



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

Date: July 7, 2004

TO: Council Member Gary Schiff, Chair of the Zoning and Planning
Committee

Prepared by: J. Michael Orange, Principal Planner, 612-673-2347

Approved by: Barbara Sporlein, Director, Planning _____

Subject: Environmental Assessment Worksheet and Draft "Findings of Fact and Record of
Decision" document for the 520 and 521 Second Street Project

RECOMMENDATION: Based on the information in the Environmental Assessment Worksheet, the
"Findings of Fact and Record of Decision" document, and the related documentation for the 520 and
521 Project, the City Council should conclude the following:

1. The Environmental Assessment Worksheet, the "Findings of Fact and Record of Decision"
document, and related documentation for the 520 and 521 Second Street Project were prepared
in compliance with the procedures of the Minnesota Environmental Policy Act and Minn.
Rules, Parts 4410.1000 to 4410.1700 (1993).
2. The Environmental Assessment Worksheet, the "Findings of Fact and Record of Decision"
document, and related documentation for the project have satisfactorily addressed all of the
issues for which existing information could have been reasonably obtained.
3. The project does not have the potential for significant environmental effects based upon the
above findings and the evaluation of the following four criteria (per Minn. Rules, Parts
4410.1700 Subp. 7):
 - Type, extent, and reversibility of environmental effects.
 - Cumulative effects of related or anticipated future projects.
 - Extent to which the environmental effects are subject to mitigation by ongoing public
regulatory authority.
 - Extent to which environmental effects can be anticipated and controlled as a result of
other environmental studies undertaken by public agencies or the project proposer, or of
environmental reviews previously prepared on similar projects.

Draft Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the 520 & 521 Project

Consequently, the City does not require the development of an Environmental Impact Statement for the 520 and 521 Second Street Project.

Previous Directives: None

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact

Ward: 2
Neighborhood Notification: Completed (refer to Exhibits B-D in document)
City Goals: Consistent with some; inconsistent with others (refer to the attached document)
Comprehensive Plan: Consistent with some of the goals and policies; inconsistent with others (refer to the attached document)
Zoning Code: Consistent with parts of the Code; inconsistent with other parts (refer to the attached document)
Living Wage/Job Linkage: Private development; no public funds
Other:

Background/Supporting Information

1. Additional letter received since the completion of the draft Findings of Fact and Record of Decision document (for Exhibit F).
2. "Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the 520 and 521 Project," draft dated 7/7/04.
3. Environmental Assessment Worksheet for the 520 and 521 Second Street Project.

AVAILABILITY OF THE DRAFT “FINDINGS OF FACT AND RECORD OF DECISION” DOCUMENT, WHICH IS PART OF THE ENVIRONMENTAL ASSESSMENT WORKSHEET FOR THE 520 & 521 PROJECT

The Draft “Findings of Fact and Record of Decision” document provides additional information to complete the Environmental Assessment Worksheet (EAW) process for the sites at 520 and 521 Second St. SE in Minneapolis, Minnesota. The sites are located on either side of Second St. SE. between 5th Avenue SE. and 6th Avenue SE. Upon full development, the 520 site would contain 62 residential units in an eight-story structure, and the 521 site 60 residential units and 9,600 sq. ft. of commercial space in a five-story structure.

Copies of the Draft “Findings of Fact and Record of Decision” document and the EAW are available for review at the downtown Minneapolis Public Library located at 250 Marquette Ave, the Southeast Community Library located at 1222 SE 4th Street, and in the office of the City Planning Division at 210 City Hall. Copies of this Draft “Findings of Fact and Record of Decision” document and EAW can also be provided to individuals on a compact disk by request to Michael Orange (refer to contact information below).

At its regular meeting on July 15, 2004 (9:30 a.m. in Room 317 City Hall), the Zoning and Planning Committee of the City Council will consider the Draft “Findings of Fact and Record of Decision” document and the EAW, hear comments from all interested parties, and decide on the need for an Environmental Impact Statement for this proposal. The City Council will act on the recommendation of this Committee at a subsequent meeting, probably July 23.

For further information, contact J. Michael Orange, Principal Planner, Minneapolis Planning Division, Community Planning and Economic Development Department, City Hall Room 210, 350 S. 5th Street, Minneapolis, MN 55415-1385, by telephone at 612-673-2347, or E-mail at michael.orange@ci.minneapolis.mn.us.

If you need more information or have special needs, please call the
Minneapolis Planning Division at 612-673-2597.

FINDINGS OF FACT AND RECORD OF DECISION

ENVIRONMENTAL ASSESSMENT WORKSHEET

For the 520 & 521 Project

Location: 520 & 521 Second Street SE in the City of Minneapolis,
Hennepin County, Minnesota

Responsible Governmental Unit: City of Minneapolis

Responsible Governmental Unit

City of Minneapolis
J. Michael Orange, Principal Planner
Minneapolis Planning Department
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Minneapolis, MN 55415-1385
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Proposer

Bluff Street Development, LLC
Steve Minn
9304 Lyndale Avenue S.
Minneapolis, MN 55420
952 888-2001
952 888-1592
steve.minn@lupedevelopment.com

Final action (refer to Exhibit E): Based on the Environmental Assessment Worksheet, the “Findings of Fact and Record of Decision,” and related documentation for the above project, the City of Minneapolis concluded the following on *July 23, 2004*:

1. The Environmental Assessment Worksheet, the “Findings of Fact and Record of Decision” document, and related documentation for the 520 and 521 Project were prepared in compliance with the procedures of the Minnesota Environmental Policy Act and Minn. Rules, Parts 4410.1000 to 4410.1700 (1993).
2. The Environmental Assessment Worksheet, the “Findings of Fact and Record of Decision” document, and related documentation for the project *have/have not* satisfactorily addressed all of the issues for which existing information could have been reasonably obtained.
3. The project *does/does not* have the potential for significant environmental effects based upon the above findings and the evaluation of the following four criteria (per Minn. Rules, Parts 4410.1700 Subp. 7):
 - Type, extent, and reversibility of environmental effects.
 - Cumulative effects of related or anticipated future projects.
 - Extent to which the environmental effects are subject to mitigation by ongoing public regulatory authority.
 - Extent to which environmental effects can be anticipated and controlled as a result of other environmental studies undertaken by public agencies or the project proposer, or of environmental reviews previously prepared on similar projects.

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

I. ENVIRONMENTAL REVIEW AND RECORD OF DECISION

The City of Minneapolis prepared a Mandatory Environmental Assessment Worksheet (EAW) for the 520 & 521 development according to the Environmental Review Rules of the Minnesota Environmental Quality Board (EQB) under Rule 4410.4300 subpart 31, Historical Places. The project includes the demolition of one or more buildings that are located within a nationally designated historic district. Exhibit A includes the project summary, and Exhibit B includes the Record of Decision.

II. EAW NOTIFICATION AND DISTRIBUTION

On May 21, 2004, the City caused the EAW to be published and distributed to the official EQB mailing list and to the Project's official project mailing list. The EQB published notice of availability in the *EQB Monitor* on May 24, 2004. Exhibit C includes the public notification record and these mailing lists.

III. COMMENT PERIOD, PUBLIC MEETING, AND RECORD OF DECISION

Exhibit D includes the comment letters received. At its meeting on 7/15/04, the Minneapolis Planning Commission's Committee of the Whole received the EAW and the draft of this "Findings of Fact and Record of Decision" document. The Zoning and Planning Committee of the Minneapolis City Council held a public meeting on the EAW and the draft of this "Findings of Fact and Record of Decision" document during its July 15, 2004, meeting. Notification of this public meeting was distributed via the City's standard notification methods and to the official list of registered organizations (refer to Exhibit C).

IV. SUBSTANTIVE COMMENTS RECEIVED AND RESPONSES TO THESE COMMENTS

The following section includes highlights and requests for response from the eight written comments received. Exhibit D provides the complete written comment submitted by all respondents. Comments on the EAW were received from:

1. Soap Factory, Ben Heywood, June 6, 2004
2. Metropolitan Council, June 18, 2004
3. U of M, The Environmental Law Group, Ltd., June 22, 2004
4. Minnesota Historical Society, June 22, 2004
5. Schafer Richardson, June 23, 2004
6. Minnesota Department of Natural Resources, June 23, 2004
7. National Park Service, June 23, 2004
8. Marcy Holmes and Nicollet Island East Bank Neighborhoods, June 23, 2004

The City's response to the comment follows each summary.

1. Soap Factory

Comment: The EAW needs to more directly address the implications of the demolition/construction of 520 2nd Street SE on the 1892 wood frame Soap Factory building.

Response: Exhibit G addresses the issue of demolition; however, it does not provide specific information as regards the project's potential impact on the 1892 wood frame Soap Factory building. Also the Minneapolis Heritage Preservation Commission (HPC) will consider this issue as a part of the Commission's review of the application for a Certificate of Appropriateness, and the Commission may require the developer submit additional information as a part of a complete application. All other comments noted for the record, with special consideration of comments 1, 3, and 5 by the HPC

2. Metropolitan Council

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

Response: This and all other comments are noted for the record

3. University of Minnesota, The Environmental Law Group, Ltd.

Comment: The EAW does not describe the nearby industrial uses, including the University's Southeast Steam Plant, nor the project's compatibility with these uses. The project may cause a groundwater dam effect that will impact the steam plant. The EAW fails to adequately evaluate important environmental considerations including the potential for groundwater infiltration resulting from proposed development in the area. It does not describe the environmental consequences including those related to air, noise, odor, and vibration of attempting to site the proposed development in the immediate proximity of a large working steam plant, as well as the cumulative effects of the similar adjacent proposed developments. Air emissions are not addressed, especially on rooftop gardens. The City should require that an EIS be prepared for the development.

Response:

- **Groundwater:** Footings for the proposed buildings will be placed above the level of the groundwater and so they will have no impact on it.

- **Air emissions:** The building sites are approximately 700 ft distant from the stacks. The proposed 520 building is approximately 130 ft below the actual height of the stacks and as reported in Pillsbury A Mill Complex “Findings of Fact” approximately 190 to 215 ft below the effective height of the stacks. The proposed 521 building is approximately 160 ft below the actual height of the stacks and as reported in Pillsbury A Mill Complex “Findings of Fact” approximately 220 to 240 ft below the effective height of the stacks. Preliminary modeling reported in the “Findings of Fact” for the Pillsbury A Mill Complex did not predict a hazard at this height at this distance.

The EAW for the A Mill project analyzed a similar comment from the University. The air quality analysis examined the potential for exposure to people living in tall buildings. The analysis was of a worst case scenario, which is appropriate for environmental review. It included the following assumptions: 1) the plant’s fuel mix would maximize sulfur dioxide emissions, the primary pollutant of concern, 2) assume low-wind conditions when the pollutants tend to disperse more slowly, and 3) assume the wind direction from the steam plant towards the A Mill Project, which is the same as for the 520 & 521 Project. The data for 1991 show that these wind conditions happened for 13 hours (0.37% of the time) during June through July when windows are likely to be open or people may be out on balconies or roof-top gardens.

The analysis showed that under these worst case conditions, only very tall buildings, such as the 27-story building proposed for Parcel E (297 ft. high building at Main St. and Fifth Ave.) may be of concern for brief periods. Thus, Steam Plant emissions will likely be well below federal standards for all critical stack pollutants for people using the 5 and 8-story buildings proposed for the 520 and 521 Project.

- **Noise:** The 520 site at is very near or may be within the slant distance of the 60 dBA noise contour of the steam plant predicted in the “Findings of Fact” for the Pillsbury A Mill Complex. Council’s message is clear: now or never

4. **Minnesota Historical Society**

Comments: The EAW does not describe the history of the structures to be demolished, the impact of the demolition on the historic district, and the project’s impact on the historic district. . . . We do not believe these sites have potential for significant archaeological sites, and do not recommend a survey of the area.”

Response: See Exhibit G Additional Comment on the Historic District impacts.

5. **Schafer Richardson**

Comment: “No EIS is required”

Response: Noted for the record

6. **Minnesota Department of Natural Resources**

Comment: The list of approvals should include DNR Critical Area Program approval of ordinance zoning amendments for lands within the Critical Area Corridor since the proposed rezoning differs from the EQB-approved Ordinances and Plan for the site shown as Light Industrial. Under Minnesota Rules, a local unit of government shall enact only the plans and regulations that affect lands within the Mississippi River Critical Area Corridor that have the written approval of DNR—Critical Area program. Amendments to any Plans and Ordinances that affect the Corridor shall become effective only upon submission, review, and approval by DNR - Critical Area Program.

The EAW must describe the steep slope.

Item No. 27c suggests that the project proposer would seek variances to increase floor area and a conditional use permit to increase the height of the 520 building. Critical Area standards and guidelines would not allow these increases.

Response: The slope will be contained on site by the building. The City is engaged in an ongoing effort with the Department of Natural Resources (DNR) Critical Areas Program staff to provide the most effective and efficient implementation of the guidelines for the Mississippi River Critical Area Corridor throughout its extent in the City. The City has prepared a comprehensive amendment of the City’s Critical Area Plan and submitted it in draft form for review and comment by the DNR in 2003. The Planning Division Director will specifically assure the DNR’s continued participation, review and comment on the City’s proposed land use decisions and permitting for this proposal and other proposals within the designated Critical Area in Minneapolis.

Comment: The Critical Area program strongly endorses the use of green roofs over a majority of the proposed roof tops, water quality treatment of stormwater from the roof drains prior to entering the City’s system and the Mississippi River, and pervious pavers at grade.

Response: Noted for the record.

Comment: From a natural resources management perspective, the proposed project does not have the potential for significant environmental effects and does not require preparation of an Environmental Impact Statement (EIS).

Response: Noted for the record

7. National Park Service

Comment: “Evaluated as related actions, the proposed Pillsbury A Mill, Phoenix and the 520 and 521 developments would exceed the threshold for a Mandatory Environmental Impact Statement under Minnesota Rules 4410.4400, subpart 21. . . . [We] ask the City to clarify its decision not to mandate and EIS for these related actions.”

The scale of these projects as described in their EAW’s are as follows:

	Residential Units	Commercial Area
A Mill Complex	1,950 units	105,000 sq. ft.
Phoenix	150 units	6,000 sq. ft.
520	62 units	none proposed
521	60 units	9600 sq. ft.
Total	1,367 units	120,600 sq. ft.

First, the combined total of 1,367 proposed residential units is 91.1% of the 1,500-unit minimum threshold for a Mandatory EIS based on the residential use alone. The combined total of 120,600 sq. ft. of proposed commercial space is 8.0% of the 1.5 million sq. ft. minimum threshold for a Mandatory EIS based on the commercial use alone. Combined, they are very close (99%) but still beneath the project standard for a Mandatory EIS required by 4410.4400 subpart 21, if all three were a single or related project.

Second, and more importantly, the City has found for the reasons discussed in part T “Diageo Site” beginning on page 23 of the “Pillsbury A Mill Draft Findings of Fact and Record of Decision,” the Pillsbury A Mill Complex and the site are not related or cumulative actions. The same reasoning found in that section is the basis for not finding the Phoenix and the 520 and 521 projects are related or cumulative actions with or without the redevelopment of the Pillsbury A Mill Complex.

Third, the EAW identifies the significant and problematic nature of the scale of the necessary variances, which are required to reach the proposed density and bulk for each of the three proposed projects, and therefore may reduce the approved number of housing units and the commercial floor area for each project.

Comment: The information on the historic resources and impacts on those resources has not been provided

Response: See Exhibit G Additional Comment on the Historic District Impact

Comment: "No basis is cited for determining no sensitive species exist on the project site."

Response: The findings on the Pillsbury A Mill Complex generally apply to this site. See also DNR comment on no requirement for an EIS. Summarize them

Skips the entire plans discussion MNNRA and CAP

8. Marcy Holmes and Nicollet Island East Bank Neighborhoods

Comment: "The developer should place 521 Second St. SE in the "transition area" between the "four-story limit area" and the "relaxed height limit area."

Response: Noted for the record

Comment: The EAW should have a more complete and professional discussion of the buildings proposed for demolition as well as the surrounding buildings, in particular: Shepard Manufacturing, 129 Sixth Ave SE (W.D. Forbes); the Soap Factory; the houses on the east side of Fifth Avenue SE, including the carriage house facing Second Street SE; and the Salvage Corps Station #2, 525 University Ave. SE (Dunn Brothers). The visual relationship between the proposed buildings and their historic neighbors should be discussed and illustrated.

Response: Noted for the record. Also, see Exhibit G Additional Comment on the Historic District Impact.

V. ISSUES IDENTIFIED IN THE EAW

The EAW identified the significant issues for this EAW as those relating to the intensity, scale and design of the proposal, and its relation to the plans, guidelines and regulations discussed in Section 27 of the EAW. These same issues were the focus of the comments by reviewers.

VI. COMPARISON OF POTENTIAL IMPACTS WITH EVALUATION CRITERIA

In deciding whether a project has the potential for significant environmental effects and whether an Environmental Impact Statement (EIS) is needed, the Minnesota Environmental Quality Board rules (4410.1700 Subp. 6 & 7) require the responsible governmental unit, the City in this case, to compare the impacts that may be reasonably expected to occur from the project with four criteria by which potential impacts must be evaluated. The following is that comparison:

A. Type, Extent, and Reversibility of Environmental Effects

The EAW provided specific studies of the potential traffic and parking impacts for the Project and found no potential impact, and the consultant concluded the trips from the Project will not cause a violation of air quality standards. Emissions from the University of Minnesota Steam Plant are unlikely to create conditions for people using the buildings that would violate governmental air quality standards. Prior to Site Plan approval the City can

request additional modeling to confirm the exposure status of the project to noise and other emissions from the University of Minnesota Steam Plant. Standard construction techniques, similar to those used in other similar projects along the River, will be used and regulated by City ordinances and any impacts will be non persistent.

The significance of the environmental effect of the loss by demolition of the existing buildings and construction of new buildings on the sites, which was the reason for the preparation of this EAW, are expanded upon in Exhibit G, and will be determined by the Minneapolis Heritage Preservation Commission and subsequent City reviews described in the EAW. The guidelines of the Minneapolis Heritage Preservation Commission, the plans and regulations of the City, and the Critical Area requirements by the Department of Natural Resources were provided in the EAW and echoed in the comments. The regulatory format and tools to assess and resolve these visual and perceptual impacts on the historic district and the adjacent public and private properties are provided in the City's comprehensive development review process.

All of the above factors limit the potential for significant environmental effects of the Project.

B. Cumulative Effects of Related or Anticipated Future Projects

Proposed developments in the Central Riverfront that continue the transition from industrial use to residential and commercial uses, including the recently approved and constructed "Stone Arch" apartments at 6th Avenue SE and Main St., have been consistently found to be in conformance with the policies of the Comprehensive Plan. The construction of another residential development in this district does not create a precedent or environment for future projects. The Project is not a stage of a subsequent project beyond the identified sites and is not connected to any other development. The traffic and parking study assumed and anticipated growth in traffic and parking demand in the area, and incorporated these assumptions into its findings. All of these factors limit the potential for significant cumulative or unanticipated environmental effects from the Project.

C. Extent to Which the Environmental Effects are Subject to Mitigation by Ongoing Public Regulatory Authority

The site is presently designated I1, Light Industrial. In this zoning district, and in all industrial districts in Minneapolis, all residential use, except certain community correctional facilities, is prohibited by section 550.60 of the Zoning Code. The site is also within the Industrial Living Overlay District (ILOD). Residential uses are allowed as a conditional use with an ILOD at a much reduced density as proposed. The proposer has no "as of right" permissions or standing to construct a development resembling the proposal without significant and specific discretionary amendments and permissions from the City of Minneapolis.

The process the City will use to review the proposal will be competent and open. In its review of the proposal and determination of the required mitigation, modifications and amendments necessary for approval, the City will have the opportunity to initiate similar studies, have similar information made available, and allow similar opportunities for public participation as are authorized for the EIS process.

The City has the professional staff and regulatory tools to address and resolve the technical issues raised by this proposal. Its review will also provide the only accepted path, approval by our local elected officials, to resolve the major non technical, perceptual, issues of the visual relationships and impacts presented by the proposal. The record created by this EAW process will be available to inform and guide all participants. This local approval process, informed by the record created by this EAW, is the direct, effective and efficient venue to identify and encourage the elements for compatible redevelopment, and assure their implementation at this important site.

A finding by the City the EAW is adequate and no EIS is required provides no endorsement, approval or right to develop the proposal by the City. It simply allows the proposer to formally initiate the City's process for considering the specific discretionary amendments and permissions necessary for redevelopment, and for the City in this process, informed by the record of the EAW, to identify and encourage the elements for compatible redevelopment, and assure their implementation at this important site.

D. Extent to which Environmental Effects Can be Anticipated and Controlled as a Result of other Environmental Studies Undertaken by Public Agencies or the Project Proposer, or of Environmental Reviews Previously Prepared on Similar Projects.

The construction of another residential building in the central riverfront of a central city follows many precedents, and is a known event with known impacts (refer to A Mill EAW).

VII. DECISION ON THE NEED FOR AN ENVIRONMENTAL IMPACT STATEMENT

Based on the Environmental Assessment Worksheet, the “Findings of Fact and Record of Decision,” and related documentation for this project, the City of Minneapolis, the responsible governmental unit (RGU) for this environmental review, concludes the following:

1. The Environmental Assessment Worksheet, the “Findings of Fact and Record of Decision” document, and related documentation for the 520 and 521 Project were prepared in compliance with the procedures of the Minnesota Environmental Policy Act and Minn. Rules, Parts 4410.1000 to 4410.1700 (1993).
2. The Environmental Assessment Worksheet, the “Findings of Fact and Record of Decision” document, and related documentation for the project *have/have not* satisfactorily addressed all of the issues for which existing information could have been reasonably obtained.
3. The project *does/does not* have the potential for significant environmental effects based upon the above findings and the evaluation of the following four criteria (per Minn. Rules, Parts 4410.1700 Subp. 7):
 - Type, extent, and reversibility of environmental effects.
 - Cumulative effects of related or anticipated future projects.
 - Extent to which the environmental effects are subject to mitigation by ongoing public regulatory authority.
 - Extent to which environmental effects can be anticipated and controlled as a result of other environmental studies undertaken by public agencies or the project proposer, or of environmental reviews previously prepared on similar projects.

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

Exhibits:

- A. Project Description
- B. Record of Decision
- C. Public notification record
- D. Comment letters
- E. Council/Mayor action
- F. Peer Engineering letter of July 6, 2004
- G. Additional Comment on the Historic District Impact

EXHIBIT A

Project Description (refer also to the attached location map, site plan, and elevations):

A. 520 Second Street SE, the south site

This 19,750 sq. ft. site is presently occupied by the masonry United Rentals buildings at 520 and 520 1/2, and the small masonry building at the northeast corner of the Soap Factory and No Name Gallery parcel at 518 2nd St. SE. The United Rentals buildings will be demolished to accommodate the new building, and the small building on the Soap Factory and No Name Gallery parcel will be demolished to provide a second access to the proposed parking for the new building. The site is separated from Sixth Avenue SE by the two story building occupied by W D Forbes on the corner.

The 520 building will have an 8 story (84 ft above Second St. SE) profile and will contain 62 flats and lofts. The parking will be located in the interior of the site, enclosed by the building. Dual access to the three parking levels providing 98 parking spaces will be from Second Street. The exterior of the 520 building will feature masonry, block and steel facades in an industrial theme reflecting the existing street context. Large window opening and balconies will allow for a higher degree of transparency for residents. The rooftop will be a flat design, terraced and decked with “green” elements for insulation, solar collection and resident use.

B. 521 Second Street SE, the north site

This 32,979 sq. ft. site will have frontage on both 2nd Street and 6th Avenue SE. This site is presently occupied by the metal United Rentals buildings, and is surrounded by residential uses.

The 521 building will have a 5 story (56 ft above Second Street) profile, and will contain 60 flats and lofts and 9600 sq. ft. of commercial space. Commercial uses are located at street level along both 2nd Street and 6th Avenue SE. A single access from Second Street SE will serve the 67 below grade and 49 surface parking spaces. These 116 spaces will provide parking for the residential and commercial occupants of the building. The exterior of the 521 building will reflect the exterior of the 520 building and feature masonry, block and steel facades in an industrial theme reflecting the existing street context. Large window opening and balconies will allow for a higher degree of transparency for residents. The rooftop will be a flat design, terraced and decked with “green” elements for insulation, solar collection and resident use. Because of the steep change in grade from north to south, the lowest level of retail and parking will be constructed in masonry to permit four stories of wood frame construction above.

EXHIBIT B

**Environmental Review Record for the 520 & 521 Project
Environmental Assessment Worksheet**

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

<u>DATE</u>	<u>ITEM</u>
5/21/04	City staff distributes EAW to official EQB mailing list and Official project list. 5/24/04 Minnesota Environmental Quality Board (EQB) publishes notice of availability in <i>EQB Monitor</i> . 30-day comment period commences.
6/23/04	End of EAW public comment period.
7/15/04	City staff informed the City Planning Commission (CPC), Committee of the Whole regarding the EAW.
7/15/04	Zoning and Planning Committee (Z & P) of the City Council considers the "Findings of Fact and Record of Decision" report, provides recommendation to the City Council.
7/23/04	<i>City Council approves Z & P Committee recommendation and makes a finding of Negative Declaration: EAW is adequate and no EIS is necessary.</i>
<i>date</i>	<i>Mayor approves Council action regarding EAW via Early Signature process.</i>
<i>date</i>	<i>City publishes notice of Council/Mayor decision in Finance and Commerce. Moratorium on issuance of final permits lifted.</i>
<i>date</i>	<i>City publishes and distributes Notice of Decision and final "Findings" report to official EAW mailing list.</i>
<i>date</i>	<i>EQB publishes Notice of Decision in EQB Monitor.</i>

EXHIBIT C

Public Notification Record

The following describes the public notification process of the Planning Division for the 520 & 521 development EAW:

1. The City maintains an updated list based on the Official EQB Contact List. The list used for the Pillsbury A Mill Complex EAW, dated 3/3/2004, follows. All persons on that list were sent copies of the EAW. The Planning Division also distributes copies of the EAW via interoffice mail to elected and appointed officials and City staff.
2. Parties known to be interested in this project and the Pillsbury A Mill Complex EAW, and those requesting a copy of the EAW.
3. A notice of the availability of the 520 & 521 EAW, the dates of the comment period, and the process for receiving a copy of the EAW and/or providing comment was published in the EQB Monitor on February 2, 2004 and provided to the City's Communications/Public Affairs office for notice and distribution.
4. On 7/7/04, a copy of the proposed Findings of Fact and Record of Decision for the 520 & 521 EAW and a notice of the Zoning & Planning Committee Meeting where it will be considered were sent to the expanded Official EQB contact list and to those who had provided written comment on the EAW.
5. After the City Council acts on the environmental review, the Planning Division will distribute the Notice of Decision with information regarding the final "Findings" document to the Official EQB Contact List and the Project list.

EXHIBIT D

Comments Received on the 520 & 521 EAW

Comments were received from:

1. Soap Factory, Ben Heywood, June 6, 2004
2. Metropolitan Council, June 18, 2004
3. U of M, The Environmental Law Group, Ltd., June 22, 2004
4. Minnesota Historical Society, June 22, 2004
5. Schafer Richardson, June 23, 2004
6. Minnesota Department of Natural Resources, June 23, 2004
7. National Park Service, June 23, 2004
8. Marcy Holmes and Nicollet Island East Bank, June 23, 2004

Each written comment follows.

EXHIBIT E

Council /Mayor Action

this will be included in the Final document

EXHIBIT F

Peer Engineering letter

this is a letter similar to that provided by Braun Intertec for Phoenix (Phoenix Exhibit H) on the groundwater infiltration. It is promised by Wednesday am.

EXHIBIT G

Additional Comment on the Historic District Impact

THE CITY OF MINNEAPOLIS
Community Planning & Economic Development
Planning Division
210 City Hall
Minneapolis, MN 55415

May 24, 2004

AVAILABILITY OF THE ENVIRONMENTAL ASSESSMENT WORKSHEET FOR THE
“520 and 521”

This EAW studies the sites at 520 and 521 Second Street SE on the east bank of the Mississippi River in Minneapolis, Minnesota. The project is within the St. Anthony Falls Historic District. The 52,729 square foot project is located on opposing sides of Second Street SE at and just east of Sixth Avenue SE. The site is presently occupied by multiple buildings constructed at different times and is presently occupied by United Rentals, a construction equipment service company.

The proposed development is construction of a new, 8 story, 62 unit residential building at 520 Second Street, SE (south side) and, at 521 Second Street SE (north side), construction of a new, 5 story, a mixed use building with 60 dwelling units and 9600 sf of retail space. The southerly site abuts the site of the recently circulated "Pillsbury A Mill Complex" EAW.

Copies of the EAW will be available for review at the downtown Minneapolis Public Library located at 250 Marquette Ave, the Southeast Community Library located at 1222 SE 4th Street SE and in the office of the City Planning Division at 210 City Hall.

Notice will be published in the *EQB Monitor* on Monday, May 24, 2004. Public comments on the EAW must be made within the 30-day comment period, which ends at 4:30 p.m. on Wednesday, June 23, 2004. The Zoning and Planning Committee at its regular meeting on July 15, 2004, or at a subsequent meeting, will receive a report and recommendation from City staff, hear comment and consider the adequacy of this EAW and the need for an Environmental Impact Statement. The City Council will act on the recommendation of this Committee at a subsequent meeting.

Copies of this EAW can be obtained by calling Lisa Baldwin, 612 973-2597. For further information and to submit comments on the EAW, contact Neil Anderson, Supervisor of Development Services, City of Minneapolis, City Hall Room 210, 350 S. 5th Street, Minneapolis, MN 55415, by telephone at 612-673-2351, or E-mail at neil.anderson@ci.minneapolis.mn.us.

ENVIRONMENTAL ASSESSMENT WORKSHEET

Note to preparers: An electronic version of this form is available at www.mnplan.state.mn.us. *EAW Guidelines* will be available in spring 1999. The Environmental Assessment Worksheet provides information about a project that may have the potential for significant environmental effects. The EAW is prepared by the Responsible Governmental Unit or its agents to determine whether an Environmental Impact Statement should be prepared. The project proposer must supply any reasonably accessible data for — but should not complete — the final worksheet. If a complete answer does not fit in the space allotted, attach additional sheets as necessary. The complete question as well as the answer must be included if the EAW is prepared electronically.

Note to reviewers: Comments must be submitted to the RGU during the 30-day comment period following notice of the EAW in the *EQB Monitor*. Comments should address the accuracy and completeness of information, potential impacts that warrant further investigation and the need for an EIS.

1. **Project title** 520 and 521 Second Street

2. **Proposer** Bluff Street Development, LLC
Contact person Steve Minn
Title Project Principal
Address 9304 Lyndale Avenue, South
City, state, ZIP Minneapolis, MN 55420
Phone (952) 888-2001
Fax (952) 888-1592
E-mail steve.minn@lupedevelopment.com

3. **RGU** City of Minneapolis
Contact person Neil Anderson
Title Supervisor of Development Services
Address 350 South 5th Street Room 210
City, state, ZIP Minneapolis, MN 55415-1385
Phone (612) 673-2351 / TDD (612) 673-2157
Fax (612) 673-2728
E-mail neil.anderson@ci.minneapolis.mn.us

4. **Reason for EAW preparation (check one):**
 EIS scoping Mandatory EAW Citizen petition
 RGU discretion Proposer volunteered

If EAW or EIS is mandatory give EQB rule category subpart number 4410.4300 subpart 31 and subpart name Historical places.

5. **Project location**
County Hennepin
City/Township Minneapolis
NE 1/4 Section 23 Township 29 Range 24

The addresses of the project sites are 520 and 521 Second Street SE. in the City of Minneapolis. 520 is located on the southwest or south side of 2nd Street SE, 521 is located on the northeast or north side of 2nd Street SE

Attach each of the following to the EAW:

County map showing the general location of the project. See Attachment A - County and U.S. Geologic Survey Maps

U.S. Geological Survey 7.5 minute, 1:24,000 scale map indicating project boundaries (photocopy acceptable).

See Attachment A

Site plan showing all significant project and natural features.

See Attachments B and C

6. Description

a. **Provide a project summary of 50 words or less to be published in the EQB Monitor** Construct a new, 8 story, 62 unit residential building at 520 Second Street, SE (south side) and, at 521 Second Street SE (north side), construct a new, 5 story, a mixed use building with 60 dwelling units and 9600 sf of retail space. Both sites located within the St. Anthony Falls Historic District. The southerly site abuts the site of recently circulated "Pillsbury A Mill Complex" EAW.

b. Give a complete description of the proposed project and related new construction. Attach additional sheets as necessary. Emphasize construction, operation methods and features that will cause physical manipulation of the environment or will produce wastes. Include modifications to existing equipment or industrial processes and significant demolition, removal or remodeling of existing structures. Indicate the timing and duration of construction activities.

A. 520 Second Street SE, the south site.

This 19,750 sf site, see Attachment C, is presently occupied by the masonry United Rentals buildings at 520 and 520^{1/2}, and the small masonry building at the northeast corner of the Soap Factory and No Name Gallery parcel at 518 2nd St. SE. The United Rentals buildings will be demolished to accommodate the new building, and the small building on the Soap Factory and No Name Gallery parcel will be demolished to provide a second access to the proposed parking for the new building. The site is separated from Sixth Avenue SE by the two story building occupied by W D Forbes on the corner.

The 520 building will have an 8 story (84 ft above Second St. SE) profile, see Attachment D, and will contain 62 flats and lofts. The parking will be located in the interior of the site, enclosed by the building. Dual access to the three parking levels providing 98 parking spaces will be from Second Street. The exterior of the 520 building will feature masonry, block and steel facades in an industrial theme reflecting the existing street context. Large window opening and balconies will allow for a higher degree of transparency for residents. The rooftop will be a flat design, terraced and decked with "green" elements for insulation, solar collection and resident use.

B. 521 Second Street SE, the north site

This 32,979 sf site, see Attachment C, will have frontage on both 2nd Street and 6th Avenue SE. This site is presently occupied by the metal Untied Rentals buildings, and is surrounded by residential uses.

The 521 building will have a 5 story (156 ft above Second Street) profile, see Attachment E, and will contain 60 flats and lofts and 9600 sf of commercial space. Commercial uses are located at street level along both 2nd Street and 6th Avenue SE. A single access from Second Street SE will serve the 67 below grade and 49 surface parking spaces. These 116 spaces will provide parking for the residential and commercial occupants of the building. The exterior of the 521 building will reflect the exterior of the 520 building and feature masonry, block and steel facades in an industrial theme reflecting the existing street context. Large window opening and balconies will allow for a higher degree of transparency for residents. The rooftop will be a flat design, terraced and decked with "green" elements for insulation, solar collection and resident use. Because of the steep change in grade from north to south, the lowest level of retail and parking will be constructed in masonry to permit four stories of wood frame construction above.

No special hazards or the necessity for special techniques during demolition have been identified at either site.

Conventional construction techniques will be used to build both buildings. Depending on permitting, demolition of the present building(s) could occur this year with construction phased for 2005 and 2006 respectively.

c. Explain the project purpose; if the project will be carried out by a governmental unit, explain the need for the project and identify its beneficiaries.

The project will replace industrial warehouse/retail and surface parking with a residential building and a residential/retail mixed use structure, increasing the opportunity and diversity of housing on the riverfront.

d. Are future stages of this development including development on any outlots planned or likely to happen?

No

If yes, briefly describe future stages, relationship to present project, timeline and plans for environmental review.

e. Is this project a subsequent stage of an earlier project?

No

If yes, briefly describe the past development, time line and any past environmental review.

7. Project magnitude data

Total project acreage:

The total project area is 52,729 square feet, 1.21 acres. The 520 Building site is 19,750 square feet or 0.45 acre. The 521 Building site is 32,979 square feet or .76 acre

**Number of residential units: unattached 0 attached 122 maximum units per building 62/60
Commercial, industrial or institutional building area (gross floor space): total square feet 9,600.**

The total residential floor area of the 620 Building, not including the structure for the enclosed 98 parking spaces, is 98,845 sf.

The total residential and commercial floor area of the 621 Building, not including the structure for the 67 below grade parking spaces, is 90,600 sf.

Indicate areas of specific uses (in square feet):

Office	0	Manufacturing	0
Retail	9,600	Other industrial	0
Warehouse	0	Institutional	0
Light industrial	0	Agricultural	0
Other commercial	0	Building height	8 stories and 84 ft above 2 nd St. 4 stories and 56 ft above 2 nd St.

If over 2 stories, compare to heights of nearby buildings.

The streetscape along Second Street is varied.

To the east, Metal Matic stands over 50 feet tall at its lowest roof line, with peaks in excess of 60 feet above street level. The Stone Arch Apartments stand five stories over Main Street, at a height of 54 feet. WD Forbes is a smaller scale two story building.

To the west, Soap Factory is one and then two levels from 2nd Street SE. Residential structures on Fifth Street north of Second are two and one-half stories.

To the north the buildings are modest in height, ranging from the two story Dunn/Alma complex at University & 6th, to two residential apartments buildings fronting on University which are four to six stories above the street.

To the south, the development described in the A Mill Complex EAW is proposed

8. Permits and approvals required

List all known local, state and federal permits, approvals and financial assistance for the project. Include modifications of any existing permits, governmental review of plans and all direct and indirect forms of public financial assistance including bond guarantees, Tax Increment Financing, and infrastructure.

State:

Pollution Control Agency Sanitary Sewer Extension Permit	To be applied for
Registration permits for generators	to be applied for

Local:

City of Minneapolis

Heritage Preservation Commission Demolition Approval	To be applied for
Heritage Preservation Commission Plan Approval	To be applied for
Transportation Demand Management Plan	To be applied for
Rezoning, Conditional Use Permits and Variances*	To be applied for
Site Plan Review*	To be applied for
Minor Subdivision	To be applied for
Grading/Erosion Control Plan	To be applied for
Demolition Permit	To be applied for
Building Permits	To be applied for

* DNR Critical Area Staff request notification prior to approval.

It is not the objective of the EAW preparation to develop all the detailed information required for construction permits. The Proposer will assemble the required information and apply for these permits when appropriate.

9. Land use

Describe current and recent past land use and development on the site and on adjacent lands. Discuss project compatibility with adjacent and nearby land uses. Indicate whether any potential conflicts involve environmental matters. Identify any potential environmental hazards due to past site uses, such as soil contamination or abandoned storage tanks, or proximity to nearby hazardous liquid or gas pipelines.

The 520 building site was part of a series of railroad warehouses used for cold storage and transit holding for nearby freight and rail operations of the Eastern Railway and later the Great Northern railroad. As the importance and volume of rail operations decreased, the space was occupied by a storage for an equipment leasing company, the Minneapolis Equipment Company. The history of the structures to be demolished has not been carefully investigated. The buildings at 518 and 520^{1/2} Second St. were probably constructed in the early 20th century. The building at 520 Second St. was demolished in 1954 and the present structure was built in its place. The buildings at 521 Second Street appear to be more modern.

The transition from industrial to residential and commercial use dates from the early the 1970's with the opening of the restaurant "Pracna on Main, " the conversion of the Salisbury factory into St. Anthony Main complex, construction of the Winslow House Apartments, and eventually Riverplace. With the cessation of flour milling at the A Mill, the conversion to mixed used residential use in this area is anticipated.

Current Adjacent Land Uses include:

See Attachment B Site Context

On the north: Mixed low and higher density residential development on the remainder of the block fronting on University Ave., and the blocks to the east along University Ave.
 On the south: Presently open area, part of the proposed Pillsbury A Mill Complex redevelopment
 On the east: WD Forbes two story brick/limestone structure, then Metal Matic, industrial and commercial uses along 2ndStreet
 On the west: No Name Galley occupying the former Soap Factory, then proposed Pillsbury A Mill Complex redevelopment, across 5th Avenue SE., the General Mills research facility

The proposal(s) are typical of and continues the transition of the City’s central riverfront from industrial to residential and commercial use.

An aboveground storage tank (AST) associated with former soap factory operations was located on the western portion of the site in the past. The AST was reportedly used to store animal tallow. Soil samples were recently collected from the area of the former AST. The samples were found to contain Polycyclic Aromatic Hydrocarbons (PAHs) above laboratory detection limits. PAHs were reported in two of the four samples analyzed for this parameter. The PAHs were identified in the shallow soils at concentrations less than Residential Soil Values (SRVs). Shallow soils excavated from this area exhibiting evidence of impacts will be segregated and tested to determine appropriate disposal or reuse options. If necessary, impacted soil will be disposed of offsite at an appropriate landfill facility. It is also possible that the material may be suitable for reuse onsite as backfill around building foundations and subgrade walls below a depth of four feet. It is anticipated that only a small amount of soil (50 cubic yards or less) may require offsite disposal.

No other impacts were identified during environmental monitoring and testing performed in conjunction with the geotechnical investigation completed on the property.

10. Cover types.

Estimate the acreage of the site with each of the following cover types before and after development:

	Before	After		Before	After
Types 1-8 wetlands	0	0	Lawn/landscaping	0.07	.06(at grade)
Wooded/forest	0	0	Impervious surfaces	1.14	1.16
Brush/Grassland	0	0	Other (describe)	0.0	0.0
Cropland	0	0	TOTAL	1.21	1.21

If before and after totals are not equal, explain why.

11. Fish, wildlife and ecologically sensitive resources

a. Identify fish and wildlife resources and habitats on or near the site and describe how they would be affected by the project. Describe any measures to be taken to minimize or avoid impacts.

The project site can be characterized as an established and fully developed industrial area since the mid 1800’s. The project site consists of industrial and commercial buildings and parking lots. There is no vegetation. This is hardpack soils near abandoned rail tracks. Consequently, there are no significant wildlife habitats within the project site.

The project site is flanked on the west by No Name Galley/Soap Factory, on the east by WD Forbes, and presently on the south by the Pillsbury A Mill propane tank area and open storage lots.

b. Are any state-listed (endangered, threatened, or special concern) species, rare plant communities or other sensitive ecological resources such as native prairie habitat, colonial waterbird nesting colonies or regionally rare plant communities on or near the site?

No, none on the actual site.

If yes, describe the resource and how it would be affected by the project. Indicate if a site survey of the resources has been conducted and describe the results.

If the DNR Natural Heritage and Nongame Research program has been contacted give the correspondence reference number:

Describe measures to minimize or avoid adverse impacts.

No on or off site impacts on sensitive ecological resources are predicted

12. Physical impacts on water resources

Will the project involve the physical or hydrologic alteration — dredging, filling, stream diversion, outfall structure, diking, and impoundment — of any surface waters such as a lake, pond, wetland, stream or drainage ditch?

No

If yes, identify water resource affected and give the DNR Protected Waters Inventory number(s) if the water resources affected are on the PWI: Describe alternatives considered and proposed mitigation measures to minimize impacts.

13. Water use

Will the project involve installation or abandonment of any water wells, connection to or changes in any public water supply or appropriation of any ground or surface water (including dewatering)?

Yes, the present properties are, and the proposed project will be both properties are currently connected to the City of Minneapolis water supply.

During construction of building footings and foundations, it is possible that ground water may be encountered. If encountered, dewatering will need to be performed to allow for construction. Based on current data and proposed construction, long term dewatering of ground water does not appear to be necessary. The proposed building will include a passive drain tile system to collect water from around the foundation. At this time, only water infiltrating from the surface is likely to be collected by this system.

If yes, as applicable, give location and purpose of any new wells; public supply affected, changes to be made, and water quantities to be used; the source, duration, quantity and purpose of any appropriations; and unique well numbers and DNR appropriation permit numbers, if known. Identify any existing and new wells on the site map. If there are no wells known on site, explain methodology used to determine.

The project will obtain potable water from the City of Minneapolis system. Estimated water demand is based upon the Service Availability Charge Procedure Manual (Metropolitan Council – Environmental Services, January 2004). One SAC unit (274 gallons per day representing peak day usage) is assigned to each residential unit. One SAC unit is assigned to each 3,000 square feet of retail space. Not taking credits for existing water use on the site, it is estimated that a maximum of 34,305 gallons per day of potable water would be required for the project. Discussions with the City of Minneapolis indicate that potable supplies are adequate to meet the needs of the project without modifications to the existing City system.

A Phase I Environmental Site Assessment (ESA) was completed on the property by Peer Engineering in February 2002. The ESA did not identify any existing wells on the property. No new wells are to be constructed as part of the project. If limited dewatering of ground water is necessary during construction, it will be completed using traditional excavation pumping methods. If long-term dewatering of ground water is necessary during building operation, it will likely be completed using a passive drain tile collection system. All necessary permits related to ground water appropriation and discharge will be obtained from appropriate federal, state and local agencies.

14. Water-related land use management district

Does any part of the project involve a shoreland zoning district, a delineated 100-year flood plain, or a state or federally designated wild or scenic river land use district?

Yes

If yes, identify the district and discuss project compatibility with district land use restrictions.

The project is located within the State designated Mississippi River Critical Area Corridor. Executive Order 79-19 establishing this Critical Area was signed and published in the Minnesota State Register in 1979. The order provided requirements and guidelines for preparing plans and regulations for the Corridor. The City of Minneapolis prepared such a plan and has established in its Zoning Ordinance Article VIII MR Mississippi River Critical Area Overlay District to implement its approved Critical Area Plan. The boundaries of this Overlay District are as designated for the Critical Area in Executive Order 79-19. During 2003, the City developed amendments to its approved plan, and has begun the process of DNR review of the proposed amendments.

15. Water surface use

Will the project change the number or type of watercraft on any water body?

No

If yes, indicate the current and projected watercraft usage and discuss any potential overcrowding or conflicts with other uses.

16. Erosion and sedimentation

Give the acreage to be graded or excavated and the cubic yards of soil to be moved: acres 1.17 acres in two phases; cubic yards 28,000 cubic yards or more in two phases. Describe any steep slopes or highly erodible soils and identify them on the site map. Describe any erosion and sedimentation control measures to be used during and after project construction.

The project site is currently developed. The site comprises 0.45 acres south of 2nd Street (520 and 520 ½ 2nd Street) and 0.76 acres north of 2nd Street (521 2nd Street). It is presumable that all of the site (1.121 acres) will be graded during construction; however, the construction will be completed in phases .

Currently the lowest level of the 520 2nd Street building is approximately 811 feet above mean sea level. After demolition, excavation of this site will be necessary to an elevation of at least 801 feet above mean sea level. It is anticipated that 8,000 cubic yards or more of soil and/or bedrock will require excavation for construction of two levels of underground parking associated with the proposed development. The bedrock elevation generally ranges from 792 to 798 feet above mean sea level, based on geotechnical investigation activities completed to date on the 520 2nd Street property.

The 521 2nd Street building is approximately slab on grade with associated outdoor parking and storage space. After demolition, excavation of this site will be necessary to an elevation of at least 801 feet above mean sea level across most of the site. It is anticipated that 20,000 cubic yards or more of soil and/or bedrock will require excavation for construction of two levels of underground parking associated with the proposed development.

The existing buildings on the site will be demolished and new buildings constructed. The proposed buildings will have two underground parking levels which generally extend to near the bedrock surface. The lowest elevation of the below-grade parking levels is approximately 801 feet above mean sea level. In areas where the excavation extends close to the street or curbs, some temporary shoring may be required.

The proposed construction will be completed in two phases. Each phase is less than one acre. Each site is essentially unchanged from existing impervious surface conditions. The phases are separated by a municipal street and are not subject to erosion mitigation requirements. The proposer will voluntarily comply with construction erosion control and site best management practices. During demolition and construction, all appropriate erosion and sediment controls will be employed, including, but not limited to, silt fencing, bale checks, catch basin sediment traps, etc.

A steep slope is present on the north side of the 521 2nd Street property. During and immediately following construction, erosion control measures will be employed on non-vegetated slopes to minimize erosion or sediment transport and deposition. Following construction, appropriate erosion control devices or structures will be implemented to minimize erosion and the potential for slope failure. These measures may include: erosion control matting, rip-rap, or culvert. No evidence of highly erodible soils is present on the property. Immediately following construction and site grading, pervious surfaces will be seeded and mulched as appropriate to control erosion. Other erosion control methods will also be employed as warranted.

17. Water quality: Surface water runoff

a. Compare the quantity and quality of site runoff before and after the project. Describe permanent controls to manage or treat runoff. Describe any stormwater pollution prevention plans.

19,157 square feet or 97% of the 520 2nd street property is now impervious surface. 30,341 square feet or 92% of the 521 2nd Street is now impervious surface, part of which is a surface parking lot. Pervious surfaces on the property south of 2nd Street are estimated at 3% of the site. Pervious surfaces on the property north of 2nd Street are approximately 8% of the site. Following redevelopment, pervious surfaces south of 2nd Street will be approximately 4.8% and north of 2nd Street will be approximately 5%. Overall, the project will increase impervious surface by approximately 635 sf. The site at 520 will gain 355 sf of pervious surface, the site at 521 will lose 990 sf of pervious surface. A “green” rain harvesting system has been discussed and is under evaluation in concert with assistance from the Minneapolis Green Institute. The building roof drains will be discharged per Minneapolis storm water management design requirements to surfacewater management systems. The quantity of site runoff may be slightly increased because while pervious surface at grades slightly decreased. Quality may be improved as approximately 15% of the roof top area of the site may be landscaped, just over 2/3rds of the parking spaces will be enclosed.

b. Identify routes and receiving water bodies for runoff from the site; include major downstream water bodies as well as the immediate receiving waters. Estimate impact runoff on the quality of receiving waters.

Storm water runoff will be directed to the existing storm sewer line located beneath Main Street. This City storm line eventually discharges to the Mississippi River. The impact on the Mississippi River water quality will be diminutive.

18. Water quality: Wastewaters

a. Describe sources, composition and quantities of all sanitary, municipal and industrial wastewater produced or treated at the site.

Estimated sanitary wastewater produced on the site from residential and commercial uses is 34,305 gallons per day, based upon estimated water consumption. The development is not expected to produce any wastewater that requires special treatment.

b. Describe waste treatment methods or pollution prevention efforts and give estimates of composition after treatment. Identify receiving waters, including major downstream water bodies, and estimate the discharge impact on the quality of receiving waters. If the project involves on-site sewage systems, discuss the suitability of site conditions for such systems.

Sanitary wastewater will be directed to the City of Minneapolis sanitary sewer system

c. If wastes will be discharged into a publicly owned treatment facility, identify the facility, describe any pretreatment provisions and discuss the facility’s ability to handle the volume and composition of wastes, identifying any improvements necessary.

Wastes will be discharged to a Metropolitan Council wastewater treatment plant. No pretreatment of wastes is anticipated.

d. If the project requires disposal of liquid animal manure, describe disposal technique and location and discuss capacity to handle the volume and composition of manure. Identify any improvements necessary. Describe any required setbacks for land disposal systems.

N/A.

19. Geologic hazards and soil conditions

a. Approximate depth (in feet) to ground water: Groundwater was encountered in geotechnical soil borings completed at the site at 24-26 feet below ground surface. Based on conditions encountered at nearby sites, the ground water elevation likely fluctuates from several feet above the top of bedrock to several feet below the top of bedrock.

Approximate depth (in feet) to bedrock: 17 minimum, 28 average.

Describe any of the following geologic site hazards to ground water and also identify them on the site map: sinkholes, shallow limestone formations or karst conditions. Describe measures to avoid or minimize environmental problems due to any of these hazards.

Bedrock encountered during site geotechnical investigations ranges in elevation from 791 to 798 feet above mean sea level, and depths to bedrock range from 17 to 29 feet below grade. The uppermost bedrock encountered is the Platteville Formation, which is composed of a somewhat fractured dolomitic limestone. Ground water is generally present within the upper feet of this geologic unit and is likely affected by seasonal fluctuations. Persistent saturated conditions exist in the underlying St. Peter Sandstone, where water level elevations are near river level and fluctuate with river levels (approximately 750 feet). No hazards to ground water are anticipated related to the proposed construction. Some karst conditions in the Platteville Formation are known in the vicinity of the site.

b. Describe the soils on the site, giving NRCS (SCS) classifications, if known. Discuss soil granularity and potential for groundwater contamination from wastes or chemicals spread or spilled onto the soils. Discuss any mitigation measures to prevent such contamination.

The Soil Survey of Hennepin County (USDA, April, 1974) was reviewed for project site soils mapping. In the project area, soils are unmapped by USDA, likely due to the extensive development and related fill placement that was present at the time of the mapping.

Geotechnical borings were recently performed at the site by GME Consultants. Soil boring logs of the 5 soil borings show a general soil profile of fill (five to ten feet in thickness, and varying considerably in content and compaction) over native granular soils [silty sand (SM), sand (SP, SP-SM), sand with silt (SP-SM), and silty sand with clay (SM)]. In one of the borings, organic silt was encountered approximately 10 feet below ground surface. This was likely buried topsoil or lowland deposit.

Given the variability of the type and compaction of the fill and the presence of granular soils underlying the fill, the project site is somewhat susceptible to vertical movement of liquid contaminants or contaminants entrained in liquids. However, the proposed project, being comprised of primarily residential redevelopment, with a small commercial component, is not anticipated to involve any significant commercial storage of potential contaminants (in either liquid or solid form). The project will require on-site fuel storage tanks (e.g. fuel tanks for backup electrical generation). Such tanks are regulated and require secondary containment and/or periodic leak testing. Therefore, potential contaminant impacts are anticipated to be minimal from these sources. Also, the completed project will have relatively small areas of pervious surfaces for percolation of contaminants. These pervious areas will be limited to lawn and landscaped areas, which will not also be used for potential contaminant storage. Therefore, specific mitigation measures for control of potential contaminants are not currently proposed.

20. Solid wastes, hazardous wastes, storage tanks

a. Describe types, amounts and compositions of solid or hazardous wastes, including solid animal manure, sludge and ash, produced during construction and operation. Identify method and location of disposal. For projects generating municipal solid waste, indicate if there is a source separation plan; describe how the project will be modified for recycling. If hazardous waste is generated, indicate if there is a hazardous waste minimization plan and routine hazardous waste reduction assessments.

Demolition of the existing site buildings will create demolition waste. This waste will be disposed of at an appropriate demolition landfill permitted to accept such waste. Construction activities will generate construction wastes. These wastes will be handled and disposed of at appropriate, permitted disposal facilities. In addition, up to 50 cubic yards of contaminated soil may be generated during construction activities on the west side of the property related to contamination identified in the area. This soil will be segregated, stockpiled and tested to determine appropriate management options. If it is determined to require offsite disposal, the soil will be profiled, manifested, and transported to an appropriate disposal facility permitted to accept such waste.

After occupancy, it is estimated that each unit will generate approximately 52 pounds of solid waste per week, or weekly solid waste generation of 6,400 pounds and annual solid waste generation of 165 tons. In addition, it is estimated that the commercial space will generate approximately 3 to 4 cubic yards of waste per week. The City collects only from apartment buildings with four or fewer units, so the building management will have to contract with a commercial waste hauler for service. Commercial haulers must provide the same recycling service as the City, which means collection for cans, corrugated cardboard, dry boxboard, glass, household batteries, magazines, newspapers, office paper and mail, phone books and plastic.

No hazardous wastes are anticipated to be generated during operation.

b. Identify any toxic or hazardous materials to be used or present at the site and identify measures to be used to prevent them from contaminating groundwater. If the use of toxic or hazardous materials will lead to a regulated waste, discharge or emission, discuss any alternatives considered to minimize or eliminate the waste, discharge or emission.

Low level contamination with PAHs is present in the soils located on the west side of the site. Environmental monitoring will be performed during excavation of these soils. Contaminated soil will be segregated, stockpiled and tested to determine the appropriate disposition option.

Current operations at the site use very small quantities of hazardous materials. These materials are handled appropriately. Hazardous materials are not likely to be used at the new development. If they are used, the quantities are anticipated to be extremely small and not pose a threat to ground water at the site.

c. Indicate the number, location, size and use of any above or below ground tanks to store petroleum products or other materials, except water. Describe any emergency response containment plans.

The project will contain emergency electrical generators at the site upon completion of construction. Each generator will have a diesel fuel tank located in the parking level of the structure. The size of the fuel tanks will range from 500 to 1000 gallons. Such tanks are regulated by MPCA and require secondary containment and/or periodic leak testing. All tanks are planned to be above-ground tanks, which will facilitate leak detection, should any occur. Emergency response plans will be developed for the generators to plan for appropriate reactions to emergency situations. The generators will also require registration permits from the MPCA.

21. TRAFFIC

Parking spaces added: 214 total spaces, comprised on 98 spaces at the 520 development and 116 spaces at the 521 development. **Estimated total average daily traffic generated:** Maximum daily traffic generated will be 840 trips (420 inbound and 420 outbound) at full build-out. **Estimated maximum peak hour traffic generated:** Maximum traffic generation will occur during the PM peak hour (4:15 to 5:15 PM) where 65 trips (35 inbound and 30 outbound) will be generated.

Provide an estimate of the impact on traffic congestion on affected roads and describe any traffic improvements necessary. If the project is in the Twin Cities, discuss its impact on the regional transportation system.

PROPOSED DEVELOPMENT TRANSPORTATION/TRAFFIC ANALYSIS

Overview:

The proposed project will have very little impact on the adjacent system of streets and intersections. The project is located in the Twin Cities, and regional routes as well as municipal streets will be used by residents and shoppers at the site. The low level of impact is directly related to:

1. The proposed development's trip generation, which, as described is low.
2. Slow growth in traffic volume observed in the vicinity of the proposed development site. According to the *Traffic/Transportation Section of Pillsbury A Mill Complex EAW* (Benshoof & Associates, January 2004), general traffic has only grown at 1 percent per year. This is down from an observed rate of growth of 2 percent or more in previous years.
3. The high level of transit service provided to the area of the City where the development will be constructed. Metro Transit has calculated a 35 percent mode share for commuters to/from the downtown area and the University of Minnesota. These are two primary destinations for work trip that will be generated by the development.
4. The high level of pedestrian and bicycle facilities provided to the area where the project will be constructed. Among thee facilities are numerous bike and walking paths that serve the downtown area and the University of Minnesota.
5. Timing for the development of the proposed project (to be constructed by 2006) places its completion well ahead of the completion of the Pillsbury A Mill Complex development, scheduled for completion in 2012 or later. Because the 520 and 521 2nd Street Condominiums will be constructed and operational almost five years before this project will be completed, the trips that it will generate were not included in the traffic analysis.

Trip Generation:

Trip generation for the proposed developments is shown in the table that follows. As discussed below a 35 percent credit was taken to reflect the high level of transit service and ridership in the development's influence area.

**TABLE 1
TRIP GENERATION ESTIMATES FOR AUTOMOBILE TRIPS
(WITH CREDIT APPLIED FOR TRANSIT RIDERSHIP)
520 AND 521 2ND STREET CONDOMINIUMS**

LAND USE	INDEPENDENT VARIABLE	DAILY TRIP ESTIMATE			PM PEAK HOUR TRIP ESTIMATE		
		In	Out	Total	In	Out	Total
520 2nd Street Condominiums	62 dwelling units	230	230	460	25	15	40
521 2nd Street Condominiums	60 dwelling units	225	225	450	20	15	35
521 2nd Street Retail	9,600 SF	195	195	390	10	15	25
Total Automobile Trips		650	650	1,300	55	45	100
Transit Credit at 35 Percent		-230	-230	-460	-20	-15	-35
Adjusted Automobile Trips		420	420	840	35	30	65

Source: *Trip Generation: 6th Edition*; Institute of Transportation Engineers, 1997. Biko Associates, Inc.

Trip Distribution

Trip distribution for the proposed developments was calculated with the understanding that the target market for the condominiums will be downtown workers and employees at the University of Minnesota. The trip distribution is the same distribution that Biko Associates, Inc. developed for the Stone Arch Apartments, a residential use within one block of the proposed development.

Intersection Capacity Analysis:

Regional access to/from the two development sites is most conveniently provided by I-35W, with exit and entrance ramps on University Avenue and 4th Street. University Avenue and 4th Street (US Highway 52) operate as an east/west one-way pair between Central Avenue and Oak Street and also provide access to/from other important roads that accommodate regional travel (e.g., Central Avenue (TH 65) and I-94 ramps at Huron Boulevard. Additional regional routes serving the site are Central and Hennepin Avenues.

Intersection capacity analyses were conducted to determine how site-generated traffic would affect traffic operations at critical intersections along the network of regional routes. The analyses were conducted for the Existing, 2007 No-Build, and 2007 Build conditions. Year 2007 was selected for the forecast analysis period, as the proposed project would be constructed between 2005 and 2006, and 2007 would be one-year after the development would be opened for business.

Intersections included in the analyses are identified below:

- | | |
|--|---|
| <p>University Avenue intersections with:</p> <ul style="list-style-type: none"> · 1st Avenue SE · Hennepin Avenue · Central Avenue · Southbound I-35W On-Ramp · Northbound I-35W Off-Ramp | <p>4th Street intersections with:</p> <ul style="list-style-type: none"> · 1st Avenue SE · Hennepin Avenue · Central Avenue · Southbound I-35W On-Ramp · Northbound I-35W Off-Ramp |
|--|---|

Results of the intersection capacity analysis indicated that the traffic operations at the intersections listed above would not be worsened with the addition of traffic generated by the proposed developments. The following table outlines results of the analysis.

**TABLE 2
INTERSECTION LEVEL OF SERVICE
520 AND 521 SECOND STREET CONDOMINIUMS**

EAW Intersection	Intersection Level of Service 2004 **	Intersection Level of Service 2007 No-Build	Intersection Level of Service 2007 Build
1st Ave/4th St	A	A	A
1st Ave/University Ave	B	B	B
Hennepin Ave/4th St	E	E	E
Hennepin Ave/University Ave	B	B	B
Central Ave/4th St	B	B	B

Central Ave/University Ave	D	D	D
SB I-35W/4th St	B	B	B
SB I-35W/University Ave	B	B	B
NB I-35W/4th St	D	D	D
NB I-35W/University Ave	B	B	B

** *Traffic/Transportation Section of Pillsbury A Mill Complex EAW*, Benshoof & Associates, January 2004.
Source: Biko Associates, Inc., 5/18/04.

Traffic Control Devices

The traffic analysis included an evaluation of the 6th Avenue/University Avenue intersection to determine potential future need for traffic signal installation. The analysis demonstrated that the existing two-way STOP sign controls the flow of traffic at acceptable levels of service for the existing condition and will continue to do so for the 2007 forecast No-Build and 2007 forecast Build conditions. Results of the Unsignalized Intersection Capacity Analysis are outlined below:

- 6th Avenue/University Avenue LOS A for University Avenue
LOS E for northbound 6th Avenue throughs
LOS A for northbound 6th Avenue rights
LOS E for southbound 6th Avenue throughs
LOS E for southbound 6th Avenue lefts

As shown, University Avenue, the regional route will operate at LOS A. Sixth Avenue, however, will operate at LOS E. While LOS E is not a desirable operational condition, it is, by policy, the City of Minneapolis' minimum acceptable LOS during peak travel periods. During off-peak periods, the minimum acceptable level of service is LOS D.

22. VEHICLE-RELATED AIR EMISSIONS

Estimate the effect of the project's traffic generation on air quality, including carbon monoxide levels. Discuss the effect of traffic improvements or other mitigation measures on air quality impacts. Note: If the project involves 500 or more parking spaces, consult EAW Guidelines about whether a detailed air quality analysis is needed.

The MPCA and Federal Ambient Air Quality Standards for Carbon Monoxide are provided in the following table.

**TABLE 3
MPCA AND FEDERAL CO AIR QUALITY STANDARDS**

Time Period for Evaluation	MPCA Standard	Federal EPA Standard
1-hour	30 ppm	35 ppm
8-hour	9 ppm	9 ppm

As shown the State of Minnesota's standard is higher than the EPA's standard for the 1-hour evaluation period, and the standards are the same for the 8-hour evaluation period. In that the EAW is a State of Minnesota environmental review form, references to the Ambient Air Quality Standards will refer to the State's standards.

Carbon monoxide (CO) emissions from automobiles increase when engines are idling. Thus, intersection delays, where drivers are caught in traffic congestion and are not able to accomplish desired turning movements, are a primary source of increased CO emissions. Inputs to air quality computer modeling include wind direction, temperature, and

intersection operational characteristics such as intersection lane geometry, signal timing, signal phasing, vehicle speed, and the length of vehicle queues.

Rather than conduct the computerized air quality analysis with the CAL3QHC dispersion model and the US EPA MOBILE 5A emissions model, the analysis of air quality will consist of a qualitative evaluation. There are three factors supporting the qualitative approach, rather than the detailed computer model approach. First, the proposed development only includes 214 parking stalls, and EAW Guidelines suggest that a detailed air quality analysis should be conducted if the proposed project includes 500 or more parking stalls. Secondly, intersection level of service for all of the intersections under analysis falls within the acceptable range for peak hour operations; LOS A through E. This alone indicates that intersection delay is not a concern, nor is it forecast to result from implementation of the proposed project.

Finally, the *Traffic/Transportation of the EAW for the Pillsbury A Mill Complex* (Benshoof & Associates, Inc., January 2004) included a detailed computer model to predict CO concentrations at the same intersections that are under analysis in this EAW. As the intersections under analysis in the EAW for the Pillsbury A Mill Complex, were evaluated for the 2013 analysis year, the intersection approach volumes were higher than they are for the 2007 analysis year, and the intersection levels of service were not as high as they are for the 2007 analysis year.

Despite, comparatively higher traffic volumes and comparatively poorer levels of service at the intersections (indicating longer periods of vehicle delay at the intersections), no violations of the State's air quality standards were predicted. In fact the analysis showed that the predicted CO emissions for 2013 were several parts per million below both the 1-hour and 8-hour standard.

Given these three factors, it can be stated with a high level of confidence that implementing the proposed 520 and 521 2nd Street Condominiums will not result in traffic-related violations of either the EPA or MPCA standards.

23. Stationary source air emissions

Describe the type, sources, quantities and compositions of any emissions from stationary sources of air emissions such as boilers, exhaust stacks or fugitive dust sources. Include any hazardous air pollutants (consult *EAW Guidelines* for a listing) and any greenhouse gases (such as carbon dioxide, methane, nitrous oxide) and ozone-depleting chemicals (chloro-fluorocarbons, hydrofluorocarbons, perfluorocarbons or sulfur hexafluoride). Also describe any proposed pollution prevention techniques and proposed air pollution control devices. Describe the impacts on air quality.

The heating and cooling systems for the building have not been designed.

Emergency elevator generators will be installed in the 520 phase project. The generator will require a registration permit from the Minnesota Pollution Control Agency in which emission estimates will be included. Because of limited and periodic use, no significant adverse impacts on air quality are anticipated from this equipment.

24. Odors, noise and dust

Will the project generate odors, noise or dust during construction or during operation? n Yes o No If yes, describe sources, characteristics, duration, quantities or intensity and any proposed measures to mitigate adverse impacts. Also identify locations of nearby sensitive receptors and estimate impacts on them. Discuss potential impacts on human health or quality of life. (Note: fugitive dust generated by operations may be discussed at item 23 instead of here.)

Odors: The construction and occupancy of the project is not expected to generate objectionable odors.

Construction noise: The Minneapolis Code of Ordinances regulates both the hours of operation for construction equipment and allowable noise levels. Construction of the Project will comply with these requirements.

Operational noise: The Minneapolis Code of Ordinances and the MPCA regulate mechanical noise associated with building operation. The occupancy of the Project will comply with these requirements.

Demolition and construction dust: During demolition and construction, contractors will follow best management practices to reduce dust emissions. During demolition, this will include wetting down the building and debris with hoses as necessary.

Fugitive dust emissions after occupancy: Once occupied, the project is not expected to generate fugitive dust emissions.

25. Nearby resources

Are any of the following resources on or in proximity to the site?

Archaeological, historical or architectural resources?

Yes

Prime or unique farmlands or land within an agricultural preserve?

No

Designated parks, recreation areas or trails?

Yes

Scenic views and vistas?

Yes

Other unique resources?

No

If yes, describe the resource and identify any project-related impacts on the resource. Describe any measures to minimize or avoid adverse impacts.

Historic resources: The projects are within the St. Anthony Falls Historic District and within two blocks from the landmark Pillsbury A Mill. The City's Heritage Preservation Commission ("HPC") has adopted design guidelines for the St. Anthony Falls Historic District, see section 27 of this EAW. All plans for projects in the District must be reviewed by the HPC and receive a Certificate of Appropriateness for the site and District before a structure can be demolished, construction can begin and City zoning reviews can be initiated.

Designated parks, recreation areas or trails: The project is one block from the trails and facilities of the Mississippi River Corridor Park facilities, the Stone Arch Bridge and Father Hennepin Bluff Park, which includes the historic bridge, and parts of the river gorge, sluiceways, dams, tailraces and newly developed pedestrian paths. Residents will have no marginal impacts on these regional facilities.

Scenic views and vistas: Views of the project from the River, and to the River and downtown from the project, will be affected by the proposed redevelopment of the intervening Pillsbury A Mill complex.

Archeological resources

None anticipated

26. Visual impacts

Will the project create adverse visual impacts during construction or operation? Such as glare from intense lights, lights visible in wilderness areas and large visible plumes from cooling towers or exhaust stacks? o

No

If yes, explain.

27. Compatibility with plans and land use regulations

Is the project subject to an adopted local comprehensive plan, land use plan or regulation, or other applicable land use, water, or resource management plan of a local, regional, state or federal agency?

Yes

If yes, describe the plan, discuss its compatibility with the project and explain how any conflicts will be resolved. If no, explain.

a. Mississippi National River and Recreation Area Comprehensive Management Plan

The project is well separated from the riverfront band developed and maintained by the Minneapolis Park and Recreation Board. This area is also recognized in the plan as one where cultural resources are generally more significant than natural resources. The project seems generally in compliance at the comprehensive level. The measure of compliance would seem to rest more in the “second tier” where partner roles are most significant.

b. Mississippi River Corridor Critical Area

Section 14 of this EAW references the Executive Order and plan and DNR review status. Extended comments by the DNR on how the Order is interpreted are included as “Appendix to Question 14” in the recently circulated “Pillsbury A Mill Complex” EAW.

c. City of Minneapolis, Comprehensive Plan and Land Use Regulations

Proposed developments in the central riverfront that continue the transition from industrial use to residential and commercial uses have been consistently found to be in conformance with the policies of the Comprehensive Plan. The site is either within or at the edge of the Activity Center that is centered on East Hennepin and Central. Precise boundaries of the Activity Center have not been adopted. Activity Centers are characterized by the following features:

- A diversity of uses that draw traffic from city-wide and regional destinations.
- They are complemented by medium and high density residential uses and retail and commercial services, entertainment, educational campuses, or other large scale cultural or public facilities.
- They have a traditional urban form.
- Pedestrian and transit orientation.
- Uses that are active all day long and into the evening.
- A mix of uses occurs within structures and within the larger boundaries of the Activity Center.
- A unique urban character that distinguishes them from other commercial areas because of the mix and complementary type of uses as well as the traffic the area generates.”

The residential and commercial use of the proposal is not permitted in the site’s present Industrial zoning district. The proposer will petition to rezone the site to the C3A Community Activity Center District. This district would permit the proposed residential and commercial use. The Schaefer Richardson proposal for redevelopment of the Pillsbury A Mill Complex will seek this same C3A zoning district. R5, I-1, I-2 and I-2w/ILOD zoning districts are in proximity to the project area.

In addition to regulating the uses permitted in the C3A District, provisions of the District also regulate the number of housing units permitted and the total building area on the site, expressed as a ratio to the ground area of the site. The site area of the 520 site is 19,691 sf. The site area of the 521 site is 32,979 sf.

In the C3A District, each housing unit is required to be “supported” by 400 sf of site area. The combined area of the sites is 52,670 sf., which would support 132 housing units. The permitted number of housing units on the 520 (south) site is 49 units. This could be increased by the use of a permitted bonus. Section 548.130 (a) of the Code provides a bonus of 20% for providing enclosed parking. This bonus, granted as part of the development approval process, would increase the permitted number of housing units to 59 units. A variance could be sought to increase the number of units permitted at this site to 62. The permitted number of housing units on the 521 site is 82 units, so no adjustment is required.

In the C3A District, one square foot of site area supports 2.7 square feet of building area. This is called the “Floor Area Ratio” or FAR.. The following table illustrates how this is applied.

	Site Area	Permitted Floor Area	Plus 20% Bonus	Proposed Floor Area
520 Building	19,750 sf	53,325 sf	63,990 sf	98,845 sf
521 Building	32,979 sf	89,043 sf	106,852 sf	80,804 sf
Total	52,729 sf	142,368 sf	170,842 sf	179,649 sf

The proposer could seek the necessary variances to increase the permitted floor area at the 520 Building to permit the proposed floor area and bulk.

In the C3A District building height is also regulated directly, limiting height to 4 stories or 56 ft above grade. The height of the 520 building can be increased by Conditional Use Permit, concurrent with the variance and rezoning application reviewed by the City Planning Commission and City Council. The basis for such a height CUP is provided in Section 548.110 of the Zoning Code. The proposed 521 building would conform to the existing height limitations of the controlling districts.

d. City of Minneapolis, Heritage Preservation Commission, St. Anthony Falls Historic District

Both building sites are located within the St. Anthony Falls Historic District. The District is listed on the National Register of Historic Places, has been designated a State Historic District by statute, and has been designated as a Local Heritage Preservation District by the City. The City's Heritage Preservation Commission ("HPC") has adopted design guidelines for the St. Anthony Falls Historic District and general design guidelines for historic properties. All plans for projects in the District must be reviewed by the HPC and receive a Certificate of Appropriateness before a structure can be demolished or construction can begin.

The 520 (south) Building site is located in the "Left (East) Bank Milling area" of the St. Anthony Falls Historic District. The general regulations for the "Left (East) Bank Milling area" within the district are contained in the St. Anthony Falls Historic District Guidelines (June 1980). This area is bounded by Central Avenue, University Avenue and 6th Avenue SE, excluding the block bounded by University Avenue, 6th Avenue SE, 2nd Street SE, and 5th Avenue SE. The guidelines provide:

1. **Siting:** New buildings shall be constructed with principal elevations in line with the facades of existing buildings. New construction shall continue to form a visual wall along the street.
2. **Height:** New buildings to be no higher than that of existing silo-mills in the area.
3. **Rhythm of Projections:** There shall be no major projections on the principal facades, since there is no consistent pattern of projections of the existing buildings.
4. **Directional Emphasis:** The existing buildings have both vertical window bays and horizontal belt courses, resulting in a non-directional emphasis. Therefore, new construction also shall have no strong directional emphasis.
5. **Materials:** The exterior surface of new buildings shall be constructed of brick, stone or concrete.
6. **Nature of Openings:** Openings should appear in a consistent and repeated pattern across the principal facades. Window openings should be approximately 2-1/2 to 3 times as tall as they are wide. Doors and windows should be set toward the front of the openings but should not be flush with the masonry surface. "Storefront" construction may be used on the first floor.
7. **Roof Shapes:** New buildings should have flat or nearly flat roofs.
8. **Details:** New buildings should have some emphasis given to the upper termination of the building. Where other surface treatment is used, it should reflect details from other buildings.
9. **Color:** The primary surfaces of new buildings should be deep red or buff, similar to the existing unpainted buildings. Trim should be subdued earth tones or flat black.

The 521 Building, on the other side of Second Avenue, is within a different subarea with different guidelines. The Guidelines for this subarea, I. University Avenue 5th Avenue SE to 6th Avenue SE, the guidelines, which are limited to this block, provide:

1. **Siting:** New buildings shall be designed with the principal elevations facing the street. Fronts will be in line with adjacent building fronts.
2. **Height:** New buildings shall be 1 1/2 to 2 1/2 stories in height. Overall building heights, not including chimneys, shall be between 20 and 40 ft. New masonry buildings shall be one or two stories high.

3. Rhythm of projections: New buildings shall reflect the strong tradition of porches in the area. Where entrances are located in the front, porches generally shall extend across the entire facade. Porches shall be limited to one story in height. Bay windows may be permitted on a case-by-case basis.
4. Directional Emphasis: The existing buildings have no strong directional emphasis. therefore, new buildings also shall have no strong emphasis.
5. Materials: New frame buildings shall have horizontal lap siding with 3 inch to 6 inch exposure. Foundations shall be stone. Masonry building of brick and limestone is acceptable.
6. Nature of openings: Openings should appear in a constant and repeated pattern across the principal facades. Openings should be aligned vertically and horizontally. windows should be 1 1/2 times to 2 1/2 times as high as they are wide. However, they may be placed in groups of two if additional light and ventilation are required. Windows and doors should be set toward the front of the openings.
7. Roof shapes: New frame buildings should have gabled roofs with slopes between 8:12 and 14:12. Overhangs should be approximately 12 to 16 inches deep. Gables should face the street. Hipped roofs with dormers at the front will be permitted. New masonry buildings should have flat, or nearly flat roofs.
8. Details: Details found on historic buildings in the area, such as vertical corner boards and slight decorations at the window heads, should be recognized in the design of new frame buildings. No restrictions for masonry buildings.
9. Color: New buildings should be painted to match color patterns used in the historic area. Except for the roofs and doors, wood should not be given a natural finish.

e. Marcy-Holmes Neighborhood Plan

The surrounding neighborhood organization has developed a plan for the community. The Plan is available on the Organization's web site at www.marcy-holmes.org. The Plan on page 2-2, discussing new housing unit production, and in Figure 2-1 Housing Plan, identifies five areas for new multi-family housing construction. The 520 and 521 Building sites, with the condition the housing is not adversely impacted by adjacent industrial uses, are within one of these sites. Figure 8-1 on page 8-7 identifies the 520 building site as within, and the 521 Building site as adjacent, to the area of relaxation of the 4 story height limit in the C3A District. The degree of relaxation of limits is provided on page 8-6, "Buildings can be as tall as the Red Tile Elevator -- or about 190 ft above Main Street -- between 2nd Street and Main Street". The proposed height of the 520 and 521 Buildings is consistent with this height standard.

28. Impact on infrastructure and public services

Will new or expanded utilities, roads, other infrastructure or public services be required to serve the project?

No

If yes, describe the new or additional infrastructure or services needed. (Note: any infrastructure that is a connected action with respect to the project must be assessed in the EAW; see *EAW Guidelines* for details.)

29. Cumulative impacts

Minnesota Rule part 4410.1700, subpart 7, item B requires that the RGU consider the "cumulative potential effects of related or anticipated future projects" when determining the need for an environmental impact statement. Identify any past, present or reasonably foreseeable future projects that may interact with the project described in this EAW in such a way as to cause cumulative impacts. Describe the nature of the cumulative impacts and summarize any other available information relevant to determining whether there is potential for significant environmental effects due to cumulative impacts (or discuss each cumulative impact under appropriate item(s) elsewhere on this form).

Both the 520 and 521 projects are typical of activity, but not the intensity, of recent development along the River, Given the new housing development and amenities along the river, will not initiate or create any cumulative impacts.

30. Other potential environmental impacts

If the project may cause any adverse environmental impacts not addressed by items 1 to 28, identify and discuss them here, along with any proposed mitigation. N/A.

31. Summary of issues

Do not complete this section if the EAW is being done for EIS scoping; instead, address relevant issues in the draft Scoping Decision document, which must accompany the EAW. List any impacts and issues identified above that may require further investigation before the project is begun. Discuss any alternatives or mitigative measures that have been or may be considered for these impacts and issues, including those that have been or may be ordered as permit conditions.

The significant issues for this EAW are those relating to the intensity, scale and design of the proposal, and its relation to the plans, guidelines and regulations discussed in Section 27.

RGU CERTIFICATION. The Environmental Quality Board will only accept **SIGNED** Environmental Assessment Worksheets for public notice in the *EQB Monitor*.

I hereby certify that:

1. The information contained in this document is accurate and complete to the best of my knowledge.
2. The EAW describes the complete project; there are no other projects, stages or components other than those described in this document, which are related to the project as connected actions or phased actions, as defined at Minnesota Rules, parts 4410.0200, subparts 9b and 60, respectively.
3. Copies of this EAW are being sent to the entire EQB distribution list.

Signature _____

Printed Name Neil Anderson

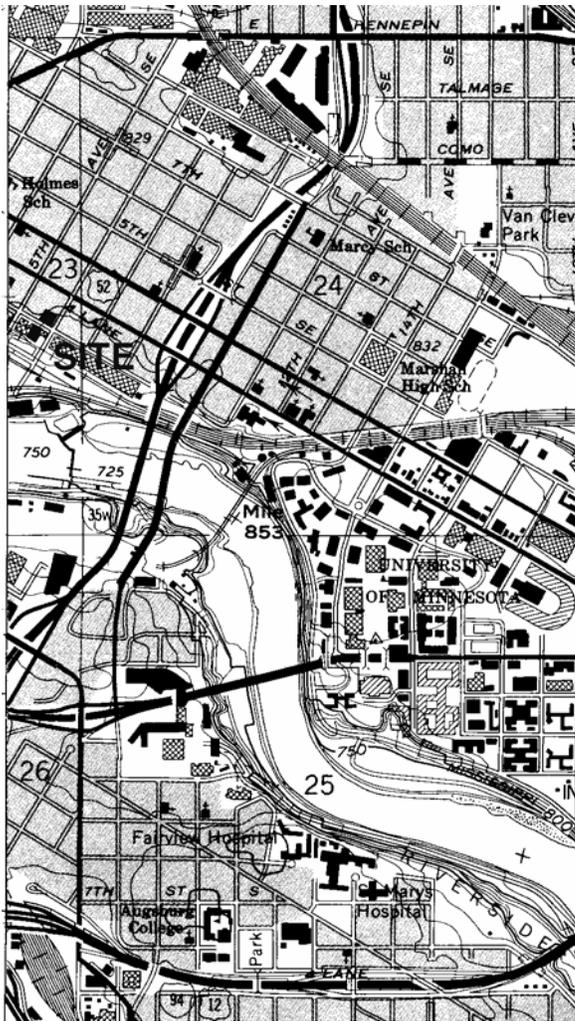
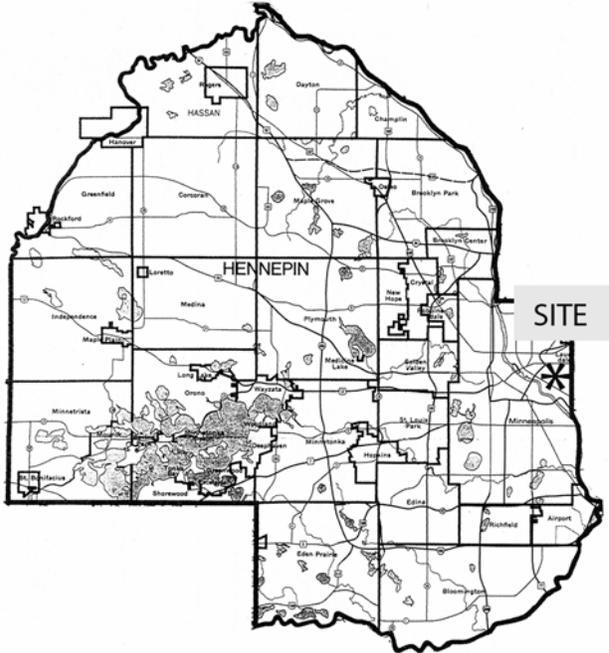
Title Supervisor of Development Services

Date _____

Environmental Assessment Worksheet was prepared by the staff of the Environmental Quality Board at Minnesota Planning. For additional information, worksheets or for *EAW Guidelines*, contact: Environmental Quality Board, 658 Cedar St., St. Paul, MN 55155, 651-296-8253, or www.mnplan.state.mn.us Revised 2/99

**ATTACHMENT A:
LOCATION IN HENNEPIN COUNTY AND ON ST. PAUL WEST
QUADRANGLE**

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

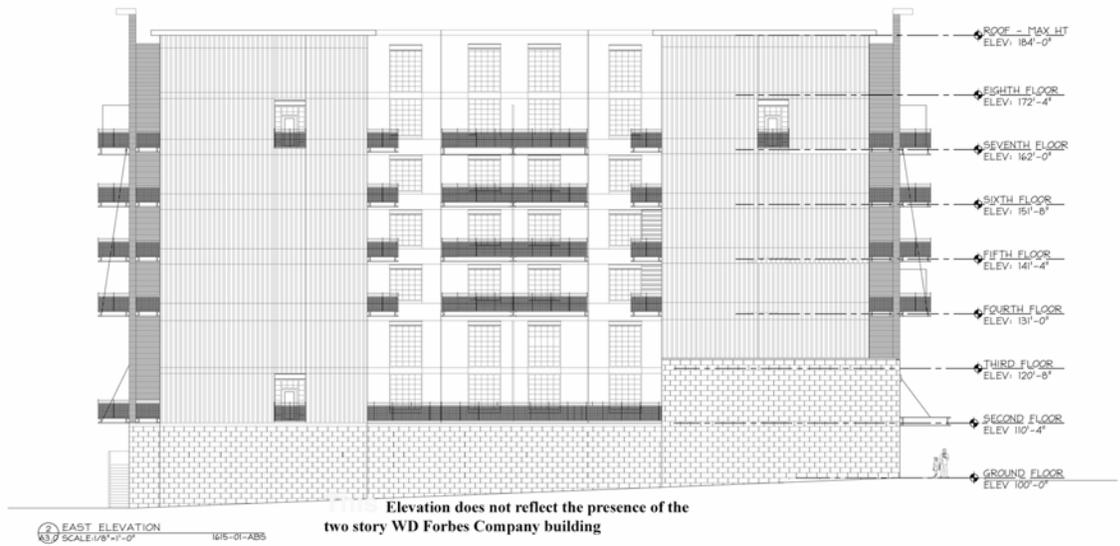


ATTACHMENT B
SITE CONTEXT



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

**ATTACHMENT D
520 BUILDING ELEVATIONS**



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

ATTACHMENT E
521 BUILDING ELEVATIONS

