the National Park Service (“NPS”) and SHPO that the City should have discussed all the standards in the Guidelines “in order to provide the foundation and review of the final detailed building design of the submitted Project,” and as well to address the “conflict between the Minneapolis Heritage Preservation Commission (“HPC”) and the Interior Secretary’s standards regarding compatibility of

“new development.” The City blithely dismisses this fundamental failure of analysis by observing as follows:

The availability of the remaining Standards and Guidelines are known to the City, the Developer, and by discussion the draft EIS, the reviewers. The formal or informal application of all the Standards and Guidelines to the evaluation of the development awaits the detail that will be provided in the submitted Project.

This comment clearly shows the City’s utter disregard for properly analyzing and applying applicable standards in the environmental review process to identify impacts and mitigate potential harmful effects of the Project, a failure which is clearly traced to the City’s refusal to require the Proposer to define a “project” in the EAW process. Leaving the analysis and application of all ten of the standards in the Guidelines until the Project comes forward for regulatory review clearly shows again the City’s intent to substitute its regulatory processes for the requirements of the environmental review process.

Moreover, this decision effectively guts the public policy basis of environmental review. The clear conflict between the HPC standards which will be applied in the regulatory process and the Secretary of Interior’s Guidelines which should be fully analyzed in the environmental review process remains unresolved. In order to meet the requirements of the environmental rules, this conflict should be addressed and resolved now to provide meaningful environmental review.

A second fundamental problem exhibiting a further failure of the City’s analysis in the environmental review process concerns the issue of height. As discussed in our comments for the DEIS, the City construed the “general guidelines” relating to height in the recent regulatory action concerning the adjacent 520 Project. The City approved a height of 63’ for the 520 Project by ignoring both previously referenced height standards: the Red Tile elevator and the concrete silos, and then interpreting and applying the same “general guidelines” applicable to the entire area, including the A-Mill site to the 520 Project. City staff dismisses Bluff Street’s argument by

injecting its interpretation of the regulatory requirements of the zoning code, which has yet to be applied to the Project, to arrive at the unsupported conclusion that the 520 Project and the Project are not “similarly sited properties.”

The City forgets that a major purpose of environmental review is to analyze the application of existing guidelines and regulatory requirements in order to determine a project’s impact and to develop mitigation measures to be considered in the subsequent regulatory processes. See, Minn. R. 4410.2100, subp. 6. The City has determined that the height of the Project as proposed should not be analyzed in light of its own actions interpreting the same guidelines applicable to both the Project and the 520 Project. Staff ignores the fact that the zoning code makes no distinction as to parcel size and height, only as the parcel size relates to allowable units or density. It appears the City is trying to develop and apply a new administrative standard in the environmental review process for use in the regulatory process. This standard concludes that owning a parcel of 7.9 acres is a basis for establishing height on the parcel wherever the proposer so chooses. This decision is clearly aimed at getting the City out from under the conundrum it created in its decision on height of the 520 Project.

As a result, there is no height standard that is clearly established for this area, other than the 63’ standard applied to the 520 Project. The City’s continued failure to resolve this critical conflict is clearly problematic for purposes of environmental review, since the Project has not been analyzed under an accepted standard, nor under the 63’ height standard as applied to the adjacent 520 Project. Given the admitted conflict between the HPC standards and the Secretary of Interior Guidelines, further complicated by the “new” height standard of 63’ developed by the City in its regulatory processes, there is no clear regulatory standard for the City to follow subsequent to completion of the environmental review process. Any decision on height, without the required study in the

environmental review process, will therefore be flawed and legally unsupportable. See, Minn. R. 4410.1700, subp. 7.C., 4410.2100, subp. 6.D., and 4410.2300 G.

The City's failure to define the correct height standard is also shown in the failure to respond to the concerns of Bluff Street regarding its solar access rights. The height of the Project which the City appears to sanction would have a negative impact on Bluff Street's solar access rights, as well as being "incompatible" with the height of the 520 Project, and therefore, a violation of the "general guidelines" of the District as determined in the 520 Project decision. The City totally ignores these impacts. See, e.g., Minn. R. 4410.2300 G, Minn. Stat. § 216C.06, and 462.357, subd. 1.

Comment:

1. *The City has not analyzed the Guidelines in terms of the impacts of the Project.*
2. *The City has not defined or analyzed height standards to assess impacts of the height of the Project.*
3. *The City has not analyzed height of the Project to assess whether the height of portions of the Project adjacent to the 520 Project are incompatible with recent City regulatory actions and solar rights guaranteed by State statute and City ordinance.*

3. Absence of Preferred Alternative.

City staff dismiss the concerns of Bluff Street and others that the failure to identify a preferred alternative (City or developer) cannot be fixed in the regulatory process. This conclusion is apparently based on the assertion that the "hundred pages of applicable information" which will be available in the regulatory process will somehow fix this fundamental flaw.

City staff also dismisses Bluff Street's ongoing concerns on this point by noting that the City Council did not "scope in" the requirement of designating a City-preferred alternative. Of course, the City Council is not required to "scope in" every requirement imposed on the City by the environmental rules, particularly where the environmental rules so clearly mandate the City to

require a proposer to develop an alternative that actually is a “project” which can be analyzed for purposes of developing and addressing possible impacts and mitigation measures to address those impacts. Minn. R. 4410.2000, subp. 6, 4410.2300 G.

The City Council clearly mandated that there be “scoped in” analysis of the Project in the context of a “master plan.” No master plan has been developed by the City or the Proposer. Instead, staff notes that “it is expected the submitted project will be in the form of a planned unit development application which will include a proposed master plan for development of the property as required by the City’s zoning code.” This ongoing failure to study the Project in light of a master plan for the entire site continues to violate the City’s own requirements with respect to the scoping decision and clearly shows the City’s continuing willingness to substitute the regulatory review processes for environmental review processes mandated by the Environmental Rules. The City also excuses this ongoing violation of the Environmental Rules by admitting that “the preferred alternative of the City cannot be described” until we get to the regulatory process. The preferred alternative cannot be described because the City has abdicated its responsibility and authority to follow the Environmental Rules and require the Proposer to define the project that it will build, and failing that, the City’s own obligation as the RGU to define a preferred alternative for purposes of environmental analysis. Id.

Comment:

1. *The City’s failure to require a “preferred alternative” renders the so-called alternative analysis in the FEIS meaningless.*
2. *The City fails to meet its own scoping decision requirements by refusing to require the Proposer to develop a master plan so that appropriate mitigation measures for historic resources can be developed.*
3. *The City’s failure to develop a master plan results in the City substituting its regulatory processes for that of the environmental review process.*

4. Preferences and Individual Requests.

There are a number of other errors and omissions on the part of the City contained in the FEIS, with one of the most notable issues relating to the City's dismissal of concerns about impacts from the Steam Plant noted by the University of Minnesota, as well as impacts noted by Bluff Street on the down draft plume effect at 600 Main Street. Staff response relegates this important problem to the "noted for the record" bin. These issues are not just issues of personal opinion or belief, but comprise a failure of scientific and engineering analysis that cannot be fixed in the regulatory process by elected officials, unless accurate and complete engineering data is provided in the environmental review process.

Comment:

The City must conduct appropriate engineering review of the air quality impacts in the environmental review process.

5. Request for Information.

Staff totally ignores concerns of MnDOT relating to the potential failure of the TH 65/University Avenue intersection as a result of the traffic impacts of the Project. Instead of addressing this important and critical issue in the context of development of mitigation impacts on City infrastructure by the Developer, staff chooses to bury this issue in the Request for Information section. Bluff Street has commented at every step of the process that impacts on City infrastructure must be mitigated. Here, MnDOT is offering to discuss mitigation of this impact, but staff apparently believes that it is not necessary to develop mitigation measures for this impact in the environmental review process in violation of Minn. R. 4410.2100, subp. 6 F.

Aside from the violating the environmental rules, the failure to properly identify impacts and mitigation measures in the environmental review process will give the City little leverage in the regulatory process to require the Proposer to pony up significant funds to mitigate this problem.

The City's failure to fully analyze this problem during the environmental process not only impacts the tax payers generally, but will directly impact existing properties owned by Bluff Street and affiliated entities, thereby setting up a challenge to the FEIS because of failure to mitigate vehicular impacts on existing property owners.

Comment:

1. *The City must consult with MnDOT to analyze and assess the potential failure of the TH65/University Avenue intersection in the environmental review process.*
2. *Based on this analysis, the City must require the Proposer to develop mitigation measures to protect existing property from the traffic impacts.*

CONCLUSION

Based on the Record of Decision, the FEIS is clearly inadequate in light of the requirements of Minn. R. 4410.2800. The FEIS is inadequate because:

- The FEIS fails to address the potentially significant issues and alternatives raised in scoping;
- The failure to require a preferred alternative results in the failure to analyze significant issues for which information could be reasonably obtained;
- The FEIS fails to provide reasoned responses to the substantive comments of Bluff Street and others received during the DEIS review;
- The FEIS was not prepared in compliance with the procedures of the environmental rules because the analysis of environmental impacts and the development of mitigation measures has been deferred to the regulatory processes of the City.

Therefore, the FEIS was not prepared in compliance with Minn. R. 4410.0200 – 4410.6500 and is inadequate. The City should declare the EIS as inadequate and order that the Proposer prepare an adequate EIS during the next 60 days as required by Minn. R. 4410.2800, subp. 5.A.

J. Michael Orange
Principal Planner
CPED
350 South Fifth Street, Rm. 210
Minneapolis, MN 55415

-----Original Message-----

From: Jaaronrubenstein@aol.com [mailto:Jaaronrubenstein@aol.com]

Sent: Monday, May 09, 2005 3:52 PM

To: Orange, Michael

Cc: lock.bounds@thomson.com

Subject: A Mill EIS

Dear Mr. Orange:

I would like to respond briefly to the Final A Mill EIS dated April 21, 2005. I find it disappointing, and a bit distressing, that the document does not include comments or acknowledgement of many of the issues raised in the Minnesota Chapter of the Society of Architectural Historians' (MNSAH) letter of 23 March 2005.

The most significant issues in the letter that are not addressed are on page two of the letter--in the first, second, and last paragraphs. The first paragraph states disagreement with the conclusion in the DEIS Massing paragraph (p. 36) that the massing of the proposed project would be complementary to the historic industrial complex. The second paragraph suggests that the DEIS should note that Alternative 4 comes significantly closer to conforming to the historic standards and guidelines, and would have a lower level of visual and cumulative effects, than Alternatives 1 through 3. The last paragraph states disagreement with the assertion made numerous times in the DEIS (e.g., p. 30) and the 106 Group report that direct, visual, and cumulative effects, whether adverse or not, of the four alternatives cannot be avoided due to the large amount of redevelopable land.

The Final EIS fails to address a number of other issues raised in MNSAH's letter as well.

Sincerely,

Aaron Rubenstein

Preservation Officer

Minnesota Chapter of Society of Architectural Historians



Minnesota Department of Natural Resources

500 Lafayette Road
St. Paul, Minnesota 55155-4025

[BY ELECTRONIC MAIL]

May 9, 2005

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

Subject: Pillsbury A Mill Complex Project
Final Environmental Impact Statement (EIS)

Dear Mr. Orange:

The Minnesota Department of Natural Resources (DNR) has reviewed the Final Environmental Impact Statement for the Pillsbury A Mill Complex in the City of Minneapolis. The Pillsbury A Mill Complex is located on a 7.9 acre site across the Mississippi River from Downtown Minneapolis, in the St. Anthony Falls Historic District. The proposed project is also within a Critical Area designated by the State of Minnesota, and within the federally-designated Mississippi National River Recreation Area (MNRRA). The Department of Natural Resources offers the following comments for your consideration.

Generally the Final EIS provided responses to the March 22, 2005 written comments the DNR submitted on the Draft EIS. The DNR has no additional comments to submit at this time.

Thank you for the opportunity to review and to provide comments on the Final EIS for the Pillsbury A Mill Complex project. If you have questions about this letter, please contact me at (651) 296-4796.

Sincerely,

A handwritten signature in cursive script that reads "Thomas W. Balcom".

Thomas W. Balcom, Supervisor
Environmental Policy and Review Unit
Division of Ecological Services

c: Tim Bremicker Wayne Barstad Dale Homuth Steve Colvin
Bruce Gerbig Sandy Fecht Jon Larsen, EQB Daniel P. Stinnett, USFWS
David Frank, SchaferRichardson, Inc.

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Minnesota Department of Natural Resources

500 Lafayette Road
St. Paul, Minnesota 55155-4025

[BY ELECTRONIC MAIL]

May 9, 2005

Mr. J. Michael Orange, Principal Planner
Minneapolis Community Planning and Economic
Development Department, Planning Division
350 South 5th Street, Room 210
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Subject: Pillsbury A Mill Complex Project
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Dear Mr. Orange:

The Minnesota Department of Natural Resources (DNR) has reviewed the Final Environmental Impact Statement for the Pillsbury A Mill Complex in the City of Minneapolis. The Pillsbury A Mill Complex is located on a 7.9 acre site across the Mississippi River from Downtown Minneapolis, in the St. Anthony Falls Historic District. The proposed project is also within a Critical Area designated by the State of Minnesota, and within the federally-designated Mississippi National River Recreation Area (MNRRA). The Department of Natural Resources offers the following comments for your consideration.

Generally the Final EIS provided responses to the March 22, 2005 written comments the DNR submitted on the Draft EIS. The DNR has no additional comments to submit at this time.

Thank you for the opportunity to review and to provide comments on the Final EIS for the Pillsbury A Mill Complex project. If you have questions about this letter, please contact me at (651) 296-4796.

Sincerely,

A handwritten signature in cursive script that reads "Thomas W. Balcom".

Thomas W. Balcom, Supervisor
Environmental Policy and Review Unit
Division of Ecological Services

c: Tim Bremicker Wayne Barstad Dale Homuth Steve Colvin
Bruce Gerbig Sandy Fecht Jon Larsen, EQB Daniel P. Stinnett, USFWS
David Frank, SchaferRichardson, Inc.

DNR Information: 651-296-6157 • 1-888-646-6367 • TTY: 651-296-5484 • 1-800-657-3929

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**ACTIONS OF THE MINNEAPOLIS CITY COUNCIL
MAY 27, 2005**

Z&P - Your Committee, having under consideration the environmental review process for the Pillsbury A Mill Complex, located between Main St and 2nd St SE from 3rd Ave SE to 5th Ave SE and continuing along Main St to 6th Ave SE, and having received the Findings of Fact and Record of Decision on the adequacy of the Final Environmental Impact Statement (FEIS), now determines that the FEIS, as set forth in Petn No 270447, to be adequate and that the findings contained therein be adopted.

Adopted 5/27/05.