

Citizens for a Loring Park Community

Land Use Committee

Monday, November 27th, 2006

6:30 pm to 8:30 pm

@ Loring Park Office Bldg.

430 Oak Grove St. Room 207

In Attendance: John van Heel (110 West Grant), Dick Sandberg (Loring Green East), Jan Sandberg (Loring Green East), Jana Metge (CLPC Coordinator), Richard Anderson (210 West Grant), Robert Cook (Eddy's Café), Robert Copeland (The Wellington), Dave Hile (Summit House), Neil Carlson (Summit House), Dennis Acrea (Dunn Brothers), Diane Hanson (Copenhagen Enterprises & Loring Park property owners), James Garret (4Rm+ULA architecture, Ivizion), Rodger Cummings (Juxtaposition Art), Larry Calhoun (Kandiyohi Development), Kim Havey (Kandiyohi Development), Michael Krause (Kandiyohi Development), Dan Hanson, Lee Lewis (Clare Housing), Craig Wilson, Darwin Lookingbill, Ann DeGroot (Outfront MN), Jay Nord (Singular Development Resources), Roger Howley (Miller Hanson for Hornig), Jeff Washburne (City of Lakes Community Land Trust), Jon Hornig (Hornig Development)

**I. 6:30-6:45 pm Call to Order—Dick Sandberg, CLPC Land Use Committee-Chair
Agenda Approval, Introductions, Approve October Minutes, & Announcements**

Dick Sandberg led introductions of the 20 persons in attendance. Eventually there were about 25 persons in attendance.

Motion by Neil Carlson, seconded by Jan Sandberg, to approve the agenda as amended to move a decision about the December meeting to the end of the agenda, invite developers to observe discussion about proposals for 1501 Nicollet, add several sections to the discussion, and provide an option to use a paper ballot following discussion of the 1501 Nicollet development to summarize committee member opinions about the options and relative weight of community factors in CPED decision process.

Motion passed unanimously

Motion by Neil Carlson, seconded by Bob Copeland, to approve the October 23rd, 2006 Land Use minutes.

Motion passed unanimously

Announcements:

- Jana distributed copies of the CLPC land use goals.
- Jana passed around a copy of the Friends of Loring Park newsletter.
- **Community Holiday Party** at Pat Havenstein's, 232 Clifton, December 1, 2006 at 5:00-9:00 p.m. The curry dinner will be a fundraiser for CLPC—donations are tax deductible.
- Information about the **Eitel Hospital** construction is on the CLPC Web site.
- **Walking Minneapolis**—a new foundation focused on making Minneapolis more walkable via a ten-mile network of enhanced walkways. The network includes Loring Greenway and Loring Park. See the Steve Berg Strib article, "A Downtown with Legs," at <http://www.startribune.com/562/story/819360.html>. Ray Harris presented this idea to the Park and Rec Board two weeks ago.
- **Community Engagement Report.** Produced in response to City Council direction (May 12, 2006). The report is available on the City of Minneapolis Web site at: http://www.ci.minneapolis.mn.us/news/20061121CE_Report.asp. When presented to the Ways and Means & Budget Committee of the City Council last week, the committee decided to distribute the report to the community for review and comment. Since the City Council plans to take the report

up for discussion early in 2007, written comments needed by January 5, 2007. The Council will consider whether to conduct further community engagement activities relative to specific recommendations outlined in the report.

- **Loring Dog Park Meeting Feedback** Jana passed around a brochure. Kim Havey described the meeting, including the location of the play area. There will be a six-foot high wrought iron fence, crushed polished granite rock play area that will be bermed with trees and a sitting area. Ray Harris has agreed to construct a large, elaborate play structure funded by private contributions. The park is going through the planning process at the Park Board with a meeting on December 6th at 6:30 p.m. and then to the full Park Board later in the month on December 20th, with construction starting in April/May 2007. There are two other dog play areas in North Loop and Elliott Park. Dog Grounds is the nonprofit organization supporting the dog park/play areas.

II. 6:45-7:05 p.m. Southwest Rail Corridor—John van Heel

Please review the document at <http://loringpark.org/minagen/landuse/pdfdocs05/sw%20LRTcorridorstudy.pdf>.

- John reviewed an earlier presentation to the committee on this proposal. There have been some changes in the last year. The project is looking at possible routes through Minneapolis including a tunnel under part of Nicollet, possibly using LRT technology. There is now discussion about street car technology. John would like to suggest that street car technology is a better option for Nicollet Avenue.

Questions

What is the end point at the northern end? For LRT it would not go further north than 5th Street. Street cars might pass through downtown and connect with a Washington/West Broadway line.

If LRT is coming in from the SW, would this require a transfer to street cars? It looks like there are two choices for LRT—Kenilworth Trail or Nicollet. If it does not go up Nicollet, then street cars might be the Nicollet option.

Concern about federal funding since the option has to meet certain speed requirements? LRT would have fewer stops. There was further discussion about the location of stops.

The *Midtown Greenway Coalition* is supporting LRT through Kenilworth. Neil added that this uses existing rail right of way that Hennepin County owns. Other supported this position.

There was consensus that the bigger issue is the LRT route. Street cars are a second issue.

John asked that committee members send in their comments in the next few weeks. To www.southwesttransitway.org. Additional information on the CLPC Web site.

Motion by John van Heel, seconded by Neil Carlson to support LRT on Kenilworth, Option A.

Passed unanimously

Moved John van Heel, seconded by Robert Copeland, be it so moved that CLPC support the introduction of streetcar transit on Nicollet Avenue rather than LRT as outlined in Option C of the Southwest Corridor LRT Study. Whereas a streetcar line would offer greater access to Nicollet Avenue businesses and neighborhood residents, and whereas a streetcar line would cause less disruption to businesses caused by rail construction, and whereas a streetcar line would not remove current auto lanes from future usage as a LRT line would, we believe that streetcar technology would be a better fit to nurture the future vitality of the Nicollet Avenue Commercial Corridor.

Passed unanimously

III. 7:05-8:25 p.m. Nicollet Avenue Meter Farm Proposal—Nicollet Avenue Task Force

- **Background—history, project description, rating sheet**—Dick Sandberg

Dick distributed four handouts addressing the recent history of the project, characteristics of the four proposals, grid to assess the four proposals and weight given to neighborhood factors, and comments from the September Land Use Meeting.

- **Nicollet Avenue Task Force guidelines**—Robert Cook and Robert Hansen

John distributed the language from the RFP that corresponds to Handout #3A. Several factors were not applicable to the proposals such as the space over interstate highway.

- **Developer comments**

Developers were invited to prepare a one-page response to the short review provided by CPED.

Ivizio—James Garrett stressed the research done for their proposal which met the recommendations from the Nicollet Avenue Task Force and the Loring Park community including meeting with neighborhood businesses and the Livability Committee. James stressed the need for more hotel rooms in Minneapolis, affordable rooms close to the convention center, even with the properties in the pipeline. He stressed that this development would be a neighborhood icon – a destination spot that will spur neighborhood development. This will be a world-class building that will include art and provide a parking solution for businesses. He also believes that the site configuration is reasonable. The requested conditional use permits and variance are not unreasonable and several similar permits have been allowed within a two-block area of this site.

Singular—Jay Nord clarified the description as having 2 ½ to 3 floors. At CPED's request, Jay is now proposing a total of 32 units, 8 market, 16 at 50% MMI, 4 units at 80%, 2 units at 95%, all under Land Trust. There is 1,700-2,000 sq ft of undefined community space. There will be a total of 30 parking spaces. The proposal is open to the car sharing program. He is also open to the arts enhancement. Financially, this fits in the parameters of the city's funding for similar projects. This will be the only proposal in perpetual affordable ownership. In terms of track record, it fits into what is reasonable. Jeff Washburne, Director of City of Lakes Community Land Trust, added that this size of project is a good fit for the land trust.

Clare—Mike Krause noted that Kandiyohi is a nonprofit developer and this is a good opportunity to fit with Clare Housing where he is a board member. Kim Havey said that this is a community-based proposal and they will work with the community to improve the design if chosen. They have not invested as much time as planned yet in the project and will do more. They are looking at including passive solar design into the site and possibly a green façade. An advantage with their parking is that supportive housing has less of a parking requirement, only a 1 to 4 ratio so more parking is open. Kim said that the financials were taken off past experience with Clare Housing. They are now proposing 9 percent tax credits rather than 4 percent, which provides housing for those with disabilities and won't be dependent on the Federal Home Loan Bank. This will be the only local project that qualifies for certain local financing. Prospective tenants including District 202 and Outfront MN are working on fund raising opportunities and the proposers are confident that they will be able to raise funds.

Hornig—Jon Hornig opened by saying that his company currently owns and manages 3,000 units and their office is in the neighborhood on 22nd Street. He stated that their project is three stories, not four. There is an issue about funds put into pro forma to cover possible impact to 15th Street if it is modified for parking (monies would be due to the federal government). Their subsidy requirement is \$30,000 per unit. As to rental market competition—they are about 96% occupied for non-subsidized units, subsidized units are nearly 100%. Loring Park has great housing but not much new housing. Roger Hawley emphasized design points and greenery on the street and small pocket park.

- **Report from Loring Park property owners meetings**—Diane Hansen

Diane reported on the two meetings to discuss the proposals. At the first meeting they distributed the proposals, and discussed at the second meeting. There are 10-12 different owners. Diane said that the group was most negative about Hornig because of direct competition with existing landlords. As to Singular, they liked the concept moving from renting to buying in the neighborhood, but it did not seem big or dense enough. There are some concerns about Clare Housing, mostly because as proposed it was unattractive. There were also concerns about disabilities other than HIV that might have drug and alcohol problems, bringing into question the building management, as well as the buying power of residents. Property owners were positive about the Ivizion proposal, and felt that it had lots of energy and that employees could be renters.

- **Update on business owners meeting**—Jana Metge

Jana has spoken with six of the business owners and several major property owners. They want all of the proposals to fit into the neighborhood. One owner wants to speak with the board about this. The business owners want to promote the arts (build on the Red Eye and Music Box Theater) and use the development as a destination site. They also want to bring the convention business onto Nicollet. Those who live in the properties will also mean more business. There is concern about replacement parking (car sharing could help with this) and to build on the existing commercial base.

Round table discussion on the following questions:

- a. Pros and cons of each proposal
- b. What impact will each proposal have on you? What interaction would you see yourself having with each proposal?
- c. What are your thoughts on area parking needs addressed in each proposal?
- d. How does each proposal fit your vision for this site?
- e. How will each of these proposals benefit the Loring Park neighborhood & City of Minneapolis?
- f. Complete sheet rating individual proposals and weight assigned community factors.

Issues raised during discussion

Neighborhood parking—none of the proposals seriously address parking problems in the neighborhood but it is not reasonable to expect this from a developer.

Vision and effect on neighborhood—he had originally done some work that identified a minimum of 13 stores and 100+ living units. But he now thinks that the Ivizion proposal is the only one that meets that vision. He looked at eight benefits—stunning visual presence on Nicollet, set a high standard, be a catalyst for the rest of Corridor Housing, bring respectability to the avenue, bring arts in, daily influx of new customers, new residents and spending power, help support creation of new businesses, and assist the convention center.

Favors Ivizion of the four, but is not sure about second choice. He likes Hornig's parking. Clare Housing will serve a valuable need particularly for District 202.

Having gone through the ranking process, he has put *Clare first*. He was predisposed toward it, particularly because of District 202. CLPC has a history of supporting projects with special needs such as Jeremiah Project. There will be other options for regular housing, this fits a special need. At the same time, the Ivizion proposal may be a victim of the slowdown in tower projects in general.

This is an *important site* and offers an opportunity that will not be available with other privately owned sites. Two proposals really stand out—Ivizion and Clare. Hornig and Singular would be great elsewhere in the neighborhood.

She is *excited about Ivizion* which is visually stunning and would bring great energy and the arts element to the area. Clare has value because we need to keep District 202 in the neighborhood.

He is interested in something that has the possibility of *transitioning from rental* into permanent housing.

Question about *stability of District 202*—the lease is extended for two years and the owner is less interested in getting out quickly.

The committee decided to compile the comments and rating sheets and forward all information to the CLPC Board for action.

IV. 8:25-8:30 p.m. December Land Use Meeting— Dick Sandberg

Action needed to set the date for a December Land Use meeting to December 11th. If needed.

Motion by Robert Copeland, seconded Robert Cook, to cancel the December Land Use meeting.

Motion passed unanimously

Adjourned 8:45 p.m.

Ratings by Land Use Committee Members of the Four Proposals for 1501 Nicollet

	Rank				Scores, If Assigned			
	Ivizio	Singular	Clare	Hornig	Ivizio	Singular	Clare	Hornig
Rater #1	1	3	4	2	46	24	16	40
Rater #2	1	3	2	4	171	89	118	87
Rater #3	1	4	2	3	89	49	55	53
Rater #4	1	4	2	3	55	35	45	39
Rater #5	1		2					
Rater #6	1	4	2	3				
Rater #7	2	1	3	4	95	108	90	90
Rater #8	2	4	3	1	49	17	30	56
Rater #9	1	4	3	2	172	82	99	125
Rater #10	4	2	1	3	35	58	134	49
Rater #11	1	2	4	3	115	71	44	72
# rated 1 st	8	1	1	1				
# rated 2 nd	2	2	5	2				
# rated 3 rd	0	2	3	5				
# rated 4 th	1	5	2	2				

Ratings by Land Use Committee Members of Relative Weighting of Neighborhood Input

	#1	#2	#3	#4	#5	#6	#7	#8
Neighborhood development objectives and guidelines	20	20	15	20	20	20	20	20
Zoning code, plan compliance	5	10		1	8	18	5	10
Timetable coordinates with other development	5	5		1	8	1	10	10
Financial feasibility	5	15	15	10	8	14	15	15
Ability to secure necessary funds	5	10	15	10	8	18	20	20
Public benefits land price and parking replacement	10	10		20	8	1	20	15
Quality of the submission.	5	5		5	8	3	5	10

Consistency with unified housing policy	10	5		5	8	1	5	15
Experience and capacity of the developer	5	5	10	10	8	16	5	15
Addresses parking needs	5	10	10	20	8	1	15	20
Creative site expansion options.	5	10		5	8	1	5	10
Percent weight for Neighborhood	25%	19%	23%	19%	20%	21%	16%	13%