

**AVAILABILITY OF THE FINAL “FINDINGS OF FACT AND RECORD OF
DECISION” DOCUMENT, WHICH IS PART OF THE ENVIRONMENTAL
ASSESSMENT WORKSHEET FOR THE WAVE PROJECT
Located at 304-320 First St. S. in the City of Minneapolis**

The Final “Findings of Fact and Record of Decision” (Findings) Document provides additional information to complete the Environmental Assessment Worksheet (EAW) process for The Wave Project (Project) by Omni Investment. The Project includes 38 residential units, a 9,400 sq. ft. spa, a 9,600 sq. ft. restaurant, and structured parking for 195 vehicles on a site owned by the Minneapolis Park and Recreation Board that was formerly the former Fuji Ya Restaurant. The Project is within the locally and nationally designated St. Anthony Falls Historic District.

On February 23, 2007, the Minneapolis City Council approved the EAW and concluded that no Environmental Impact Statement was warranted for the Project.

Copies of the EAW and all associated documents are available for review at the Minneapolis Central Library located at 300 Nicollet Mall in Downtown Minneapolis and in the office of the City Planning Division at 210 City Hall. It is also available for review on the City of Minneapolis web site: <http://www.ci.minneapolis.mn.us/planning> (look in the lower center column for “Plan/Projects Currently Under Public Review” and click on “Environmental Review Projects”). Paper copies of these documents and a compact disk of the reports can also be provided upon request to the **EAW Contact Person:**

Michael Orange, Contract Planner, Minneapolis Community Planning and Economic Development Department—Planning Division, City Hall Room 210, 350 S. 5th Street, Minneapolis, MN 55415-1385, by telephone at 612-673-2597, or E-mail at michael.orange@ci.minneapolis.mn.us

Attention: If you want help translating this information, call - **Hmong** - Ceeb toom. Yog koj xav tau kev pab txhais cov xov no rau koj dawb, hu 612-673-2800; **Spanish** - Atención. Si desea recibir asistencia gratuita para traducir esta información, llama 612-673-2700; **Somali** - Ogow. Haddii aad dooneyso in lagaa kaalmeeoyo tarjamadda macluumaadkani oo lacag la’ aan wac 612-673-3500

FINAL FINDINGS OF FACT AND RECORD OF DECISION ENVIRONMENTAL ASSESSMENT WORKSHEET For The Wave Project

Located at 304-320 First St. S. in the City of Minneapolis
Hennepin County, Minnesota

Responsible Governmental Unit (RGU): City of Minneapolis

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Final action: On February 23, 2007, the Minneapolis City Council approved the EAW and concluded that no Environmental Impact Statement was warranted for the Project (refer to Exhibit N).

Attention: If you want help translating this information, call - **Hmong** - Ceeb toom. Yog koj xav tau kev pab txhais cov xov no rau koj dawb, hu 612-673-2800; **Spanish** - Atención. Si desea recibir asistencia gratuita para traducir esta información, llame 612-673-2700; **Somali** - Ogow. Haddii aad dooneyso in lagaa kaalmeeyo tarjamadda macluumaadkani oo lacag la' aan wac 612-673-3500

TABLE OF CONTENTS

	<u>Page</u>
1.0 Introduction	3
1.1 Brief Project Description	3
1.2 Purpose of this Document	4
1.3 City Decision on the EAW.....	5
2.0 Notification and Distribution	6
3.0 Comment Period, Public Meeting, and Record of Decision	6
4.0 Substantive Comments Received and Responses to these Comments.....	4
4.1 Effects on historic properties	9
4.2 Land use, height, massing, scale, shadow effects, and visual effects	12
4.2.1 Land use	12
4.2.2 Height, distance from nearby buildings, and mass	12
4.2.3 Shadow effects	16
4.2.4 Visual effects.....	18
4.3 Analysis of alternatives.....	25
4.3.1 No Build Alternative.....	27
4.3.2 Revised Development Alternative and the Guidelines:	29
4.3.3 Updated visual effects to off-site historic resources by the 106 Group:	32
4.3.4 Potential downsized Project	33
4.4 Cumulative effects	34
4.5 Measures to avoid and mitigate adverse effects	40
4.6 Effects on Regional Park System	42
4.7 Consistency with applicable plans, policies, and regulations	43
4.8 Traffic issues:.....	46
4.8.1 Future traffic growth	46
4.8.2 Access points.....	50
4.8.3 Traffic noise	52
4.8.4 Project is too dense and may grow.....	54
4.8.5 Other traffic issues	55
4.9 Economic impacts	57
4.10 Need for an EIS	58
4.11 Other issues	58
5.0 Modifications to the EAW	61
6.0 Issues Identified in the EAW	62
7.0 Comparison of Potential Impacts with Evaluation Criteria	62
7.1 Type, Extent, and Reversibility of Environmental Effects	63
7.1.1 Effects on historic properties on the Project site.....	63
7.1.2 Land use, height, massing, and shadow effects	66
7.1.3 Visual effects.....	67
7.1.4 Consistency with applicable plans, policies, and regulations	69
7.1.5 No Build Alternative.....	71
7.2 Cumulative Effects of Related or Anticipated Future Projects.....	72

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

7.3 Extent to which the Environmental Effects are Subject to Mitigation by Ongoing Public Regulatory Authority 73

7.4 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 74

Exhibits 75

1.0 INTRODUCTION

1.1 Brief Project Description

Omni Investment (Developer) has proposed to construct a mixed-use project (Project) on the site of the former Fuji Ya Restaurant and vacant land to the west currently owned by the Minneapolis Park and Recreation Board (MPRB). The Project includes 38 residential units, a 9,400 sq. ft. spa, a 9,600 sq. ft. restaurant, and structured parking for 195 vehicles (65 of which will be leased to the MPRB). Exhibit A includes the project summary and Exhibit F includes revised Project drawings. The Wave Project Area is within the St. Anthony Falls Historic District (District), a district listed on the National Register of Historic Places (NRHP) and included in the Minnesota Historic District Act of 1971. The site is also within the boundaries of the locally designated St. Anthony Falls Historic District. The City of Minneapolis prepared a mandatory Environmental Assessment Worksheet (EAW) for the Project according to the Environmental Review Rules (Rules) of the Minnesota Environmental Quality Board (EQB) under 4410.4300 Mandatory EAW Categories, Subpart 31 Historical Places because the Project would destroy or move properties that are listed on the NHRP.

1.2 Purpose of this Document

The following describes the purposes and contents of this Findings of Fact and Record of Decision (Findings) Document:

- **Summarize the EAW process:** The Findings Document in Sections 2.0 and 3.0 includes a summary of the process the City used to prepare and distribute EAW documents, provide public notification of their availability and public review opportunities, and provide public notification of the City's decision-making process. Exhibits B and C include the Record of Decision and the public notification record.
- **Document the comments received and respond to them:** The Findings Document includes copies of all written public comments (Exhibit E) and provides responses to substantive comments received in writing and at the Public Comment Meeting (Sections 3.0 and 4.0).
- **Edit and supplement information in the EAW:** In response to the comments, information in the EAW was edited and new information was prepared (Section 5.0 lists corrections to the EAW). For example, Attachment 9 in the EAW, "Consistency with Adopted Plans, Policies, Guidelines, and Regulations Applicable to the Wave Project," has been edited in response to the applicable comments received. The replacement is attached to this Findings Document as Exhibit G.

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

New information for the EAW can be found in the following attached exhibits:

- Exhibit H: This exhibit includes the following four separate pieces of information:
 - Archeological overview: This is an updated map that was also included in the EAW.
 - Historical Evaluation of Fuji Ya and Data Recovery Plan Preparation: This is a new plan proposed by the Developer.
 - Wave Preservation and Rehabilitation Plan: This is a new plan proposed by the Developer.
 - Revised Table 3: The EAW included in Attachment 7, “Table 3, Recommended Alternatives to Reduce or Remove Adverse Effects” from the report, “The Wave Development Analysis of Effects and Phase II Archaeological Evaluation, Minneapolis, Hennepin County, Minnesota,” by The 106 Group Ltd. The developers have modified the Project design in an effort to avoid and mitigate the potential adverse effects on historic resources on the Project site. The attached new Table 3 details the Developer’s additional commitments in this effort.
- Exhibit I: This is a shadow study of the Project.
- Exhibit J: The Developer conducted three workshops to refine the Project. Information in this exhibit summarizes the results.
- Exhibit K: “Updated Effects to Resources Outside the Development Area Based on Revised Project Proposal (as of 12/18/06) Developed in Response to the EAW Comment Process,” by the 106 Group (report dated 12/15/06).
- Exhibit L: This is a tree survey that calculates the number and value of the trees on the site.
- Exhibit M: This includes a list of acronyms and abbreviations used throughout the EAW documents.
- Exhibit N: This exhibit contains the actions of the Mayor and City Council (not yet available).

- **Summarize the EAW and guide the City’s EAW adequacy decision:** The Minnesota Environmental Quality Board Rules (4410.1700 Subp. 6 & 7) require the Responsible Governmental Unit, the City in this case, to determine whether a project has the potential for significant environmental effects and whether an Environmental Impact Statement (EIS) is needed. The Rules define four criteria with which to evaluate the environmental effects that may be reasonably expected to occur from the Project. This evaluation, found in Sections 6.0 and 7.0, serves as a summary of the primary issues and findings of the EAW.

1.3 City Decision on the EAW

When the EAW process is completed, the EAW would include both the original EAW document and the Final Findings Document. City staff would rely on the Findings Document to make a recommendation to the City Council and Mayor. The Council and Mayor have three choices as regards the EAW:

Option #1: Conclude that the EAW is adequate and that the development of an EIS for the Project is not necessary. This is called a Negative Declaration.

Option #2: Conclude that the development of a Discretionary EIS (per 4410.2000 Subp. 3a) for the Project is necessary, called a Positive Declaration. The City must then approve the scope of the EIS by defining exactly the nature and detail of information needed to complete the EIS consistent with 4410.2100 Subp. 4.

Option #3: Conclude that the EAW is not adequate because more information is needed. The City must then define what additional information is needed to make it complete and postpone its decision on the need for an EIS until that information is available. The Rules at 4410.1700 Subp. 2a provides 30 additional days for a decision on the need for an EIS.

Through its ongoing regulatory authority (including the authority to deny needed permits for the Project), the City can require the implementation of mitigation measures that eliminate the potential for what would otherwise be significant environmental effects. As such, the City can conclude that there is no potential for significant environmental effects and conclude no EIS is needed. In its review of the Project 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 provide similar opportunities for public participation as would be provided in an EIS process.

After the Council/Mayor make a Negative Declaration, Planning staff would prepare and notice the availability of the Final Findings Document. If the Council/Mayor order the preparation of an EIS, staff would initiate that process. After the completion of the environmental review (EAW or EIS), the applicant would be free to apply for the necessary permits to construct the project. The EAW lists these permits in the response to Question 8 (pp. 5-6).

2.0 NOTIFICATION AND DISTRIBUTION

On August 14, 2006, the City published and distributed the Mandatory EAW¹ to the official Minnesota Environmental Quality Board (EQB)² Official Distribution List and to the Project's Official Distribution List.³ The transmittal letter for the EAW included information about obtaining the EAW documents, the Public Comment Period (which closed on 9/13/06), the Public Comment Meeting, the EAW Contact Person, and the method to comment. The EQB published notice of availability in the *EQB Monitor* on that same day. On February 7, 2007, the City published and distributed the Draft Findings of Fact and Record of Decision Document to the official EQB Official Distribution List and to the Project's Official Distribution List. The transmittal letter for the Draft Findings Document included information about obtaining the EAW documents, the subsequent hearing by the City Council, the EAW Contact Person, and the method to comment on the EAW documents. Exhibit C includes the public notification record and the two notification lists. On March 2, 2007, the City distributed a Notice of Decision regarding the completion and availability of the EAW.

3.0 COMMENT PERIOD, PUBLIC MEETING, AND RECORD OF DECISION

The City held a Public Comment Meeting at the Mill City Museum on September 6, 2006. An audio tape recording of this meeting is available for review in the office of the City Planning Division, Room 210 City Hall. Exhibit D includes information regarding the meeting. Exhibit E includes all comment letters received throughout the entire EAW process to date. The close of the Public Comment Period occurred on September 13, 2006. On November 16, 2006, the Minneapolis City Planning Commission's Committee of the Whole considered the EAW as a "receive and file" matter. The Zoning and Planning Committee of the Minneapolis City Council held a public meeting on the EAW and the Draft Findings Document during its February 1, 2007 regular meeting. The full City Council held a considered the recommendation of its committee regarding the EAW and the Draft Findings Document during its February 23, 2007 regular meeting and approved the EAW (refer to Exhibit N for final action) Notifications of these public meetings were distributed via the City's standard notification methods and to the City's official list of registered organizations.

4.0 SUBSTANTIVE COMMENTS RECEIVED AND RESPONSES TO THESE COMMENTS

The City received 54 written comments. Their names are listed in the following "Table 1: Written Public Comments," and Exhibit E. Exhibit E also provides a copy of the complete written comment submitted

¹ The State of Minnesota modified some of its environmental review regulations, including the one under which the City ordered the preparation of the EAW for the subject project (Minn Rules @ 4410.4300, Subpart 31 Historical Places). Since the Effective Date of the regulation changes was not until 10/30/06, the change did not apply to the subject EAW, which was published on 8/14/06.

² The EQB is the state board responsible for managing the state's environmental review responsibilities and regulations.

³ The Official Distribution List is a constantly updated list that includes all people who attended the Public Comment meeting or have commented on or requested information regarding the EAW documents.

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

by each reviewer. Comments were also received from 10 persons at the Public Comment Meeting. Persons providing comment at that meeting are also identified in Table 1.

Following Table 1 is a summary of the substantive comments received on the EAW and City responses to those comments. This section is organized by topic areas and the acronyms in the parentheses refer to the listing of commentators on Table 1 who submitted comments regarding the topic area.

Table 1: Written Public Comments

(Acronyms in parentheses are used in the Responses to Comments section of the Findings Document. Persons who also spoke at the Public Comment Meeting are identified by an asterisk)

Public Agencies

1. Steven P. Johnson, National Park Service (NPS, received 9/13/06)
2. Scott Anfinson, Minnesota Office of the State Archeologist (Mn OSA, received 9/13/06; resent 9/14/06)
3. Britta Bloomberg, Minnesota State Historic Preservation Office (Mn SHPO, received 9/13/06; resent 9/14/06)
4. Jessica Eberts, Minnesota Pollution Control Agency (MPCA, received 9/13/06)
5. Joseph M. Kurchinka, Minnesota Department of Natural Resources (Mn DNR, received 9/13/06)
6. Juanita Voight, Minnesota Department of Transportation (Mn DOT, received 9/13/06)
7. Phyllis Hanson, Metropolitan Council of the Twin Cities (Met Council, received 9/13/06)

Groups

8. Christie Rock, Downtown Minneapolis Neighborhood Association (DMNA, received 9/6/06)
9. Bonnie, McDonald, Preservation Alliance of Minnesota (PAM, received 9/13/06)

Individuals

10. Todd Karlen (TK, received 8/29/06)
11. Douglas Verdier (DV, two letters received 9/5/06 and 9/10/06)
12. Rick Solum (RS, received 9/5/06)
13. Dr. Rahim Hosseini and Dr. Maryam Hosseini (RH/MH, received 9/6/06)
14. Frank Rhame (FR, received 9/10/06)
15. Marc Curie (MC, received 9/11/06)*
16. Christine A. Pederson (CP, received 9/12/06)
17. Marylee Hardenbergh (MH, received 9/12/06)
18. Katherine A. Pohlen (KP, received 9/12/06)
19. Shelly Dewberry (SD, received 9/12/06)
20. Sarah Renner (SR, two emails received 9/13/06)*
21. Thomas M. Dillon (TD, received 9/13/06; resent 9/14/06)
22. Bill Luther (BL, received 9/13/06)
23. Lisa and Larry Wilson (LLW, received 9/13/06)
24. Edna C. Brazaitis (EB, received 9/13/06)*
25. Ka Mei (Marilyn) Cheuk (MC, received 9/13/06)
26. Craig Kupritz (CK, received 9/13/06)

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

27. Katie Simon-Dastyeh (KSD, received 9/13/06)
28. Maren Kloppmann (MK, received 9/13/06)
29. Janet Meyer (JM, received 9/12/06)
30. Greg Dakin (GD, received 9/13/06)*
31. Charles Gibbs (CG, received 9/13/06)

Comments received after the close of the Public Comment Period on 9/13/06:

32. Christine Pederson (CP, received 9/26/06)
33. Douglas Verdier (DV, received 9/25/06)
34. Marilyn Cheuk (MC, received 10/04/06)
35. Dr. Thomas Vennum, Smithsonian Center for Folklife and Cultural Heritage (SCFCH, received 10/11/06)
36. Patty Persons (PP, received 11/30/06)
37. Rick Solum (RS, received 12/11/06 and 1/15/07)
38. Sarah Renner (SR, received 12/15/06)
39. Edna Brazaitis (EB, received 1/30/07)
40. Katherine Pohlen (email received 1/19/07)
41. Scott Falkum (email received 1/19/07)
42. Michael Pohlen (email received 1/22/07)
43. Rick Solum (email received 1/24/07)
44. Robin Gulenchyn (dated 1/30/07)
45. Edna Brazaitis (email received 1/30/07 and 1/31/07)
46. David Folden (email received 2/4/07)
47. Craig Kupritz, (email received 2/13/07)
48. Marilyn Cheuk (email and attached letter received 2/14/07)
49. Tom Borman et al. (letter received 2/14/07)
50. Christina Morris (email and letter received 2/14/07)
51. Michael Norton (letter received 2/14/07)
52. Britta Bloomberg, Minnesota State Historic Preservation Office (received 2/15/07)
53. Paul R. Labovitz, US Dept. of the Interior, National Park Service (received 2/15/07)
54. Email from Christina Morris, National Trust for Historic Preservation (received 2/20/07)

Persons in addition to those identified above who spoke at the Public Comment meeting on 9/6/06

55. Cory Dakin (CD)
56. Tom Hayes (TH)
57. Beryl Miller (BM)
58. Tammy Peterson (TP)
59. Dennis Gimmestad (DG)
60. Scott Sein (SS)

4.1 Effects on historic properties:

- **Comment (Mn OSA, MC made similar comments):** “The Fuji-Ya restaurant is probably individually eligible to the NRHP even though it is less than 50-years old. It was one of the first new developments to re-colonize the Mill District after the district had been largely abandoned after the construction of the Upper Lock and Dam in the early 1960s. . . . The Wave Development would result in an adverse impact to the Fuji-Ya.”
- **Comment (Mn SHPO):** “The EAW concludes that the Fuji Ya building is a non-historic property. We believe that the Fuji Ya building may have exceptional significance for its associations with the rediscovery of the Minneapolis riverfront. . . . We believe that this building is significant in its own right and should be considered a historic property; more discussion of the background and significance of this property is needed. . . . Taking into account our assessment that the Fuji Ya building is historically significant, we also conclude that any work on this building that does not meet the Secretary of the Interior’s Standards for Rehabilitation would also be an adverse effect.”
- **CITY RESPONSE:** Omni has committed to the following measures for study, designation, and preservation of the Fuji Ya:
 1. **Eligibility study:** Omni would fund a study by the 106 Group of the eligibility per the criteria of the National Register of Historic Places (NHRP) of the Fuji Ya Building. This study would address the significance of the property under Criteria A, B, and C. In addition, because the building is less than 50 years old, consideration would be given whether the building is eligible for the NRHP under Criterion G. Evaluation of the significance of the entire building and individual elements, both exterior and interior, would be made (refer to Exhibit H2).
 2. **Potential NRHP Nomination:** If it is determined that that the Fuji Ya Building is eligible, this study would provide sufficient detail to prepare a draft NRHP nomination for submittal to the State Historic Preservation Office for future consideration for listing.
 3. **Potential City Designation:** The NRHP evaluation study of the Fuji Ya would also determine if the property meets the City of Minneapolis Historic Designation Criteria.
 4. **Design-Build and Design Modifications:** Omni would consult with the Minneapolis Heritage Preservation Commission to devise a plan to rehabilitate the building according to guidelines for the district. In addition, Omni would work with the Mn SHPO to find potential treatments that would comply with the Secretary of the Interior Standards for Rehabilitation to the extent that it is technically and financially feasible.

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

- **Comment (Mn SHPO):** “The EAW documents the presence of the wide variety of other historic properties surrounding the development parcel, including properties that contribute to the historic district as well as those which are located proximate to the district. One property that appears to have been overlooked is a rail corridor that passes under 1st Street, immediately adjacent to the project site.”
- **CITY RESPONSE:** Although not specifically identified as a resource in the St. Anthony Falls Historic District NRHP nomination form, the rail corridor that passes under 1st Street immediately adjacent to the project site would likely be considered a contributing historic element due to its association with the Mill District. Current plans would not have a physical impact on this corridor, although the Project may have an adverse visual effect to the setting of the historic rail corridor, similar to those described for adjacent properties.
- **Comment (EB):** “While there is absolutely no doubt that the site is a very important place post-contact, I see no discussion in the EAW of the significance of this place to the Native Americans. Has the Native American community been notified of the EAW and given sufficient time to comment? Has there been an examination of their treaty rights under the 1807 Pike treaty? Certainly it would be inappropriate for me to speak for the Native American community and their religious beliefs; but it is my understanding that the Falls of St. Anthony is an extremely, if not the most, sacred place to local tribes. One cannot help but be moved by the description from contemporary observers of the reverence that Native Americans paid to the area around the Falls.”
- **CITY RESPONSE:** No information was identified during the development of the EAW and no commentators have provided any report or record that the Project site is significant to the Native American community.
- **Comment (Mn OSA):** “Because the [Minneapolis Park and Recreation Board] was such an early and strong proponent of historic preservation in the historic district, I find it incredibly ironic and saddening that they are not only supporting the Wave development, but making it possible through the sale of their land. The direct loss of the archaeological sites and Fuji-Ya as well as the larger adverse impacts of the Wave development to the historic district should cause the MPRB to collectively hang their heads in shame.”
- **CITY RESPONSE:** In 1984, the Park Board prepared an Environmental Impact Statement (EIS) for the West River Parkway project and detailed its analysis of the historical features that were within the Board’s objectives by creating the Central Riverfront and Mill Ruins Park Plans. The fact that the Fuji Ya property was not in the Park Board’s plan is not a new fact. The 1984 EIS for the West River Road shows private development occurring on the Fuji Ya site and other sites located adjacent to the Road. The Park Advisory Committee saw the plans and the Advisory Council on Historic Preservation executed a Memorandum of Agreement in 1984 outlining the process the Board was

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

required to follow for the West River Road development. The Park Board has implemented its portion of the Plan and would continue to implement the remaining elements of the plans as funding becomes available.

- **Comment (Mn SHPO):** “The EAW acknowledges the presence of the Occidental Feed Mill, the Columbia Flour Mill, Bassett’s Second Sawmill, and the Minneapolis Eastern Railway Company features within the project development parcel. While the EAW states that these properties “have been determined eligible to the National Register”, the fact is that all of these properties are actually listed on the National Register by virtue of the fact that they are within the St. Anthony Falls Historic District. The EAW acknowledges that they are all contributing elements of the district. However, the EAW does not include a thorough discussion of their role as component parts of the westside power canal industrial system.”
- **CITY RESPONSE:** According to the historic consultants on the Project, the availability of accurate information as it relates to the west side power canal industrial system is scarce at best. Specific discussion of water power features potentially existing on the Project site and actually found on the Project site are discussed in section 4 of the report prepared by The 106 Group Ltd. For the EAW, Omni has committed to the research and development of the hydropower history as it relates to the specific properties, namely the Bassett Sawmill, Columbia Flour Mill, and Occidental Mill (refer to the discussion at Section 4.6 and Exhibit H).
- **Comment (MC, and similar comments by MH, MR, MK, CG):** “I am strongly opposed to this development for a variety of reasons . . . [including] the removal of 20-30 trees resulting in a dearth of green space”
- **Comment (GD):** “Section III B-9 Vegetable Cutting of the Mississippi River Critical Area Plan discourages the removal of any vegetation along the Mississippi River and specifically states that, “Also to be preserved are trees with a diameter at breast height of 12 inches or greater.”
- **CITY RESPONSE:** The revised analysis of the Project’s consistency with applicable plans and policies addresses this matter (refer to Section 3.0 in Exhibit G). In addition, the Developer has commissioned a tree survey that has calculated the size and relative value of the trees on the site. The survey concluded that there are 77 trees on the site with a total value of \$38,800. The survey does not account for trees to be saved nor the value of trees that can be replanted (Exhibit L).

4.2 Land use, height, massing, scale, shadow effects, and visual effects:

4.2.1 Land use:

- **Comment (RS):** “Finally, the City’s 2001 Historic Mills District Master Plan at pages 4-5, 12-14 and 24 show in all instances the Site remaining green space and public plaza.”
- **CITY RESPONSE:** Exhibit G includes a revised and expanded analysis of the Project’s consistency with applicable plans and policies, including those referenced in the above comment. As detailed in Section 1.4 of Exhibit G, the Mills District Master Plan’s future land use maps reflect then-existing uses on the project site; namely, the Fuji Ya building and parking to the east and west of the building, instead of guiding future development. Unfortunately, the colors chosen and the print quality of the report have led to confusion as to the meaning of specific designations. The plan does not account for the Park Board’s 1983 decision to exclude the project site from its planned Mill Ruins Park and West River Road projects; therefore, it offers no guidance regarding the proposed future use of the Project site. As reported in the EAW, the City’s primary guiding document as regards land use on the site is the City’s Comprehensive Plan, the *Minneapolis Plan*. The commercial and high-density residential uses plus a shared parking facility are consistent with the applicable housing and Downtown development aspects of the *Minneapolis Plan* as well as the City’s Five Year Goals. The Zoning Code allows the proposed uses, height, and density subject to several Conditional Use Permits (CUP) and other permits. The other plans that have jurisdiction over the site are either silent as regards allowable uses or do not have policies that would prohibit the proposed uses. The Final Comprehensive Management Plan for the Mississippi National River and Recreation Area calls for uses to have a relationship to the river. Like its most recent predecessor, the Fuji Ya restaurant, the new uses (restaurant, spa, and residential) rely on the views of the river and its environs.

4.2.2 Height, distance from nearby buildings, and mass:

- **Comment (Met Council):** “The building heights proposed in the project are excessive for the area. The proposed project would require a Conditional Use Permit (CUP) to increase the height of the building from the Downtown Height Overlay District standards. The Downtown Height Overlay District limits the height of structures to 6 stories or 84 feet. To meet the requirements of The Wave Project, the CUP request would be for an 80% increase over current standards. . . . The height information presented in the EAW understates the impact of the project on property to the north by measuring height from First Street. First Street is at a significantly higher elevation than the base elevation of the property and from adjacent land to the north. The proposed height of The Wave measured from First Street to the elevator penthouse is 152 feet (11 stories). Steep slopes varying from 40 to 70 percent exist on the northern and central portions of the site as the property slopes down from First Street to West River Road and the Mississippi

River Central Riverfront Regional Park. The change in grade appears to be almost 30 feet in some locations. Therefore, The Wave, as proposed, would stand approximately 182 feet above the adjacent regional park.”

- **Comment (GD):** Please report the project’s height relative to West River Road and its distance from the river and other riverfront buildings such as the Minneapolis Post Office. The Mississippi River Critical Area Plan states that, “In general, structures within the Critical Area should be shorter when located closer to the river.”
- **Comment (MC):** The total building’s possible height above the Parkway would be 440 ft.
- **Comment (RS):** “Actually, both the Metropolitan Council and the Preservation Alliance minimize the degree to which a [Conditional Use Permit] would be required, as the Wave, when measured from the grade on which it would be built, would rise 182 feet, almost 100 feet more than the 84 foot limitation [in the Zoning Code]. . . . Finally, while the EAW notes that this Project would not be the tallest in the District, it does note that the tallest is the long-existing historical building, namely the non-massive head house for the Washburn A Mill—out of the visual sight lines of the proposed Wave” (emphasis in the original).
- **Comment (RS):** “Importantly, the [City’s 2001 Historic Mills District Master Plan] notes (as does the Critical Area Plan) that the closer to the River the shorter the height, and as to sites further from the river than the Wave site, it recommends a limitation of 4-5 stories (akin to the original proposal to the MPRB). . . . In short, The Wave at its present scale and height, and its beneath-the-bluff location, fails the Downtown Height Overlay six story limitation, fails all of the factors associated with granting a CUP relative to this limitation, and fails the Critical Area Plan and Historic Mills District Master Plan height guidelines and aspirations Certainly the intersection of these varying height limitations and their importance in such a sensitive area deserves in-depth analysis.”
- **CITY RESPONSE:** In addition to the information in the EAW, the following provides information in response the above comments concerning height, mass, and distances to nearby buildings:
 - **Height:** None of the maps, text, and drawings in the Mills District Master Plan define height limits in the area of the Project site. Only the Minneapolis Heritage Preservation Commission’s St. Anthony Falls Historic District Guidelines and the Zoning Code set height limits that apply to the site. The Project height is consistent with the Guidelines but the Zoning Code limits the height of structures in this area to 6 stories or 84 ft., whichever is less. To exceed this limit, the City would have to grant

the Project a Conditional Use Permit (CUP). This particular CUP requires special findings as regards the Project's effects on views of landmark buildings, significant open spaces, and water bodies, and scale and shadow effects. During the permitting process, City decision makers would use the information in the EAW to judge the Project's consistency with all CUP requirements.

The EAW accurately described the building height on p. 5 and measured heights correctly from First Street because this would be the official front of the building per the City's Zoning Code.⁴ The drawings in Exhibit F3 and F4 illustrate the height relative to the changing grade of West River Road and 1st. S. As described in the historic analysis that is a part of the EAW, the St. Anthony Falls Historic District Guidelines for the West Bank Milling Area (WBMA) state, "New buildings to be no higher than that of existing silo-mills in the area." The EAW repeated the information in the 106 Group report that the tallest building in the WBMA is the head house of the Washburn "A" Mill, which is located four blocks to the east of the site and stands at approximately 164 ft. above street level on 8th Ave. S. However, the taller portion on the west end of the Ceresota Mill is actually the tallest building in the WBMA at 165 feet above street level on 2nd St. S. The height limit is based on elevation, not building height; therefore, the maximum height is elevation 988 set by the Ceresota Mill. To exceed this height limitation, the Project would have to be taller than 157 ft. as measured from the center of the new building relative to the curb height on 1st. S. to the roof of the highest complete floor.⁵ Exhibit F3 shows the 1st St. elevation as 831 ft. and the top of the roof of the tallest full floor of the building is at assumed for the parking levels and a 13-ft., floor-to-floor height for the other floors to allow a 'safety cushion' for actual design and construction requirements. The Project is below the historic District's height limit by 8 ft.

- **Stories and mass:** Based on the Zoning Code's definition of a story⁶ and as measured from the north (Parkway) side, the building is 14 stories on the tallest (west) end (10 stories residential + 4 stories parking) and 8 stories on the shortest (east) end (4 stories residential + 2 story public

⁴ According to the Zoning Code at 520.160, "Height, structure or building. The vertical distance from the natural grade measured either at the curb level or at a point 10 feet away from the front center of the structure or building, whichever is closer, to the top of the highest point . . . of the roof on a flat or shed roof"

⁵ Per the Zoning Code, the highest complete floor does not include the stair tower and elevator penthouse of the Project

⁶ Story. That portion of a building included between the upper surface of any floor and the upper surface of the floor next above, or fourteen (14) feet, whichever is less, except that the topmost story shall be that portion of a building included between the upper surface of the topmost floor and the ceiling or roof above. If the finished floor level directly above a basement, cellar or unused under floor space is more than six (6) feet above grade, for more than fifty (50) percent of the total perimeter, or is more than twelve (12) feet above grade at any point, such basement, cellar or unused under floor space shall be considered a story.

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

lobby/viewing area + 2 stories parking). This is for new construction and does not include the height of the existing, one-story Fuji Ya Building.

The basis for this determination can best be seen by placing the longitudinal section (Exhibit F-6) next to the elevation (Exhibit F-4). The grade change along the West River Parkway is +/- 3 feet (estimated spot elevation is 806 on the up-river side and 809 on the Fuji Ya side).

The following table also includes height and story information relative to West River Road and for the nearest tall historic buildings, including the Ceresota Mill and Standard Mill:

	Washburn “A” Mill, 104 8th Ave. S.	The Wave, 1st St. S.	Ceresota Mill, 512 2nd St. S.	Standard Mill, 150 Portland Ave. S.
Street level (feet)	817	831	823	815
Height above street (feet)	164	149	165	103
Equivalent number of stories (front of building)	12	6-11	12	8
Elevation of roof (feet)	981	980	988	918
Elevation at West River Road (feet)	806	808		804
Height above West River Road (feet)	179	172		113
Number of stories (new building) on West River Road side		8-14		

The existing one-story height of the Fuji Ya would be maintained on the east side of the project site and the new construction would step up gradually from the Fuji Ya to 10 residential levels and one parking level above 1st Street for the westernmost 80 feet of the site. The variation and stepping up of the mass of the building avoids the more imposing presence that can result from a uniform stretch of a single, mid-rise building or a series of buildings of uniform height.

- **Distances to nearby buildings:** The following lists approximate distances between the proposed building and structures in the area:

New building to First Street Station: 50 ft.
 New building to RiverWest: 50 ft.
 New building to river: 120 ft.
 New building to Mill Place: 120 ft.
 New building to Third Ave. Bridge: 205 ft.
 Fuji Ya building to Crown Roller Mill: 150 ft.

Fuji Ya building to Ceresota Mill: 390 ft.
Fuji Ya building to lock and dam building: 400 ft.
Fuji Ya building to Northstar Lofts: 580 ft.
Fuji Ya building to Mill City Museum: 990 ft.
Fuji Ya building to Washburn “A” Mill 1,140 ft.

- **Comment (MnSHPO from 2/15/07 letter):** “Building Height. The discussion in the Findings document accurately indicates that the St. Anthony Falls Historic District Guidelines for the West Bank Milling Area specify that new buildings should be no higher than the existing silo mills in the area. We would like to point out that the nature of such guidelines in historic districts is to establish a benchmark for *maximum* height. They should not be construed as an entitlement that any and all proposed new construction to this height will be found to be acceptable. The height of any proposed new construction needs to be carefully considered in relation to the project’s massing, footprint, and general placement within the historic district in regard to historic properties, other new construction, and the overall setting.”
- **CITY RESPONSE:** So noted for the record. As the Findings Document indicates, approval of the Negative Declaration (no EIS is warranted) does not entitle the Wave Project or any other similarly situated project to automatic City approvals in the regulatory process. The HPC will consider the proposed height of the Wave Project in light of the benchmark height for the West Bank Milling Area, as is the norm. The City Planning Commission will similarly use its regulatory processes provided under the Municipal Planning Act and the City Zoning Code to address required variances and a conditional use permit for height for the Wave Project as presently proposed.

4.2.3 Shadow effects:

- **Comment (Met Council):** “The mass of the building, placed as proposed on a small (approximately one-acre), narrow (70’ – some of which is slope) site would have a significant impact on the adjacent park. The project is located immediately south of the park and would also affect its solar access.”
- **CITY RESPONSE:** The trigger for the EAW was its potential for adverse effects on historic and archeological resources. Since the proposed height is within the limits defined for the historic district, a shadow analysis was not prepared for the EAW. In response to the above comment; however, Exhibit I includes a shadow analysis. The following is a summary of the shadow effects:

- **Equinoxes (March and September 21):** The shadow of the tallest portion of the building would extend beyond the site all day and shade public sidewalks, streets, parkland, and West River Road in the immediate vicinity of the site. Shadows from the lower portions of the building would remain on site from sunrise to mid-afternoon.
- **Summer solstice (June 21):** Only in early morning would the shadow of the tallest portion of the building extend beyond the site and shade public sidewalks, parks, and streets to the west. Most of the rest of the day, shadows would remain on site or would be overshadowed by that of the 40-story Carlyle tower.
- **Winter solstice (December 21):** On the shortest day of the year when we experience approximately 8 hours of daylight and the sun never climbs higher than 22 degrees above the horizon, all multistory buildings cast long shadows all day. Between approximately 9 a.m. and noon, RiverWest's shadow would engulf that of the Project. After noon, the building would cast an increasingly long shadow that by 4 p.m. would cross to the east bank of the river.

To summarize, the shadow study indicates that the greatest additional shadow impacts on West River Road and the Mill Ruins Park that would be attributable to the Project occur in the late afternoon or early morning from late September through late March. At most other times of day throughout the year and particularly in summer when the park and other public spaces are in highest use, the Project would not cause significant additional shading of public spaces because the building shadow either does not fall on those areas or it falls within the larger shadows cast by the 20-story RiverWest Building and the 40-story Carlyle Building.

4.2.4: Visual effects:

- **Comment (EB and similar comments from CD, TH, EB, MC):** “What has not been mentioned in the EAW is that there are significant views above grade from the locations where these individuals lived to the places where they worked. For example, there is a view of the Crown Roller Mill, the Washburn Crosby Mill, the North Star Blanket and the other historic building on the West side from Grove Street Flats, a contributing building, built in 1877 by W.W. Eastman. . . . I assume that the above grade views from the historic buildings where the people worked to their homes on Nicollet Island would also be affected. The glass curtain of the Wave

would block these views and destroy an important connection of the district.”

- **CITY RESPONSE:** The EAW addressed the visual effects of the Project and potential mitigating measures on pages 29-33. This information was excerpted from the much more detailed historic analysis that is included by reference in the EAW, i.e. “The Wave Development Analysis of Effects and Phase II Archaeological Evaluation, Minneapolis, Hennepin County, Minnesota,” by The 106 Group Ltd. (This report is available on the City’s web site at <http://www.ci.minneapolis.mn.us/planning> (look in the lower center column for “Plan/Projects Currently Under Public Review” and click on “Environmental Review Projects.”))

The 106 Group report determined that the proposed project would be visible from Nicollet Island, but would not have a significant presence from that location and concluded the project would have no adverse impact on views from Nicollet Island.

The 106 Group report included a detailed analysis of the visual effects of the Project on historic resources (refer to Table 2: Analysis of Visual Effects” on pp. 99-103). Exhibit K includes a detailed update of the view effects. The following is additional analysis regarding the Project’s visual effects:

- **Project effects on views of the river, parks and other public spaces, and historic resources—from the north:** The drawing in Exhibit F14, “View across river,” best illustrates that, when viewed from a distance on the East Bank, the Project would be perceived as an addition to the downtown skyline view and that it would not block any views of the river or the park. The Project would block views of the single-story Minneapolis Eastern Railway Company Engine House (First Street Station) at 333 S. 1st St.; however, trees currently obscure that view, especially when they are fully leafed out. When viewed from the northeast, the western end of the Project would block the view of the historic Dann and Hall Barrel Company Factory (now known as Mill Place) located on the southeast corner of 3rd Ave. S. and 1st St. S. When viewed from the northwest from West River Road, the Project would block the lower floors of the historic Crown Roller Mill.
- **Project effects on views of the river, parks and other public spaces, and historic resources—from the west:** Standing on the public sidewalk at the intersection of 1st St. S. and 3rd Ave. S. and looking towards the site, one cannot see the river. The 3rd Avenue Bridge abutments would block the views from West River Road towards the site. A pedestrian walking

south along 1st St. can see the wooded area between the Fuji Ya building and the former railroad right-of-way that goes under 1st St. Only the trees obstruct the current view of this area of the river and its environs on both banks. The Project would completely obstruct this view from the eastern wall of the Mill Place Building to the Fuji Ya Building. Exhibit F11 shows the current and future view.

The current view from the public sidewalk at the intersection of 2nd St. S. and 3rd Ave. S. towards the narrow opening between the Mill Place Building and the RiverWest Building offers a view of a couple of the historic buildings in the distance on the east bank of the river including the Red Tile Elevator of the historic Pillsbury “A” Mill complex. The river is not visible. The Project would block this view. However, the City intends to redevelop the vacant parcel of land known as Parcel A located south of the RiverWest Building and, when built, this new development, at 4-5 stories in height, would likely block both this view and the view of the Project from this location. The drawing in Exhibit F10 shows the current and future views.

The photo below shows the view from West River Road looking east towards the site. The Project would remove most of the trees and partially block the view of the non-historic RiverWest building.



- **Project effects on views of the river, parks and other public spaces, and historic resources—from the east:** The “Stone Arch Bridge” view in Exhibit F13 shows the view from West River Road. The Project would have no substantive effect on views of the historic First Street Station and the Mill Place buildings on 1st St. nor on views of the river and park. The Project would block the southernmost portion of the historic 3rd Avenue Bridge but no views of the river and adjacent parkland. This view is exemplary of other views from Mill Ruins Park and from West River Road east of the site. The photo below shows the current view from the

east on 1st St. The Project would not block views of historic buildings or parkland and the river from here.



- **Project effects on views of the river, parks and other public spaces, and historic resources—from the south:** Exhibit F9 shows the view from 1st St. The current view from the public sidewalk on 1st St. S. mid-block between 3rd Ave. S. and 5th St. offers a view of the historic Third Avenue Bridge. The river is not visible at all. The Project would block this view. Considering that one of the primary objections to the Project is its height at up to 11 stories above 1st St., it should be noted that the public view effect from 1st St. would be the same with even a one-story structure.



- **Enhanced historic views:** A majority of comments regarding adverse visual effects to the historic setting are related to the scale, massing, height, and materials of the new building. In their current state, the perception of the on-site ruins is so negligible that the area is often referred to as an open space or park; a use that does not relate to the historic context of the larger West Bank Milling Area, which was industrial in character.



.The Project would 1) rehabilitate the historic foundation of the Bassett Sawmill that the Fuji Ya Building rests on as well as the Fuji Ya Building; 2) it would expose and restore *in situ* (in place) the archeological ruins from the Columbia Mill, some of the Occidental Mill and possibly the Wheelhouse, and other artifacts; and 3) it would provide interpretive elements for the public. The preservation of the above-ground ruins maintains the materials that define the site’s historical character. Furthermore, the Developer has prepared a mitigation and data recovery plan for below-grade ruins that also characterize the property.

- **Design modifications—1st Street elevation:** This elevation has been revised so that its two-story masonry base is similar in scale and proportion to the Minneapolis Eastern Railway Company Engine House (First Street Station). The Project design is linear, like the Engine House, but broken by vertical elements that are intended to reflect neighboring mill structures and to bring the design more into compliance with the applicable historic guidelines that call for building verticality.
- **Design modifications—river side elevation:** In terms of understanding the site as it was before the above-ground portions of the mills were removed, the building has been revised at its two-story masonry base on the river side (north) so that the location of the three mills can be distinguished through changes in the color, texture, and pattern of the masonry materials. The revised design no longer reads as monolithic, but instead reinforces the notion that the three mills were adjoining and interconnected.

- **Design modifications—zones:** The revised design retains the tiered roofline and the balcony and fenestration patterns have been reconfigured to emphasize verticality. These changes allow the building to be articulated into three zones:
 - The first zone includes the Fuji Ya and the Bassett Sawmill ruins. The Bassett ruins would be preserved in place and their relationship to the Fuji Ya would be maintained through rehabilitation of that building.
 - The second zone, which contains the Columbia Flour Mill ruins, has been described in meetings with an archaeological and historical advisory committee as a transition zone. This zone would preserve the ruins exposed in place with new construction above them.
 - The third zone includes the below-ground ruins of the Occidental Mill and represents the end of the waterpower area.

The intention of these three differentiated zones is to 1) help illuminate the extant foundations and ruins, 2) interpret the historic uses, and 3) improve the perception of the boundaries of the St. Anthony Falls Waterpower Area and the linkages to other contributing properties to the West Bank Milling Area.

- **Design modifications—reflection of the past:** Below is the drawing of the 1891 View of Project Area.⁷ The image offers insight into the setting and feeling of the historic district at a time when all three buildings were intact. This image shows three abutting buildings that, taken together, are similar in scale and massing with the one proposed, albeit the roof lines step in the opposite direction. Like the proposed development, it runs the length of the site and is broken into discernible components with a series of stepped rooflines. A single portion of the building contains the bulk of the mass. The building is scaled in proportion to the broader context of the other structures in the West Bank Milling Area.

⁷ This was also included as Figure 39 in the “The Wave Development Analysis of Effects and Phase II Archaeological Evaluation, Minneapolis, Hennepin County, Minnesota,” by The 106 Group Ltd.



FIGURE 39. 1891 VIEW OF PROJECT AREA

- **Comment (NPS from 2/15/07 letter):** “In Section 4.1, Effects on historic properties, the City does not acknowledge or address the National Park Service’s comments on historic properties.”
- **CITY RESPONSE:** The Findings Document addressed the specifics in the letter in five instances on pages 24.33, and 36. The NPS letter raised concerns shared by other commentators and the Findings Document addressed exemplary comments accordingly.
- **Comment (NPS from 2/15/07 letter):** “In Section 4.2.4, Visual Effects, page 21, last paragraph, the first sentence talks about the objections to the adverse effects of height, massing and materials of the Wave Project. The next sentence talks about the state of the ruins and how, in their current condition, they do not relate to “the larger West Bank Milling District.” First, this comment does not address the problem of height, massing and materials. Second, it is not a question of current use; it is a question of how the space and ruins of the site relate to the West Bank Milling Area (WBMA) and to the St. Anthony Falls Historic District. The relation to both is strong and significant.”
- **CITY RESPONSE:** The intention of the comment in the Findings Document was to point out how obscured the site is currently. The primary thrust of the EAW, the Findings Document, the five historic analyses completed for the Project, and the Findings Document concerns the very matters listed in the NPS letter; namely, “height, massing and materials . . . how the space and ruins of the site relate to the West Bank Milling Area (WBMA) and to the St. Anthony Falls Historic District.”

- **Comment (NPS from 2/15/07 letter):** “The impacts described in [Section 4.3.3, Updated visual effects to off-site historic resources by the 106 Group, Adverse impacts on the setting of the WBMA], are very significant. The impacts are as great as destroying the ruins of the individual mills. The historic character and integrity of the St. Anthony Falls Historic District are at stake, and, therefore, these adverse effects cannot be fully mitigated.

“In its current state, the Project area fits with and contributes to the WBMA, St. Anthony Falls Waterpower Area (SAFWA) and the National Register Historic District. If the ruins were treated like those in Mill Ruins Park, the fit and contribution would be clearer. With the Wave Project built over the site, the adverse effects describe in the quoted paragraph above would occur and the site would lose both the fit and an essential aspect of what it contributes. We believe this would constitute a significant adverse effect on the National Register St. Anthony Falls Historic District.”

- **CITY RESPONSE:** So noted for the record. The Findings Document details the conclusions of the historic consultant on the Project, which include similar conclusions of significant adverse effects.
- **Comment (NPS from 2/15/07 letter):** “In Section 7.1.1, Effects on historic properties on the Project site, the Findings Document points out that the revised design would avoid destroying the Bassett and Occidental mill ruins and states that destroying the ruins “would have constituted a significant adverse effect on these on-site resources and to the locally and nationally designated St. Anthony Falls Historic District (District).” While the developer made a serious and commendable effort to remedy these adverse effects by forming a working group, they left key interests out of this group, including the National Park Service.”
- **CITY RESPONSE:** So noted for the record.
- **Comment (NPS from 2/15/07 letter):** As the Project site is part of the St. Anthony Falls Historic District, this section should include a discussion of the project’s effects on the District here. We recognize that this discussion has been placed under the Visual Effects analysis, but the impacts are more than visual. The impacts affect the setting, feeling and association, which are three of the seven elements of site integrity as defined by the National Register in Bulletin 15, How to Apply the National Register Criteria for Evaluation. If a site does not possess integrity under these seven criteria, it does not merit inclusion on the National Register. The

Wave Project would adversely affect the setting, feeling and association of the Historic District.

- **CITY RESPONSE:** Impacts to the setting, feeling and association of the district are a function of the building's location, function, mass, materials, and design; all of which have been addressed in the EAW. Personal or professional judgments about setting, feeling, and association can be derived from these elements and therefore are addressed. As stated above, the work of the 106 Group in initially analyzing the potential negative impacts of the Wave Project found in Table 3, its subsequent study on visual effects, and the incorporation of previous environmental studies addresses the NPS concerns regarding the setting, feeling, and association elements in the WBMA and the SAFHD generally. These studies are available to the City to use as it considers the Project's impact on these elements in the regulatory processes. In addition, the Project's developer has already offered several actions which either preclude adverse impacts, or mitigate such impacts consistent with applicable guidelines. The effectiveness of such measures will be judged in the City's regulatory processes.
- **Comment (NPS from 2/15/07 letter):** Section 7.1.3, Visual effects, acknowledges the adverse effects of the Project on the St. Anthony Falls Historic District but does not say that those effects are significant. Yet, this section repeats the statement on pages 30-31 that details the breadth and degree of impact that can only be described as significant. If the Findings Document readily recognized the destruction of the Occidental and Bassett mills as "significant adverse effects," then the profound impacts to the historic setting of the St. Anthony Falls historic detailed here should also qualify as significant adverse effects.
- **CITY RESPONSE:** As is standard practice, the stated purpose of all of Section 7 in the Findings Document is to summarize the type, extent, and reversibility of environmental effects. The various sections of the Document clearly describe the significance of the effects.

4.3 Analysis of alternatives:

- **Comment (NPS):** The EAW should evaluate more futures other than the deterioration one in the EAW. For example, the Park and Recreation Board could find funding to incorporate the site into the Mill Ruins Park, thereby preserving and interpreting them.
- **Comment (Mn SHPO):** "Considering the importance of this portion of the historic district, and the degree of adverse effect, we conclude that the EAW does

not present an adequate analysis of project alternatives. Further discussion of alternatives should include the following:

- “The No Build Alternative needs to be further developed. The discussion of this alternative in the EAW essentially describes a static condition, with little change to historic resources except for neglect and deterioration. . . . What is missing from the discussion of the “No Build” is an exploration of what may happen to the parcel if project approvals are not obtained and the proposed project is not built. Strategies that could better preserve the site’s historic properties – under the continued ownership of the MPRB or under other public or private ownership – need to be examined. Such strategies should include consideration of parking needs for riverfront visitors.
- “A Revised Development Alternative needs to be developed. Table 3 of The 106 Group’s report (August 2006) includes a wide range of suggested measures to “reduce or remove adverse effects” to the historic resources on the development parcel. Some, but not all, of these measures are included in the EAW as “design option” mitigation strategies. By presenting only a selected number of these measures as mitigation to the Proposed Development Alternative, the EAW fails to thoroughly analyze the recommended measures and formulate a Revised Development Alternative, which could achieve the project goals while avoiding or greatly reducing effects to historic resources. It is important that such a Revised Development Alternative be fully explored before the local approval process begins.
- “Any discussion of the No Build Alternative, the Proposed Development Alternative, or a Revised Development Alternative should include a thorough analysis of the rehabilitation of the Fuji Ya building, taking into account its historical significance, local design guidelines, and the Secretary of the Interior’s Standards for Rehabilitation.”
- **Comment (MnSHPO from 2/15/07 letter):** “The No Build Alternative. Our comments on the EAW indicated that the No Build Alternative needed further development. A thorough exploration of how the parcel might be treated if the project is not built, either under the continued ownership of the Minneapolis Park and Recreation Board or under other public or private ownership, is still needed. The Findings document includes early master plans for West River Parkway which illustrate private development on the proposed project site, but also included is a plan for Mill Ruins Park which shows the proposed project site with preserved vegetation and surface parking but no development. A range of alternative strategies for this site should continue to be considered.

“The mills clustered along the West Side Power Canal in the St. Anthony Falls Historic District form a coherent historic industrial complex of national importance. The effects of the proposed WAVE project, including the loss of the

archaeological resources of the Occidental Mill (the uppermost mill powered off the West Side Canal), and the adverse visual effects on this portion of the historic district, further compromise the integrity of an already fragile historic area. Ways to avoid these adverse effects, including the No Build Alternative, should be carefully considered by the city as the planning process proceeds.”

- **Comment:** Due to the serious adverse effects posed by the Project, the site would be better suited to serve as a satellite facility for the Mill City Museum.
- **CITY RESPONSE:**

4.3.1 No Build Alternative:

- **CITY RESPONSE:** Section C of the response to Question 25 in the EAW describes the No Build Alternative. It states that there would be no effects on buried walls and foundations, but that exposed ruins would continue to deteriorate without appropriate stabilization and preservation, including those in the basement of the Fuji Ya building. Also, exposed ruins would continue to be vulnerable to vandalism.

Numerous commentators suggested the MPRB take different actions to avoid and mitigate adverse effects on historic resources including the following:

- Cancel the agreement with the Developer and then find the funds to enable the addition of the site to the Mill Ruins Park (it could still serve the parking needs of the MPRB).
- Restrict the scale of the Developer’s project to the much smaller two-story project originally presented during the MPRB’s Request For Proposals (RFP) process.

Through its RFP process, the MPRB awarded an option to purchase the site to the developers of the “Lucky Club Proposal.”⁸ The MPRB appraisal of the site was \$2.6 million. The Purchase agreement requires Omni to pay \$1.8 million to the MPRB and to provide a 99-year lease at \$1 per year to the MPRB for 65 stalls in the parking garage. Because the MPRB used state funds to purchase the site, the MPRB must repay the state one half of the \$1.8 million sale proceeds. The MPRB will use the remaining \$900,000 for land acquisition costs associated with implementing the Upper River Master Plan. None of these funds will be available for the Mill Ruins Park.

⁸ The letter from Rick Solum (received 12/11/06) in Exhibit E includes information regarding the “15 two-story townhomes with green roofs” mentioned above, termed the “Lucky Club Proposal.”

Currently, Omni Development, the Developer of the subject Project, has the rights to this purchase agreement. This option expires on March 17, 2007. Even if the City ultimately approves all of the permits needed for the Project, it is virtually impossible for this to occur prior to the expiration of the term of the purchase agreement. Omni could request that the MPRB extend the term of the purchase agreement to enable them to complete the City's permit review process. If the MPRB does not grant the extension, Omni could still exercise its right to purchase the site under the current agreement and accept the risk that the City will not approve a building permit for the Project as designed. In this scenario, Omni could then submit a significantly modified project that addressed the bases for the City's denials or sell the site to another developer.

In the event that the MPRB and Omni allow the current purchase agreement to expire, it is not known what the MPRB would do with the property. They could initiate a new RFP process for the site, take measures to stabilize the site's historic resources, do nothing, and/or take some other action.

Several commentators prefer the No Build Alternative. Some suggested that the MPRB find the funds to add the site to the Mill Ruins Park. The MPRB's adopted 1983 Master Plan, which addresses the future uses for the Project site, shows it to be outside of the proposed park boundary and it shows undefined private development to the east and west of the Fuji Ya site (section 1.9 of the report in the attached Exhibit G describes the 1983 Plan). The MPRB has continued to implement elements of its Master Plan including the proposed sale of the MPRB property.

As regards the comment from MnSHPO in its 2/15/07 letter, it's important to examine the Minnesota rules (Rules) regarding this matter. The law requires an alternative analysis for an Environmental Impact Statement (EIS), not for an EAW. Although not required, the Wave EAW included a "No Build Alternative" in order to be a more complete and useful document for the permit review process. The examination of the likely future of the site without the Project on it was intended to serve as base for comparing the environmental effects of the Project.

As mentioned above, several commentators recommended the EAW include an analysis of the use of the site as an expansion of the Mill Ruins Park. This would not even be required were the City to order the development of an EIS for the Project. Minnesota Rules at 4410.4300. G. Alternatives, require an EIS "compare the potentially significant impacts of the proposal with those of other reasonable alternatives to the proposed project" (emphasis added). While the Rules include alternative sites for

the proposed project as a possible alternative to be considered in an EIS, they do not require the analysis of alternative uses of the proposed site. Furthermore, the Rules allow an alternative to be excluded from analysis in the EIS “if it would not meet the underlying need for or purpose of the project.” The Rules state, “The alternative of no action shall be addressed” in an EIS. This is to examine the relative effects of no change on the site, not an invitation to speculate on unfounded future possible uses. The City has not made it a practice to fabricate projects that encompass a range of alternatives when no other options for a site have matured past the stage of preliminary planning. The No Build alternative described is the only other scenario with a reasonable chance of occurring at this time.

The MnSHPO also referenced the need for additional visual effects analysis as part of its no-build alternative discussion. The Findings Document references the detailed report of the 106 Group, *The Wave Development Analysis of Effects and Phase 2 Archeological Evaluation, Minneapolis, Hennepin County, Minnesota*. This study included Table 3, a comprehensive analysis and a comprehensive set of recommendations to address the potential negative impacts of the Project, including visual impacts. In addition, the 106 Group prepared a subsequent study, *Updated Effects to Resources Outside the Development Area* specifically aimed at addressing the visual impacts of the Project on historic resources outside the Project boundaries. These studies are adequate to inform the City of these potential impacts as the Project moves through the City’s regulatory processes.

4.3.2 Revised Development Alternative and the Guidelines:

- **CITY RESPONSE:** In response to the Mn SHPO’s recommendation for a “Revised Development Alternative,” the Developer convened a study group to guide modifications to the Project (Exhibit J). All options proposed in Table 3 of the 106 Group Report⁹ as alternatives to reduce or remove adverse effects were fully explored in association with the workshop process described in Exhibit J. As described in previous responses, many of the ruins would be preserved and incorporated into the development. Omni would preserve and rehabilitate the Fuji Ya and would fully cooperate with the City in the study described in Exhibit H2 and, if found eligible, initiate the designation process for the Fuji Ya subsequent to the completion of the Project. Given the changes to the design of the Project, it is appropriate to re-examine its consistency relative to the St. Anthony Falls Historic District Guidelines (Guidelines). The following describes Project changes relative to the Guidelines (Guidelines are in *italics*).

⁹ A revised version of Table 3 is included in Exhibit H4.

1) Siting. New buildings shall have their exterior walls in the same axial orientation as the existing buildings. As pointed out in the 106 Group report, other contributing and non-contributing buildings constructed within the West Bank Milling Area and near the Project site are oriented parallel with the river as is the Project. The 106 Group report lists the non-contributing RiverWest Building, immediately south of the proposed project, and the Minneapolis Post Office Building, a contributing property to the historic district. Other nearby historic buildings with parallel alignments but not listed in the report include the Crown Roller Mill, Standard Mill, Ceresota Mill, and the Washburn “A” Mill. The 1895 Sanborn Map of the Project area (Figure 6 in the 106 Group report) and the 1933 Marsh & McLennan Insurance Map of the Project area (Figure 11) show that the axial orientation of the Project is consistent with the axial orientation of the original mill buildings. The longest façade of the Columbia Flour Mill (120 ft x 45 ft) runs parallel to the river. In addition, the 1892 Foote Map showing railways in the project area (Figure 20) reinforces the contention that, at least in terms of appearance if not in terms of use or relation to power source, the axial orientation of the Project parallel to the river is consistent with the historic uses on the site.

2) Height: New building to be no higher than that of existing silo-mills in the area. The Project is below the height limit of the Guideline (refer to the discussion regarding height in Section 4.2.2).

3) Rhythm of Projections: There shall be no major projections on the principal facades. The Project includes balconies on both primary facades that face the river and 1st St. and projecting stair towers on the 1st St. façade. However, since the balconies line up with the face of the parking garage levels on both of these primary facades, they may be considered minor, not major projections.

4) Directional Emphasis: New buildings shall have a generally vertical emphasis at least above the first floor. In order to increase the vertical expression of the building, the facades and the glazing system have been revised. Rather than standard curtain wall design, the glazing would feature thickened mullions and screening panels that would help to emphasize the system’s verticality. The changes to the glazing system have been carried to the 1st Street elevation as well.

5) Materials: The exterior surface of new buildings shall be constructed of brick, concrete, or stone. The use of masonry materials has been increased as the design continues to develop. In particular, the refined design includes changes in texture, pattern, and color of the masonry materials

used at the base of the building. Some of these changes would be carried through on other levels of the building. Polished or burnished stone may be introduced in place of metals on the 1st Street elevation. With the decision to alter the design to preserve the exposed walls of the Columbia Flour Mill *in situ*, and to use masonry materials to distinguish between the adjacent, contiguous ruins, it becomes increasingly important to make a clear distinction between the old and the new so as not to create a false sense of history. Above the masonry walls that enclose the parking structure, the dominant material is glass.

6) Nature of Openings: Openings should appear in a consistent and repeated pattern across the principal facades. Window openings should be approximately 1 ½ to 2 ½ 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. Figure 26 of the 106 Group's historical analysis shows window openings in the West Bank Milling Area clearly come in a variety of patterns and proportions. Figure 27 further confirms that a limited number of buildings within the Area subscribe to a particular opening proportion. In keeping with buildings in the District and with the Guideline, the Project has a consistent, discernible pattern of openings across the principal facades with openings that conform to the height-to-width ratio. The windows and doors are not flush with masonry openings. Thickened mullions allow for the reveal, or shadow line, associated with masonry openings.

7) Roof Shapes: New buildings should have flat or nearly flat roofs. The Project has flat roofs.

8) Details: New buildings should have some emphasis given to the upper termination of the building. Surface treatment should divide the building into vertical bays. Where other surface treatment is used, it should reflect details from other buildings in the area. In terms reflecting details from other buildings in the District, the Project has a strong masonry base. The base has been articulated so that the location of the three ruined mills, which help define the District, can be distinguished through changes in the surface treatment of the masonry such as color, texture, and pattern. The tiered roofline and the exterior elevator cores define the upper termination of the building. The balcony and fenestration patterns have been reconfigured to emphasize verticality.

9) Color: The primary surfaces of new building should be deep red, brown, or buff. Trim should be subdued earth tones or flat black, and new buildings should allow this same general pattern. The primary surfaces of the building use colors that are in keeping with the deep reds and browns

of the neighboring masonry colors. Color on the river side is in a red, brown, and gray range that distinguishes it from the exposed ruins. Muntins and mullions for the glazing would be in earth tones.

4.3.3 Updated visual effects to off-site historic resources by the 106 Group:

Exhibit K by the 106 Group includes a detailed analysis of the potential visual effects of the revised Project design on historic resources located off site. It includes a revised Table 2 that was in the original analysis and included by reference as one of the supporting EAW documents. This new report also includes a helpful and succinct explanation of terms and methods used in the historical analysis. The following is a summary of the conclusions from the report:

In the original analysis (August 2006), The 106 Group assessed the effects to 13 historic resources, or groupings of historic resources, near and around the proposed development site to determine the effects of the project on the visual aesthetic qualities of the historic resource. Individual properties proximate to the project area and larger groupings of properties beyond the project area were assessed for 1) impacts of the proposed project on the visual setting of the historic property, and 2) impacts on views towards the proposed project from the historic property. Adverse impacts were based on the historical significance and historical character of each property; in most cases where a property was a contributing property to the St. Anthony Falls Historic District (SAFHD) or the St. Anthony Falls Waterpower Area (SAFWA), thematic and physical associations to those districts were considered to be significant. For the current visual analysis of the revised plan for the proposed project, The 106 Group utilized the same methodology as it did for the original assessment.

- **Adverse impacts on visual setting of four historic properties:** Compared to the original project proposal, the revised project design, developed in response to comments from the EAW process, allows for the retention of additional archaeological resources and includes materials on the base of the building that are more in keeping with materials found in WBMA. Despite these changes to the proposed project, the revised project proposal was found to have an adverse impact on the visual setting of four historic properties: the WBMA, the Hall and Dann Barrel Company Factory, the Minneapolis Eastern Railway Company Enginehouse, and the contributing archaeological resources in Mill Ruins Park.
- **Adverse impact on views from seven historic properties toward the proposed development site:** The proposed project, as revised, was found to have an adverse impact on views toward the proposed development site for seven properties: the WBMA, the Hall and Dann Barrel Company Factory, the Minneapolis Eastern Railway Company Enginehouse, the

Third Avenue Bridge, the Stone Arch Bridge, the EBMA, and the contributing archaeological resources of the Mill Ruins Park. Each of these properties has significant historical associations or relationships with views towards the proposed project site; proposed changes in those views were perceived to be significant enough and out of keeping with historical precedent such that they would be considered adverse impacts. .

- **Adverse impacts on the setting of the WBMA:** Similar analysis was conducted to determine the effects of the revised project proposal on the setting of the WBMA. Although unrelated to the historic properties used for the above analysis, the locations of those properties were used for this analysis since they were sited in a variety of locations around the WBMA. Adverse impacts were found where the proposed scale, massing and materials of the revised design for the proposed building would result in changes to the perception of the WBMA as a historic property, and to the inclusion of the proposed project parcel within that historic district. In locations where the proposed project and the WBMA were clearly visible, the scale, massing, and materials of the revised project were found to have an adverse impact on the setting of the historic district. The revised project proposal significantly affected the perceived use of the parcel, the perceived boundaries of the waterpower area, and the linkages to other contributing properties to the WBMA and the SAFWA, and the appearance of a cohesive historic district.

4.3.4 Potential downsized Project:

In an email dated 1/24/07, Rick Solum stated, “As I noted earlier, the WAVE developer reduced the size of the building in its so-called ‘2007 WAVE’ to 7 stories above 1st at its highest point, and stepping down with reductions in height of 3 or 2 stories to the Fuji Ya. Is this the building which is now before your office. We were told that this would be the case, but I wanted to check to see what is officially before you and which will be before Z&P.”

According to the Developer, the design Omni presented to the DMNA is an alternative they are considering for submission during the permit review stage of the City's approval process, which first will be the HPC. They have not submitted this information as a formal part of the EAW process, and, as such, it is not being reviewed in this Findings Document. If the Developer chooses to submit a project after the City completes the environmental review for the Project that is substantively different than that studied under the environmental review process, the City will make a determination whether the new project poses environmental effects that would be substantively greater than those disclosed in the environmental review and whether the review is valid for the new project. In the

event the City determines the environmental effects would be substantively greater, it can require the preparation of a new environmental review.

4.4 Cumulative effects:

- **Comment (Mn SHPO):** “The cumulative effect analysis is inadequate. The discussion does not clearly identify past, present, or reasonably foreseeable future projects that may interact with the proposed project in a way to cause cumulative impacts. Cumulative visual effects, effects on views, and effects on ruins and archaeological resources all need better assessment.”
- **CITY RESPONSE:** As noted in the response to Question 29 of the EAW, most of the West Bank Milling Area has been fully developed or rehabilitated for contemporary use. The City-owned Parcel A site, located to the south of the RiverWest building, and the Project site may be the last substantive undeveloped sites in the Area. Thus, the potential for cumulative effects based on reasonably foreseeable future projects is slight and unpredictable. The effects on the ruins and archaeological resources have been carefully examined and the Project has been revised to address several of the potential adverse effects.
- **Comment (MnSHPO from 2/15/07 letter):** “Cumulative Effects. Our comments on the EAW indicated that the cumulative effects analysis was inadequate. We reiterate this comment. The Findings document points out that this site may be the last substantive undeveloped site in the area, so the likelihood of this project setting a precedent for cumulative effects in the future is diminished. However, what is most needed is an analysis of past, present, and presently proposed projects that have had or are likely to have an effect on the district. For example, if other projects have resulted or may result in the removal of archaeological resources, what is the cumulative effect of yet another such removal? If other projects have had or may have adverse visual effects on the historical character of the district, what is the cumulative effect of yet another such visual incompatibility? If the authentic character and integrity of a historic district is based, first-and-foremost, on its actual historic buildings and other historic elements, what is the cumulative effect of a proposed new building, taking into account the number and size of other completed or proposed new buildings (even compatible ones)? Cumulative effects throughout the district should be taken into account, and should include such current projects/proposals as the Pillsbury Mill project, the Phoenix Lofts project, the Whitney project, the Crown Hydro project, and others.

“The cumulative effects analysis does point out that one effect of the construction of the project’s new parking facilities would be to free up a current parking lot that is located over the historic waterpower canal and gate house. This, in turn, could permit excavation and interpretation of these significant historic features. However, we note that the current proposal for the Crown Hydro project may divert water from the historic waterpower

canal and/or close the historic canal intake structure, which could frustrate interpretation efforts at this location.”

- **CITY RESPONSE:** The district has been under constant change both structurally and in its use since the city’s creation. No doubt the changes, positive and negative are numerous. An exhaustive and time consuming records search could begin to describe these changes. However, the district to a great degree embodies the cumulative effects of past changes. This record exists in the built environment and it is analyzed in the visual impacts analysis and in other areas. Recently, the City prepared environmental reviews for four other projects located within the SAFHD. The following are excerpts from these reviews as regards cumulative effects:

Pillsbury A Mill Complex Project: The Findings Document in Section 7.4 identified the EIS prepared by the City for the Pillsbury A Mill Complex Project, located within the East Bank Milling Area (EBMA) of the St. Anthony Falls Historic District (SAFHD), as an environmental review relevant to the Wave Project. The following are excerpts from the cumulative impact analysis within the Draft EIS. The information is from the historical consultant for the A Mill Project, the 106 Group, which is also the consultant on the Wave Project:

Impact is measured by the relative proportion and intrusiveness of the contributing and non contributing properties. How that proportion has changed since time the District was designated and would change with the proposed redevelopment and any precedent established by approval of the development is the basis for this analysis. This is a “tipping point” analysis. The test is whether the combination of the loss of contributing properties and the introduction of intrusive new construction as part of the redevelopment of the site will reduce the integrity of this area of the District to such an extent it no longer contributes to the character of the District.

Cumulative Impacts on the Historic Resource: The introduction of additional residential properties in a former industrial area, such as the St. Anthony Falls Historic District, will have an additive cumulative effect. The Pillsbury A Mill Complex, The Phoenix, and the 520 and 521 2nd Street SE projects, propose to transform most of the parcels that could be considered as “available” for redevelopment within the portion of the St. Anthony Falls Historic District on the east bank of the Mississippi River. Once completed, the area will have a different feeling, as well as a change in primary land use. The larger area surrounding this portion of the historic district is likely to be redeveloped with high-density housing. Consequently, the setting of the historic milling and industrial buildings on the east bank of the Mississippi River will be altered during the foreseeable future with additional housing development.

The issue that will be before the City as it considers its approvals for the redevelopment of the Complex is whether this type of additive change in land use would constitute simply an effect, or, an adverse effect. The proposed new construction within the St. Anthony Falls Historic District includes buildings that are considered to be compatible, incompatible, and intrusive. The additional conversion of properties to high-density residential use outside the boundaries of the St. Anthony Falls Historic District would increase the perception of the area as a new residential area, an effect identified in the visual effects analysis. The boundary of an urban historic district, however, is generally considered to function as a marker for different expectations for the extent and type of changes to the physical environment. However, the presence of high-density development both within the historic district boundaries, and surrounding the district, would blur the perception of the boundaries of the historic district and affect the perception and prominence of the historic district. . . .

The baseline condition of the East Bank Milling Area for cumulative effects analysis on the historic resource is its character at the time the district was listed in the National Register of Historic Places (NRHP) in 1971. To permit designation, at that time there was an appropriate ratio between contributing and non-contributing properties in the East Bank Milling Area. The most apparent and quantifiable depiction of the baseline condition of the East Bank Milling Area is demonstrated by the ratio of contributing and non-contributing properties by land area. The contributing properties comprised approximately two-thirds of the land area of the East Bank Milling Area in 1971. About three-fifths of the Main Street SE street front was lined with contributing properties at that time. The redevelopment of the Pillsbury A Mill Complex by any of the Alternatives will change the ratio between contributing and non-contributing properties in the East Bank Milling Area. . . .

The Final EIS for the A Mill Project included the following comment and response:

Comment: 14-Brazaitis expressed concern about the potential for de-listing the District if the Project proceeds.

Response: Refer to the comment letter from the SHPO, page 2: “Our assessment of this area, taking into account the contributing nature of buildings, structures, and landscapes, shows a high degree of historical integrity, with over 80 percent contributing properties, both in 1971 and currently. Further, the additional cumulative effects of any of the Project alternatives will not diminish the percentage of contributing properties to the point where the water power area as a whole would lose eligibility.”

Phoenix Lofts and 520/521 EAWs (historical consultant was the 106 Group): “The Phoenix proposal is typical of activity, but not the intensity, of recent development along the River, and given the housing development and in place amenities along the River, will not initiate or create any cumulative impacts.” The Findings Document for this EAW addressed the issue of cumulative impacts as follows: “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.” Similar comments are included in the EAW the City prepared for the 520/521 Project.

DeLaSalle EAW (historical consultant was Carol Zellie, Landscape Research LLC): “There are no additional cumulative impacts known at this time.”

Crown Hydro issue: The Findings Document already addressed this issue with the following statement: “With what is known at this time, the Wave Project will unlikely have any effects on the potential Crown Hydro project not already disclosed in the EAW. If the Crown Hydro project exceeds 25 megawatts in capacity, the City will require the preparation of a Mandatory EAW for the project. The City will also likely require the preparation of an extensive historical/archeological effects analysis as a part of the permit application process before the Heritage Preservation Commission.”

- **Comment (NPS from 2/15/07 letter):** “In Sections 2.2, 4.4 and 7.2 on Cumulative Effects, the Findings Document does not discuss the nature of the Wave’s cumulative impact. The Findings Document states that “it is difficult and perhaps even questionable to attempt to predict potential cumulative effects beyond those described herein.” We do not believe this is the case. The EAW Guidelines state that, “The intent here is to put the project’s potential impacts into the context of impacts caused by other past, present or future projects in the area, so that the RGU can assess the cumulative impacts to the environment.” The cumulative impact analysis makes no effort to discuss past impacts to the character and integrity of the St. Anthony Falls Historic District or to put those effects into context with the current and potential future impacts. Furthermore, while it acknowledges that projects are being built on the East Side, the analysis only talks about cumulative impacts on the West Side. The cumulative impacts analysis should look at the whole St. Anthony Falls Historic District.

“The cumulative effects analysis should make some effort at answering the following questions: How much have past projects impacted the character and integrity of the Historic District? How much more would this project add to those past adverse effects? Would the additional impacts be so great as to irretrievably damage the character and integrity of the Historic District?”

“The Findings Document emphasizes that most of the WBMA has been developed. It says that only Parcel A is left to develop, and the City has plans to build something there soon. This alone is a strong statement about cumulative effects. How much has all the other development impacted the character and integrity of the Historic District? What would the Wave add to this?”

“The Findings Document mentions the Pillsbury A Mill and the Phoenix development projects but does not assess those developments as part of the cumulative affect on the Historic District. The De LaSalle project, which would have a significant adverse effect the Historic District, is not discussed either.

“The Cumulative Impacts analysis should clearly show how past projects have affected the Historic District and how the Wave Project would add to those affects. This is essential, because the City needs to know whether this particular development would be the last straw that destroys the overall historic character and integrity of the Historic District. The City needs to know if the National Register integrity of the Historic District would be lost. Neither the EAW nor the Findings Document provides the information needed to make this assessment. We do not know how the decision of whether an Environmental Impact Statement is needed can be made without an adequate Cumulative Impacts analysis.”

- **CITY RESPONSE:** The above City response to the comment from the MnSHPO regarding the cumulative effects of prior approved projects within the SAFHD addresses this same comment from the NPS. Furthermore, the work of the 106 Group in initially analyzing the potential negative impacts of the Wave Project found in Table 3, its subsequent study on visual effects, and the incorporation of previous environmental studies addresses the NPS concerns regarding the setting, feeling, and association elements in the WBMA and the SAFHD generally.

In a larger sense, the NPS is asking the City to render a judgment on an issue that the NPS itself should make in accord with its administration responsibilities over the National Register of Historic Places. That issue is whether the City’s practice of approving private sector projects in the SAFHD that, through appropriate reuse, preserve some historic resources and destroy others has resulted (or will result if the City approves the Wave Project as proposed) in the loss by the SAFHD of its eligibility for continued listing on the National Register.

As thoroughly disclosed in the EAW and Findings Document, the Wave Project will have substantive positive as well as adverse effects on the SAFHD. City staff considered these effects and the fact that the MnSHPO concluded that the cumulative effects of the much larger A Mill Project “will not diminish the percentage of contributing properties to the point where the water power area as a whole would lose eligibility,” After consideration of the historic effects of the above-described projects, the City approved the three mixed-

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

use residential projects, all of which are significantly larger than the Wave Project, and the Heritage Preservation Commission permits for the DeLaSalle Project.

While the feel of the SAFHD has changed over the years from a predominantly industrial feel to one of residential and supporting commercial due to new and infill construction, the City approvals indicate that the City did not consider such an effect to be sufficiently adverse to warrant project denials. Moreover, the City's actions to approve these four other projects within the SAFHD indicates an awareness that preservation of the historic resources at issue could only be accomplished by the private sector and its investment in the resources, which inevitably meant a change of use. As a result, City staff believe that the Findings document adequately addresses the cumulative effects issues raised by several commentators based on the studies of the 106 Group contained in the Findings document, and the cumulative analysis of impacts incorporated by reference from earlier environmental studies for the A Mill and for the other projects within the SAFHD. As a result, the cumulative impacts analysis of the Wave EAW is adequate for use during the City's regulatory processes.

- **Comment (EB):** “The MPRB is considering whether to proceed further with a proposal from Crown Hydro to build a hydroelectric plant in the Mill Ruins Park. According to SHPO, this plant can not be placed in its proposed location without destroying extremely important historical structures that are not only on the National Register of Historic Places (as part of St Anthony Falls Historic District), but may also be eligible for National Landmark status. The Crown Hydro project has a direct impact on the Wave EAW as the underground structures being destroyed in both projects are part of the same ‘engineering marvel’ that allowed the mills to develop as they did on the west bank of the river.”
- **CITY RESPONSE:** According to MPRB staff, the above comment is correct. The Crown Hydro group is back asking the Board to lease a piece of land just upstream from the Historic Mill Headrace. They have made an attempt to move far enough up stream to avoid any contact with the old headrace walls that are under the Park Board's parking lot. The new location is directly in front of the Fuji Ya building. The only known impacts will be to the existing underground tunnels that Crown plans to use for its connection to the Mill Ruins tailrace. With what is known at this time, the Wave Project will unlikely have any effects on the potential Crown Hydro project not already disclosed in the EAW. If the Crown Hydro project exceeds 25 megawatts in capacity, the City will require the preparation of a Mandatory EAW for the project.¹⁰ The City will also likely require the preparation of an extensive historical/archeological effects analysis as a part of the permit application process before the Heritage Preservation Commission.

¹⁰ Per Minn Rules at 4410.4400 Subp. 2.

4.5 Measures to avoid and mitigate adverse effects:

- **Comment (Mn OSA):** “With regard to archaeological impacts, it is clear from the EAW that the proposed Wave development would have an adverse effect to several archaeological sites – the Bassett Sawmill, the Columbia Flour Mill, the Occidental Flour Mill, and the Minneapolis Eastern Railroad facilities associated with these mills. All four of these sites are within the National Register of Historic Places (NRHP) listed district and I consider all four of them to be contributing to the district. As indicated in the answer to Question 25 in the EAW, the archaeological consultants who assessed the impacts on the Wave development on these sites considered them individually eligible to the NRHP under Criterion A (importance to history) and possibly Criterion D (research potential). I concur with these determinations.

“Impacts to sites eligible under just NRHP Criterion D are generally able to be mitigated through intensive archaeological excavation because the significant data is theoretically recovered. If, as suggested in the EAW, additional archaeological work was done at these sites, the Criterion D impacts could be adequately mitigated.”

- **Comment (Mn OSA):** “Impacts to sites eligible under Criterion A are not so easily mitigated because it is the very *in situ* presence of their artifacts, bricks, and mortar that give them integrity and provide the means to convey their significance. Various treatments can reduce adverse impacts to Criterion A sites, but if the site is significantly altered, the site loses its eligibility due to a loss of integrity. I see no way that the adverse impacts of the Wave development to the Criterion A aspects of the sites can be adequately mitigated. Keeping pieces, interpreting pieces, and displaying pieces is not enough. The ruins of the Bassett Sawmill are the last substantial remnant of the sawmilling industry in the historic district. The ruins of the Columbia Mill and Occidental Mill are some of the most substantial and certainly the least developed above ground ruins in the district. To further damage any of these ruins would be a travesty to the city’s history and clearly result in the sites becoming non-contributing within the district.”
- **Comment (NPS):** “Overall, we see no evidence that the Wave project would meet any of the Secretary of the Interior Standards. The EAW suggests that the project would meet one standard because it would not create a false sense of history. Since the EAW does not present any detailed plans for the former Fuji Ya restaurant, it is not clear how any of the Standards would be met for this structure.”
- **Comment (Mn SHPO):** “The mitigation strategies section of the EAW includes archaeological data recovery and historical interpretation as potential mitigation items. Project alternatives that would reduce or avoid adverse effects need more consideration, and these could reduce or eliminate mitigation needs. That said, both archaeological data recovery and historical interpretation are appropriate mitigation strategies, if needed. Any archaeological data recovery should be under the direction of a historical archaeologist

with experience in industrial archaeology, and research questions should be framed within the context of the historic waterpower system. Additional mitigation measures that reinforce the historic values in this part of the St. Anthony Falls Historic District need to be developed for any project alternative that does not achieve a substantial reduction of the level of effect discussed for the Proposed Development Alternative.”

- **Comment (Mn OSA):** “Perhaps the most profound impact of the Wave development would be to the historic district as a whole. . . . We have reached critical mass in the re-establishment of the vitality of the St. Anthony Falls Historic District. The new Guthrie Theatre is proof enough. However, in our striving to reach commercial vitality, we are in danger of losing one of the three critical elements of the district – history, an element that is part of the very title. We have so little of the original historic fabric left that each time we lose a little, we come closer to losing the entire entity. As with successful business, there is a critical mass for history. Without that mass, the district can be de-listed from the National Register and we end up with a few scattered buildings and sites that individually retain enough integrity for listing, but the old becomes lost amid the new.

“I have never been against private development in the Mill District because that development is critical to maintaining interest in the city’s riverfront history and that interest is critical to historic preservation within the district. However, there are appropriate and inappropriate developments. Once business becomes more important than history and inappropriate developments become the rule not the exception, we are in danger of losing the authentic history completely. Then the Mill District becomes ‘Historyland’ where little is original and it is difficult to sort out fact from fiction. Old buildings and ruins don’t have to be “charming” to warrant preservation. As a colleague of mine once said, ‘It’s not the National Register of Pretty Places.’

“I think it would be a grave mistake for the city of Minneapolis to permit the Wave development to proceed in a manner that would not only destroy some very significant historic fabric, but to create another wall between the city’s past and the city’s future. Furthermore, the MPRB needs to examine their own history and learn some lessons from their benevolent and widely beneficial previous decisions along West River Road.”

- **CITY RESPONSE:** In response to the EAW comments, the Developer produced a restoration, preservation, and rehabilitation plan intended to avoid and mitigate adverse historic effects. To accomplish this, the Developer convened a series of three workshops that included representatives from the Minnesota State Historic Preservation Office, the State Archeologist, and others (Exhibit J provides a summary of the workshop results).

As a result of these efforts, the Developer revised the design and altered the Project footprint to retain the exposed historic ruins of the Columbia Flour Mill *in situ*, thereby maintaining the character-defining features of the immediate site. In addition, the Bassett Sawmill ruins under the Fuji Ya would be rehabilitated and preserved *in situ* and would be made accessible to the public through the functions of a wine grotto and restaurant.

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

The remains of the Columbia Mill would also be rehabilitated *in situ* to Secretary of the Interior Standards and incorporated into the functions of a spa, with the exterior (north) walls of the Columbia Mill visible from the public realm. The remaining walls of the Occidental Mill are located under 1st Street right-of-way, outside the project boundary. Omni would review structural issues with the City Engineer to determine whether preservation beneath the right-of-way is feasible. Omni would utilize a fluid, Design Build construction process for the Project in order to evaluate archaeological features uncovered during the construction and determine how best to avoid or mitigate adverse effects to those features.

The Developer produced the following materials, which are added in Exhibit H to the EAW:

1. Archaeological overview map
2. Historical Evaluation of Fuji Ya and Data Recovery Plan Preparation, by the 106 Group
3. Wave Preservation and Rehabilitation Plan
4. Revised “Table 3, Recommended Alternatives to Reduce or Remove Adverse Effects” from the report, “The Wave Development Analysis of Effects and Phase II Archaeological Evaluation, Minneapolis, Hennepin County, Minnesota,” by The 106 Group Ltd.

4.6 Effects on Regional Park System:

- **Comment (Met Council):** Ignores that the site is part of the Met Council’s regional park system (at least as defined by its listing in the data base). . . . The Metropolitan Council is concerned with the proposed project’s destruction of irreplaceable significant historic and archeological resources. The EAW document, attachments and archeological evaluation report clearly document that the project would destroy irreplaceable historic and archeological resources. Large capital investments have been made to develop the regional and local park systems to accentuate the area’s rich local history and leave a legacy for future generations. Opportunities for preservation of artifacts on The Wave site are ripe, considering the property is currently under public ownership. Due to the close proximity to Mill Ruins Park as well as the Mississippi Central Riverfront Regional Park, Grand Rounds National Scenic Byway and the historic Stone Arch Bridge, the use of this site for historic preservation and interpretation could complement the existing park system.”

“The EAW and archeological evaluation report detail measures that can be taken to complement, preserve and/or interpret the site’s historical resources, but The Wave project clearly does not utilize these measures. The Council is concerned that any use or development on the site be complementary to the character of the St. Anthony Falls Historic District. If the site is developed, the Council urges that the impact and disruption (including traffic, visual impact, noise, odors, dust and access) to the adjacent regional

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

park activities and facilities be minimal. Permanent pedestrian access to the park from the site should be provided.

“The Council is concerned about the significant adverse visual impacts The Wave project would have to regional park users and finds that, as proposed, the project is incompatible to the adjacent regional park. The river/park side of the development presents a public face to an area of regional and national significance and therefore deserves special scrutiny and attention.”

- **CITY RESPONSE:** Currently, there is no pedestrian access between the east side of the Crown Roller Mill and the Hennepin Ave. Bridge, a distance of 2,500 ft., nearly half a mile. Pedestrian access would be provided from 1st St. through the proposed building to the lowest level of the parking ramp in the area that would be utilized by the Park Board. In addition, Omni has discussed with City staff opportunities for a public/private partnership to create a trail system to the riverfront across the City-owned Parcel A site located to the south of the RiverWest Building, and has committed to fully support and contribute to such a Project. The prospect of an interpretative space along the remains of the Columbia Mill on West River Road is still under consideration and would be incorporated either into the current design or the information would be provided to one of the local museums, or both. The design team has worked with the historical community to accommodate design standards that would enhance the visual presence of the ruins to park users, particularly along the riverfront. The status of the property as it exists in its current state is one of blight and disrepair and it creates a public safety hazard.

4.7 Consistency with applicable plans, policies, and regulations:

- **Comment (NPS):** “Among the NPS’s chief purposes within the MNRRA are the preservation, enhancement, and interpretation of archeological, ethnographic, and historic resources. Of all the nationally significant resources for which Congress established the MNRRA, the St. Anthony Falls Historic District is one of the most important. As currently proposed, the Wave project would unquestionably result in significant adverse impacts upon the Historic District, and therefore, on the entire MNRRA. As such, the Project does not comply with the historic preservation provisions of the MNRRA CMP and should not be approved as proposed.”
- **Comment (NPS):** The EAW has an inadequate discussion of the Mississippi National River Recreation Area Comprehensive Management Plan.
- **CITY RESPONSE:** Exhibit G includes a revised discussion of the Project’s consistency with the Final Comprehensive Management Plan for the Mississippi National River and Recreation Area.

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

- **Comment NPS):** While the mitigation strategies for the building design could lessen the adverse physical and visual effects, the strategies do not constitute mitigation under the Section 106 process.
- **CITY RESPONSE:** No federal funds are involved in this project and, therefore, no federal 106 Review is warranted.
- **Comment (Met Council):** “The project appears to conflict with substantial portions and provisions of applicable plans and regulations. . . . However, it is clear from the list provided in the EAW (p. 39) and the analysis in Attachment 9 that The Wave project is more often inconsistent or in conflict with the community’s plans and regulations than it is in concert with them.

“The project seems consistent with regards to general land use policy, but inconsistent with respect to the specifics of this Project, such as building heights, protection of slopes, and historic resources. The number of approvals and variances required (see Attachment 9, p. 15) is another indicator that the project is not well matched to existing plans and regulations.

“The goals in the City’s comprehensive plan that may be viewed as supportive of the project are more general in nature, (such as supporting providing housing choice or thriving neighborhoods), while those in conflict with the project are more specific – particularly where referencing historic and Mississippi River-related resources. The Council in general is very supportive of providing multi-family housing, especially in communities where such housing is scarce and where affordable housing is provided. Minneapolis, however, has had no shortage of multi-family housing development in recent years, particularly in this area. This particular project provides no affordable housing. The Council notes that while housing can be provided in many locations, the Mississippi River and its related historic resources are unique.

“The City’s comprehensive plan includes many policies and implementing instruments. State statute directs that implementing instruments of a comprehensive plan may not be in conflict with the plan and may not allow activities in conflict with metropolitan system plans. The 2030 Regional Parks Policy Plan, Strategy 5a indicates that: ‘The Metropolitan Council may require plan modifications to local comprehensive plans, updates or amendments that would more likely than not have adverse and substantial impacts on the current or future intended uses of the regional parks system lands or facilities, or are likely to have adverse and substantial impacts on lands that are officially recommended for acquisition in an adopted policy plan.’

“If the proposed project conflicts with the City’s comprehensive plan, either the project or the plan must be amended before site approvals may be issued. This is true for all re-developments in the City and is of particular concern as denser, mixed-use projects continue to be proposed in Minneapolis – especially in historic districts and/or other

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

special areas. (Please refer also to the August 2, 2006 letter from the Council to the City of Minneapolis regarding the Pacific Block EAW.)

“The proposed project conflicts with the City’s Critical Area plan and with Critical Area guidelines. The proposed project lies within the Mississippi River Critical Area corridor, within the urban-diversified district. The EAW, Appendix 9, thoroughly discusses how the project meets or is in conflict with Critical Area guidelines and policies. Council staff supports the EAW’s findings on the project’s relationship with the Mississippi River Critical Area guidelines (Executive Order 79-19) and the City’s Critical Area Plan. Council staff recommends that the RGU address how the proposed project would be altered to meet the Critical Area guidelines and policies, including the Mississippi National River and Recreation Area (MNRRA) policies. Concerns include:

- “The current proposal would result in the destruction of significant historic and archeological resources. This is inconsistent with Critical Area guidelines and policies, specifically sections A.1.c. and B.2.b. and Policy III.A-3 of the City’s 2006 Critical Area Plan.
 - “The project is not consistent with Critical Area policy regarding visual quality and visual impact. Policy III.B-1 of the City’s 2006 Critical Area Plan states that walls of tall buildings along the river corridor should be avoided.
 - “The project is not consistent with Critical Area policy regarding bluff protection. The project proposes building into a bluff. The City’s Critical Area plan says in policy III.C-3, (as state statute requires), that “slopes steeper than 18 percent or bluffs should be protected in their natural state. Land disturbance along the bluff face should be prohibited.”
-
- **CITY RESPONSE:** Exhibit G includes a revised and expanded analysis of the Project’s consistency with applicable plans and policies that addresses these concerns.
 - **Comment (RHMH):** “Public vs. Private Benefits: Converting public land intended for public use into a private use development would not be to the best interests of taxpayers and residents. Removal of this parcel from the public open space corridor of the Mississippi River violates the intent and vision of Horace W. Cleveland’s Park and Open Space Plan approved by the Park Board in 1883 and all subsequent open space planning and policy of the city. The loss would be a significant adverse impact to public parks and open space resources.”
 - **CITY RESPONSE:** The MPRB Master Plan for the Mill District Park and West River Parkway (adopted by the MPRB in 1983 and modified thereafter) shows the Project site to be on land not needed for the park and parkway.
 - **Comment (MnSHPO from 2/15/07 letter):** “To be sure, the Findings document makes it clear that the revised project does have substantial adverse effects on historic properties, including loss of most of the archaeological remnants of the Occidental Mill,

and adverse visual effects on this portion of the St. Anthony Falls Historic District resulting from the height, massing, and scale of the new construction. The careful analysis of these effects in the Findings document should be closely considered by the Heritage Preservation Commission and the Planning Commission in making decisions about project permits.”

- **CITY RESPONSE:** So noted for the record.

4.8 Traffic issues:

4.8.1 Future traffic growth:

- **Comment (DV):** Data used to describe the traffic volume was based on studies conducted in 2004 (Bridge Place Travel Demand Management Plan), which might have underestimated future traffic growth in the area. The data provided in the EAW showing both 2006 and forecast 2009 traffic volumes does not appear to have taken in account the following:
 - The opening of the Carlyle (255 units),
 - RiverWest, which is not fully occupied (410 total units),
 - Whitney Historic Residence (31 units),
 - Cobalt Condominiums at 45 University Avenue (94 units).

Thereby adding to the traffic flow and increasing congestion.

- **CITY RESPONSE:** As described in the EAW, the traffic study conducted for the Wave EAW incorporated all traffic projections made within the approved Bridge Place TDM Plan, which specifically accounted for the following future developments:
 - The Carlyle (southwest quadrant of 3rd Avenue S/1st Street)
 - Depot East – Parcel C (block bound by 5th Avenue, Portland Avenue, 2nd Street and Washington Avenue)
 - MacPhail School (south east quadrant of 5th Avenue/2nd Street).
 - St. Anthony Falls Heritage Center (blocks bound by Portland Avenue, Chicago Avenue, 2nd Street and Washington Avenue).

The Bridge Place Travel Demand Management (TDM) Plan (September 2004) is the traffic impact study conducted for The Carlyle. In addition to the specific traffic forecast projections expected with the completed and occupied Carlyle, the forecasts provided within the Bridge Place TDM Plan also include future traffic projections for a completed Depot East (Parcel C), MacPhail School for Music, and St. Anthony Falls Heritage Center (i.e., redevelopment of blocks between Portland Avenue, Chicago Avenue, 2nd Street and Washington Avenue). All traffic projections expected within the 1st Street/3rd Avenue study area, because of The Carlyle, completed Depot East, MacPhail School, and St. Anthony Falls

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

Heritage Center redevelopments were included within the Wave EAW traffic study and represent a conservative estimate of future traffic conditions. Staff of the Minneapolis Public Works and Planning departments approved all accompany traffic forecasting projections in the Bridge Place TDM Plan and approved it as an acceptable document for use for the Wave EAW.

The traffic study did not specifically account for unoccupied units within RiverWest, the Whitney Residence, or the Cobalt Condominiums. Based on information provided by the RiverWest Property Management, the building is approximately 85 percent occupied (i.e., approximately 62 units unoccupied). Although the proposed project (Wave Development) expected trip generation accounts for less than 1.7 percent and 4.9 percent of the total traffic volume at the 3rd Avenue/1st Street intersection; and the background developments would occur regardless of the proposed project, the traffic forecasts and analysis were revised to address this concern.

The forecast 2009 No-build traffic volumes include a one-percent-per-year growth-rate factor, plus traffic generation estimates (fully occupied) for the seven other nearby developments. The forecast 2009 Build traffic volumes includes a - percent-per-year growth-rate factor, plus the seven other nearby developments fully occupied anticipated traffic generation, plus the proposed project trip generation. Table A-1, below, provides the revised 2009 forecast traffic volumes under both the No-build and Build conditions.

Table A-1. Revised Year 2009 Forecast Traffic Volumes

AM Peak Hour

	Northbound			Westbound			Southbound			Eastbound		
	Left	Thru	Right	Left	Thru	Right	Left	Thru	Right	Left	Thru	Right
No-Build 2009 (Revised)	133	328	12	8	85	53	81	848	246	151	84	183
Build 2009 (Revised)	133	328	15	13	91	58	85	848	246	151	89	183

PM Peak Hour

	Northbound			Westbound			Southbound			Eastbound		
	Left	Thru	Right	Left	Thru	Right	Left	Thru	Right	Left	Thru	Right
No-Build 2009 (Revised)	168	1023	11	5	64	183	20	513	168	297	89	133
Build 2009 (Revised)	168	1023	31	18	80	193	36	513	168	297	113	133

Based on the revised forecast traffic volumes to include the additional developments and occupied residential units in the area, the intersection capacity analysis was updated. Table A-2 provides a summary of the intersection average

delay and intersection Level of Service for both the forecast 2009 No-build and 2009 Build conditions.

Table A-2. Revised Year 2009 Traffic Analysis – LOS Summary

Scenario		AM Peak	PM Peak
2009 No-build	Level of Service	C	C
	Intersection Delay (s)	27.7	24.8
2009 Build	Level of Service	C	C
	Intersection Delay (s)	28.5	25.5

The comparison between the No-build and Build conditions defines the project specific impact. As shown in Table A-2, the incremental change is less than 3 percent. As such, the proposed project has a negligible impact on traffic congestion in the area. The tabulated LOS shown in Table A-2 is consistent with the findings presented in the approved Bridge Place TDM Plan and is an acceptable operation level for urban intersections. By City policy and professional practice, the LOS D/E boundary is the governing threshold identifying deficient conditions warranting mitigation solutions or study.

It should be noted that the 3rd Avenue S./1st Street intersection could be further improved through minor signal timing adjustments and should be considered in the near future. Periodic signal re-timing is standard practice and would be necessary regardless of the proposed project. In addition, future consideration of restricting the southbound left turn movement (7-9AM) at the 3rd Avenue S./1st Street intersection may also become warranted. However, such improvements would be necessary regardless of the proposed project.

- Comment (DV):** The 2006 data apparently was taken during a period when construction of The Carlyle restricted traffic flow and caused periodic detours to avoid the construction, thereby, providing an inaccurate picture of the true current traffic flow through the area.
- CITY RESPONSE:** Intersection traffic volumes were collected in June 2006 at the 3rd Avenue/1st Street intersection. Only the eastbound approach had a traffic restriction (right-lane closed). No detours were posted or in operation at the time of the traffic count. However, the lane closure likely affected the eastbound traffic volumes. Prior to conducting the Wave EAW traffic study, a comparison was made to a 2004 intersection volume count, where a 25 percent reduction from 2004 to 2006 was found during the AM peak hour. The PM peak hour traffic volumes were found similar (less than 1 percent). Based on this comparison and determination, which is sited on Page 14 of the EAW, the larger year 2004 traffic volumes collected as part of the Bridge Place TDM (no construction activity in area) were used to develop existing conditions for the Wave EAW traffic study.

Furthermore, the 2004 field collected traffic volumes were inflated by 2 percent (1 percent per year) to arrive at a conservative year 2006 existing condition.

It should be noted that standard traffic engineering practice and current City policy allow for the use of traffic data collected within a 3-year time period and is consider a reasonably accurate depiction of existing conditions. Considering the Wave EAW traffic study further inflated 2004 field collected traffic volumes in the analysis of year 2006 existing conditions, a conservative evaluation was conducted.

- **Comment (PAM):** The development's proposed assignment of 2.9 parking spaces/residential unit exceeds City recommendations and Code, while the development's proposed assignment of 90 parking spaces for commercial and public use has a deficit of 44 Code-required spaces. The proposed 38 residential units distributed over the stated residential floor area of 137,175 sq. ft. creates a large average unit size of approximately 3,610 sq. ft. This fact—and the excess residential parking—raises questions about the possibility that additional units would be added, rendering the traffic and environmental impacts of the project, as described in the EAW, obsolete.
- **CITY RESPONSE:** In accordance with the Minneapolis Zoning Code and Ordinance, Article III of Chapter 541, the minimum off-street parking requirement is one parking stall per dwelling unit. The Minneapolis Zoning Code and Ordinance does not specify a maximum parking ratio. As a standard travel demand management measure to help minimize single-occupant vehicle trip generation, the Public Works and Planning departments typically strive for a parking ratio 1.5 stalls per dwelling unit or less in the urban core. According to Omni, the demographic that has been indicated for the Project would have greater parking needs than the City's minimum requirement based on market experience that sales lag for the lack of additional parking availability. Based on the market analysis and anticipated tenants of the residential units, Omni believes a parking ratio greater than 2.0 to be necessary. Only one parking stall would be sold with each unit. Tenants requiring additional parking stalls would be able to purchase them at market rate.

In order to accommodate preservation of the Columbia Mill ruins, the parking areas have been revised, resulting in a decrease in the number of parking spaces within garage serving the residential uses from 109 spaces to 88 spaces and an increase in the number of commercial spaces from 90 spaces to 107 spaces. Thus, the parking ration for the residential units has decreased to 2.3 and the deficit for the commercial uses has decreased to 27 spaces. The actual number of parking spaces required and provided and specific responses to the anticipated shortfall of commercial parking spaces would be the subject of the land use permit process

subsequent to the completion of the EAW process. At this time, the options under consideration include the following:

- Making application in request of a variance to the Zoning Code off-street parking requirements for the commercial use. Excess parking demand could be accommodated through utilization of on-street (metered stalls) or other off-street public parking facilities (public surface lot north of Washington Avenue, west of 5th Avenue and east of 3rd Avenue). A recent parking utilization study found 88 vacant stalls during a mid-day weekday – peak background parking demand time period. The peak parking demand for the proposed project is a weekend evening, in which case a far greater number of stalls would be available in the adjacent surface lot.
- Pursue an off-street parking agreement with the nearby public surface lot. An agreement to lease parking stalls during the peak restaurant time period (after 6 PM) would secure the additional 44 stalls.

4.8.2 Access points:

- **Comment (Mn DOT):** Consideration should be given to developing the accesses to 1st Street far enough from TH 65 as to not interfere with the operation of the intersection.
- **CITY RESPONSE:** The underground parking structures take advantage of the natural slope of the site. As such, to maximize and cost-effectively provide underground parking, specific location of access to 1st Street becomes limited. The westerly most access onto 1st Street, as shown in Attachment 1 of the EAW is approximately 240 feet from TH 65 (3rd Avenue S), almost one city block. Based on the traffic operation analysis, the 95th percentile queue length under the forecast 2009 traffic volumes for the westbound approach to the 3rd Avenue S/1st Street intersection is approximately 220 feet (11 vehicles). An adverse operational impact to the proposed access point or 3rd Avenue S at 1st Street is not expected.
- **Comment (TK, and similar comments from TH, MK):** Concerned about the amount of traffic to be poured onto 4th Street and other streets in the area.
- **CITY RESPONSE:** Based on the location of the project site, it is suspected that the commentator was referring to either 1st Street or 5th Avenue. As shown in Table 1 of the EAW, the proposed project is expected to generate an additional 36 vehicles during the AM peak hour and 130 vehicles during the PM peak hour. Based on expected destinations/originations and major transportation routes, approximately 9 vehicles and 27 vehicles are expected to use 1st Street to/from the west and 4th Avenue to/from the south during the AM peak hour (i.e., 1 vehicle every 2 minutes to/from the west, and 1 vehicle every 6 minutes along 4th Avenue). During the PM peak hour approximately 1 vehicle every 50 seconds to/from the west along 1st Street and 1 vehicle every 2 minutes to/from 4th

Avenue. Given this perspective, the traffic generated because of the proposed project is relatively insignificant in comparison to the surrounding area and existing background traffic. Furthermore, the expected number of vehicles generated along 1st Street is expected to be even lower (approximately half or twice as much average time between vehicles), as both the residential units and commercial space may utilize the lower levels of the parking structure. This would result in motorists using West River Road in lieu of 1st Street.

- **Comment (RHHM):** The 38-unit residential unit with 9,400 SF spa and 9,600 SF restaurant would substantially increase the traffic on 1st Street and the nearby intersections. With two entrances onto 1st Street from such a heavy traffic generating use as proposed, getting in and out of our residential complex parking area would be challenging and potentially unsafe.
- **CITY RESPONSE:** As shown in Table 1, of the EAW, the proposed project is expected to generate an additional 36 vehicles during the AM peak hour and 130 vehicles during the PM peak hour. The proposed project (Wave Development) expected trip generation accounts for less than 1.7 percent and 4.9 percent of the total traffic volume at the 3rd Avenue/1st Street intersection. To give order of magnitude perspective; the expected trips generated as a result of the proposed project is approximately 1 new vehicle every 2 minutes to/from the west, and 1 new vehicle every 6 minutes along 4th Avenue are expected during the AM peak hour. During the PM peak hour approximately 1 vehicle every 50 seconds to/from the west along 1st Street and 1 vehicle every 2 minutes to/from 4th Avenue. Furthermore, the expected number of vehicles generated along 1st Street is expected to be even lower (approximately half or twice as much average time between vehicles), as both the residential units and commercial space may utilize the lower levels of the parking structure. This would result in motorists using West River Road in lieu of 1st Street.

The proposed access points along 1st Street are equal in number to that of RiverWest Building and would be located across the street. The Site Access driveways would be visible and are not expected to present a safety hazard. As a matter of clarification, given the anticipated land use of the proposed project and RiverWest, the proposed project is expected to generate only 1/5 the traffic of RiverWest (once fully occupied) during the AM peak hour and 3/5 the traffic of RiverWest during the PM peak hour.

- **Comment (MR and similar comment from CD):** I don't believe a complete evaluation of traffic density was documented because no specific evaluation was done on the effect of two access points from the site to West River Road.
- **CITY RESPONSE:** Based on the site plan and parking level configurations (Attachment 1 of the EAW), approximately 118 parking stalls (53 residential and

65 public) would have access via West River Road in lieu of 1st Street. Currently West River Road accommodates approximately 4,000 vehicles per day or approximately 400 vehicles during the AM or PM peak hours. Based on the expected trip generation (Table 1 on Page 15 of the EAW) for the proposed development and the anticipated direction distribution (Page 15 of the EAW), the site access points to West River Road are expected to operate at a LOS B. By city policy and professional practice, the LOS D/E boundary is the governing threshold identifying deficient conditions warranting mitigation solutions or further study. As such, a LOS B operation is acceptable.

Based on field observations the proposed westerly most access point is expected to have approximately 185 feet of sight distance (viewing traffic approaching from the northwest, which provides the motorists a sightline to view traffic gaps of 5-6 seconds). This sight distance is limited by the horizontal roadway curve, median pine trees and the 3rd Avenue S bridge piers. The stopped approach sight distance, for the proposed easterly most site access point is approximately 220 feet (viewing traffic approaching from the southeast, which is approximately 6-7 seconds) and is limited by the horizontal curve of the roadway. Although the sight distance for these critical approaches is less than ideal, the distance is greater than the stopping sight distance of approaching motorists. A sight line of 185 feet is equivalent or greater than many of Minneapolis urban intersections, where on-street parking, bus shelters, building corners and other obstructions are present along the corners. However, consideration should be given to exploring options to further maximizing the looking northwest (westerly site driveway) and the looking southeast (easterly site driveway) as the project moves forward and plans are finalized.

4.8.3 Traffic noise:

- **Comment (MN DOT):** Mn DOT's policy is to assist local governments in promoting compatibility between land use and highways. Residential uses located adjacent to highways often result in complaints about traffic noise. Traffic noise from this highway could exceed noise standards established by the MPCA, the U.S. Department of Housing and Urban Development and the U.S. Department of Transportation. Minnesota Rule 7030.0030 state that municipalities are responsible for taking all reasonable measures to prevent land use activities listed in the MPCA's Noise Area Classification (NAC) where the establishment of the land use would result in violations of established noise standards. Mn/DOT policy regarding development adjacent to existing highways prohibits the expenditure of highway funds for noise mitigation measures in such areas. The developer should assess the noise situation and take the action deemed necessary to minimize the impact of any highway noise.

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

- **CITY RESPONSE:** The EAW evaluated vehicular movements and congestion on pages 13-17. The projected Level of Service (LOS) classifications for the intersection of 1st St. and 3rd Ave. S. are LOS C for both the a.m. and p.m. peak hours during all three periods of study: Existing, No-build in 2009, and Build in 2009. Adverse noise effects are not normally associated with LOS D or better. In addition, the closest part of the project would be located more than 100 ft. from the centerlines of the intersection.
- **Comment (LLW):** At this time the most traffic on 1st Street and 3rd and 5th Avenue is early mornings and late afternoon when US Postal trucks are en-route to the and from the Post Office. The noise at those 2 times of day is double what it is other times of the day. Adding more traffic to that corridor would create more than double that amount and because of the size and height of the latest proposed building plan, would also create a “tunnel” and “echo” effect.
- **CITY RESPONSE:** The traffic impact study conducted for the proposed project evaluated the AM and PM peak periods, which also captures the time periods for peak US Postal trucks. Truck traffic would generally increase the road noise of any city street; however, it should be noted that this condition exists regardless of the proposed project.

Based on the trip generation estimates presented in Table 1 on Page 15 of the EAW, the proposed project is contributing less than 5 percent and 14 percent of the overall traffic along 1st Street during the AM and PM peak hours, respectively. To give order of magnitude perspective; the expected trips generated as a result of the proposed project is approximately 1 new vehicle every 2 minutes to/from the west, and 1 new vehicle every 6 minutes along 4th Avenue are expected during the AM peak hour. During the PM peak hour approximately 1 vehicle every 50 seconds to/from the west along 1st Street and 1 vehicle every 2 minutes to/from 4th Avenue. Furthermore, the expected number of vehicles generated along 1st Street is expected to be even lower (approximately half or twice as much average time between vehicles), as both the residential units and commercial space may utilize the lower levels of the parking structure. This would result in motorists using West River Road in lieu of 1st Street.

It should also be noted that the proposed project is expected to generate only 1/5 the traffic of RiverWest (once fully occupied) during the AM peak hour and 3/5 the traffic of RiverWest during the PM peak hour. It is not reasonable to make any comparison that suggests 36 AM peak hour or 130 PM peak hour trips (38 dwelling units and 18,600 square feet of spa/restaurant) is equivalent in proportion to the exiting of any downtown special event, which is attended by tens of thousands of people.

Given the trip generation of 36 total vehicles during the AM peak hour (less than 5 percent of background traffic) and 130 total vehicles during the PM peak hour (less than 14 percent of background traffic), in which nearly half of this would be expected to use West River Road rather than 1st Street, a “doubling” of the traffic noise simply can not be expected. Furthermore, with exception to occasional delivery vehicles, vehicles generated by the proposed project are passenger cars, which generate the least traffic noise.

4.8.4 Project is too dense and may grow in density:

- **Comment (DV):** Questioned the meaning of “38 maximum units per building” in the EAW and stated, “Is the residential portion of the Wave project considered to be one single building, or can the developers claim that it is multiple buildings, thereby allowing them to increase the number of units at would? The proposed residential square feet results in approximately 3,610 sq. ft. per dwelling. The size of these units are considerably larger than most downtown condominiums, as well as many single family, four-bedroom homes in the suburbs. The developer should be challenged to justify the size the residential area proposed.”
- **Comment (CD, BM, MC, JM):** “Smart density” is important. Within five blocks of the project site are 1,700 residential units and crossing the Stone Arch Bridge would add 3,000 more with the Pillsbury “A” Mill and other nearby projects. Project is too dense.
- **CITY RESPONSE:** The language in the EAW refers to the maximum number of units in the proposed project, regardless of the number of buildings and the size of the units. The Zoning Code limits developments to one building per zoning lot in most cases but not the size of individual units. The EAW addressed the question of density in Attachment 9, consistency with plans and the Zoning Code (the revised analysis is included as Exhibit G in this Findings Document). Multifamily residential is allowed in the C3A Zoning District as a conditional use. Since the project has structured parking and combines residential and commercial uses (per Sections 548.130 (a) and (b)), the site could have a maximum of 152 units. A maximum of 38 are proposed. This equals 38 units per acre, which is classified as high density by the City’s Comprehensive Plan; and high density residential is consistent with the applicable policies of the plan (refer to Section 2.1 to 2.4 in Exhibit G). In the event the developer decides to increase the number of units in the project after the completion of the EAW process, Planning staff would make a determination whether the EAW is still valid for the revised project based on state rules governing environmental reviews.

4.8.5 Other traffic issues:

- **Comment (MN DOT):** “Part of the project goes under Bridge #2440. As plans develop, we would like to be able to review the right-of-way easement over this area.”
- **CITY RESPONSE:** So noted for the record.
- **Comment (CK):** The Park Board cancelled a trail connection from downtown to the river because “increasing the bike and pedestrian traffic crossing the parkway at an uncontrolled intersection would increase the risk for accidents and Board’s liability for those accidents.” How can the Park Board now plan to provide 65 parking spaces in the same spot as the trail was planned and not have the exact same crossing risk they had previously?
- **CITY RESPONSE:** Based on field observations, the proposed westerly most access point (65 public parking stalls) is expected to have approximately 185 feet of sight distance (viewing traffic approaching from the northwest), which provides the motorists a sightline to view traffic gaps of 5-6 seconds. This sight distance is limited by the horizontal roadway curve, median pine trees and the 3rd Avenue S bridge piers. Although the sight distance for the critical (looking northwest) approach is less than ideal, the distance is greater than the stopping sight distance of approaching motorists. A sight line of 185 feet is equivalent or greater than many of Minneapolis urban intersections, where on-street parking, bus shelters, building corners and other obstructions are present along the corners. However, consideration should be given to exploring options to further maximizing the looking northwest (westerly site driveway as the project moves forward and plans are finalized (e.g., moving the access point southeasterly).
- **Comment (RHMH):** Pedestrian access to the existing mill ruins area and Stone Arch Bridge would also be significantly impacted.
- **CITY RESPONSE:** Pedestrian access to the Mill Ruins and Stone Arch Bridge are provided via a walkway at the 5th Avenue/1st Street intersection and at Hennepin Avenue. Neither pedestrian access point would be changed with the proposed project. The proposed project, in fact, embraces the pedestrian facilities and intends to provide improvements including new sidewalk, plaza and landscaped areas. Furthermore, the proposed project is open to exploring the feasibility of dedicating an easement for the future construction of a public bicycle/pedestrian trail connecting the parcels south of 1st Street with a trail accessing West River Road below the 1st Street Bridge.
- **Comment (RHMH):** Sight distances for pedestrians crossing 1st Street and West River Road to reach the mill ruins area are already poor, given the speed of traffic

on these streets, and with the higher traffic volumes would be particularly hazardous. It is noteworthy that no pedestrian facility such as an overpass has been included as part of this proposal.

- **CITY RESPONSE:** Sight distances for pedestrians crossing 1st Street are limited by the 90 degree roadway curve at 5th Street/1st Avenue, and by on-street parking along the southerly side of 1st Street. On-street parking along 1st Street is primarily used by RiverWest guests, visitors, or employees and exists regardless of the proposed project. Improving sight lines could be accomplished through on-street parking removal (No Parking clearance zones) and should be discussed with the RiverWest Building Office.

Vehicle speeding is a background traffic issue and is present regardless of the proposed project. Addressing vehicle speeding (motorist behavior) is most effectively addressed through continued enforcement of speed zones. Police Precinct 1 could be notified of this concern and a request made to increase enforcement during specific time periods. Furthermore, the City of Minneapolis does offer a traffic calming program (subject to certain criteria), but could be contacted for further information.

As mentioned previously, the proposed project is added approximately 1 vehicle every 6 minutes and 2 minutes (vicinity of 5th Avenue/1st Street pedestrian walkway) during the AM and PM peak hours. Given the current street width, the average pedestrian requires approximately 10 seconds to cross. Comparing the average headway of vehicles generated by the proposed project with the time required for pedestrians to cross the street results in a low probability of project specific conflict. Although there may be certain time periods where crossing 1st Street requires a short amount of patience on the part of pedestrians, the proposed project traffic volume contribution is relatively insignificant. Based on field observations, many acceptable traffic gaps are currently present for pedestrians to cross safely.

- **Comment (Met Council):** “Council staff advises eliminating the second and third sentences of the second paragraph on page 18, as indicated below: Transit and bicycling: There are no immediate transit stops at this specific location, but there are many within three blocks or less of the site. ~~There is a bus stop on 2nd Avenue that serves the Central Business District, and the Gateway Transit Center is located 2 blocks to the south on Washington Avenue between 4th and 5th Avenues. The Center serves 13 routes that provide service to the entire Twin Cities area.~~ The closest LRT station is 5 ½ blocks to the south. Also, the City maintains several bike paths on surrounding and nearby streets.”
- **CITY RESPONSE:** So noted for the record.

4.9 Economic impacts:

- **Comment (RS):** “And finally, the statutory requirement that the land be sold at “market value” is plainly violated by a sale if the surrounding assumptions respecting market value involve developer avoidance of all the historic guidelines and District height restrictions.”
- **CITY RESPONSE:** The value of the property was determined by an appraisal performed by the Park Board to establish the value. Statutory requirements related to the sale of publicly-owned property are not within the scope of the environmental review requirements for historic properties.
- **Comment (RS, and similar comments from RH/MH, KP, SD):** “Moving from the above City-wide and historical concerns, permit me a selfish comment shared by the many who have and are investing in the revitalization of this part of our City though owner occupied homes (which revival has been largely dormant for almost three decades). While admittedly views and vistas of neighboring property owners are not the key issue in whether developments should go forward, there are important related considerations, which government decision-makers hopefully might appreciate.

“First, the City owns property which may be subject to sale and development to the south of this proposed Project (the parking area south of the Mill City office building), and this property of course would be considerably less valuable with a view-obstructing building as large as that proposed, and the want of any convenient access point to the river from the bridge.

“And the built, being-built and to be built homes in this area carry high valuations in significant part because of their views of our historic river environs. (The fact that comparable home pricings can vary by 10 to 15% every five floors or so is a testament to the relationship between value and view.) In this riverfront area, the values are particularly associated with view. The nature of the St. Anthony Falls Historic District, the historical power generating falls, the existing mills and mill ruins, the Stone Arch Bridge, and the like at this particular few-block location where our City began and where its genesis was powered by the river, account for significant prices paid by purchasers for homes with related closeness and views, and of course account for the related tax roll valuations.

“These “view” factors, albeit not determinative, should be entitled to some consideration. The reasonable expectations of the homeowner citizens committing to the revitalization associated with riverfront living would be, of course, most disrupted by a Project which is more than twice as obtrusive and value-damaging than that publicly announced a year ago when buying decisions were being made. This is particularly true when these expectations were also associated with existing height limitations and other standards promulgated to protect the historical nature of this area—limitations and standards which

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

citizens understandably assume government decision-makers would not relax except on a showing of substantial reason and public interest. (Not only are the property values and other expectations of residents and home buyers disrupted, responsible developers who have risked capital to build are placed in the difficult position respecting the expectation of their buyers, the marketing of their developments, and the like, when a proposal changes so drastically from that publicly announced.)

- **CITY RESPONSE:** Future development on Parcel A would likely be oriented toward 2nd Street as views from that parcel to the river are already blocked by the RiverWest building. Because the highest massing of the Project would be on the west side of the site, the Project would have no substantive effects on views to the river from most residential structures in the West Bank Milling Area, and would have a significant effect on the views from a small percentage of units in RiverWest and the Carlyle. Since residential development began along the river, subsequent development has inherently affected the views from some of the existing residential units. (Refer also to the discussion of views in Section 4.2.)

The Project site does not currently provide pedestrian access to the river. Pedestrians can access the river and West River Road immediately to the east of the site from 5th Street. Omni has stated its commitment to work with the City in a public/private partnership to establish additional pedestrian connections from 2nd Street to the river parkway.

4.10 Need for an EIS:

- **Comment (Met Council; others also called for an EIS including the Mn SHPO, PAM, RH/MH, KSD, RS):** “The Council finds that, as proposed, The Wave project would have significant impact on the Regional Park System and urges the City to order an Environmental Impact Statement (EIS) for the project.”
- **CITY RESPONSE:** So noted for the record.

4.11 Other issues:

- **Comment (MPCA):** The MPCA identified potential permits that the Project may need.
- **CITY RESPONSE:** So noted for the record.
- **Comment (Mn DNR):** The Mn DNR identified potential permits that the Project may need, and stated, “the project proposer could further enhance stormwater treatment by including green roofs as part of the project.”
- **CITY RESPONSE:** So noted for the record.

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

- **Comment (RS):** The EAW states that the project is inconsistent with the City’s Critical Area Plan in that it includes building into the bluff but does not indicate how the City and proposer intend to resolve this incompatibility.
- **CITY RESPONSE:** The purpose of the EAW is to disclose the potential environmental effects including Project compatibility with applicable policies and plans. It is through the City’s permit review process that it would resolve any plan inconsistencies by requiring the modification of the Project to mitigate the incompatibility, or by approving or denying the applicable permit. The EAW included an analysis of the Project’s consistency with applicable plans and the Zoning Code and a description of the review process in Attachment 9. With the substantive revisions to the Project, the Findings Document includes a revised analysis in Exhibit G.
- **Comment (RS):** “Other concerns are evidenced in the EAW. The vibration damage to adjacent structures has not been determined. The length of time that a project of this magnitude would cause ever increasing living populations the discomfort of noise, dirt and dust is an issue. The shading and winter ice conditions on River Road and walk paths from a building of this height is a consideration. Importantly, this building, along with the existing post office, eliminates many opportunities for residents and visitors from neighboring hotels and homes to have a park like access to the riverfront. Also, the project would tunnel First Street, and result in considerable damage to the quality of light, property values and views in the historic Mill River office building.”
- **CITY RESPONSE:** Vibration would be within the tolerances required for any construction project in the City and concerns about vibration damage to adjacent structures would be no greater than those associated with other projects, including the most recent nearby project, the Carlyle. With respect to the ruins and preservation of the Columbia Mill walls, a geotechnical evaluation is being conducted in conjunction with a structural analysis to determine “best practices” for the technical approach to working in and around all of the features described in the EAW. As noted in the response to Question 24 of the EAW, construction noise, dirt, and dust would be regulated by the Minneapolis Code of Ordinances. The Developer and project architect do not anticipate any need for a significant disruption of the Parkway during construction because the site is adequate for construction staging. The construction schedule is anticipated to be 18 months, which is less than the construction period for the Carlyle. The impact on traffic at intersections would be minimal as described in detail in the EAW and in Section 4.8 of this Document.
- **Comment (RS, similar comments received from TK, RH/MH, FR, MC, CP, MH, KP, SD, SR, TD, BL, DV, LLW, EB, MC, CK, KSD, MK, JM, GD, CG, PP, TH, BM, TP, SS):** “In the end, it is urged that this project not be allowed to continue as now conceptualized, that further new construction development on this revered site be only compatible in both artifact-preservation and in mass and scale with existing historic guidelines and with the originally publicly announced proposal before the Park Board when it considered compliance with its RFP, and that other uses of the property be

Final Findings of Fact and Record of Decision for the Environmental Assessment Worksheet for the Wave Project

considered—such as access of residents and visitors to this immensely historically important couple blocks of riverfront. It is hard to imagine that development of this extremely valuable land cannot be made to satisfy the various concerns of our City, the protection of its history, and the reasonable expectations of its citizens. There are undoubtedly developments or developers which would be true to the criteria of the Park Board’s RFP, to historic concerns and to public access and interest—without any sacrifice of what appears to be a very sub-market price if such issues can be ignored.”

- **Comment (RS):** “. . . First, it would appear that the only preservation of any of the remains of existing mills involves the preservation of those remains which are largely now visible. Apparently data may be gathered during excavation of what we understand to be basements and subbasement and other areas of the Occidental Mill, but that these ruins would be destroyed or essentially forever lost to the public as they would be underneath building and/or privately owned condominium property. Second, we wonder about the plan associated with the currently visible ruins. These ruins would be tucked under private condominium homes, with a very non-public or welcoming feel, and while left in place or *in situ*, the place or site is so privatized, so publicly unwelcoming, and so unnatural that Park visitors (as opposed to perhaps patrons of the restaurant) are not likely to appreciate their accessibility. We wonder if the few condo units supported by columns are so important that even the area contiguous to the exposed ruins had to be despoiled by such privatization—by the underside of private homes being feet above the ruins? Finally, since the WBMA is the area on the west bank where the mills actually operated, and given the Mill Ruins Park, would the sense of history capable of being recaptured by the entire string of archaeological properties from the 3rd Avenue Bridge to the Mill Ruins Park, be forever lost by privatizing this Site and thereby eliminating the opportunity to complete public’s imagination of the entire milling area.”
- **CITY RESPONSE:** So noted for the record.
- **Comment (FR):** “We have before us the extraordinary discordance between (1) the praise McGuire is getting for taking a rather non significant patch next to the Guthrie and turning it into a park (a piece of land that is well suited for residential development: flat, back from the bluffs, archeologically insignificant) and (2) the Park Board selling a great piece of park land for development (it IS the bluff, it's our archeological Plymouth Rock and would be totally excavated and discarded, it would put condos closer to the river than any others in the city --11 stories at that). This in a city that is filling up it's downtown land for residential units (a good thing) with little added green space (a bad thing). It's hard to imagine where money for parks could be better spent in our city.”
- **CITY RESPONSE:** So noted for the record.
- **Comment (DMNA):** There is confusion regarding the assertion that the developer Heritage Development/Omni presented a much smaller project to the DMNA before and

obtained a letter of support that is in the public record and could be used to misrepresent the intentions of the neighborhood.

- **Comment (MC):** “The proposal was sold as 15 two-story townhomes with green roofs and the Mpls. Park Board accepted the deal on that basis. The original developers sold their interests to Heritage Development, wherein the project ballooned to 38 condos in a building 6-11 stories high, and Heritage sold their option to Omni Development. Jeff Arundel has been a principal in all three iterations of the development. The Mpls. Park Board should declare the deal null and void based on the underestimate of economic value of the parcel and then go forward with preserving the site as historical ruins. That should include the demolition of the 1960s portion of the Fuji Ya building which has no historical value and in fact is an eyesore that sits atop a mill ruins which should be rehabilitated and opened to the public as part of a new project.”
- **CITY RESPONSE:** Environmental reviews produced by the City include all project-related correspondence received as a part of the Record of Decision. That included the two letters from the DMNA regarding the project that are in Attachment 8 of the EAW. According to Omni, the Wave Project that was presented to the DMNA Board of Directors on July 12, 2005 is the only project plan that has ever been proposed by Omni (then operating as Heritage Development). On that evening there were three presenters to the Board. They were Paula Merrigan of DJR, Jeff Arundel of Columbia, LLP (Lucky Club), and Michael Moriarty, Director of Heritage Development. The information presented that night regarding the design, elements, height, density, uses, and parking garage for all of the proposed users of the Wave Project—including the Park Board, is the same as was included in the EAW. This issue was addressed and clarified with the DMNA coordinator and at the September 27th, 2006 meeting of the DMNA Land Use Committee.

The letter from Rick Solum (received 12/11/06) in Exhibit E includes information regarding the “15 two-story townhomes with green roofs” mentioned above, termed the “Lucky Club Proposal.”

5.0 MODIFICATIONS TO THE EAW

The following lists information in the EAW that is hereby modified:

- The response to Question 7 in the EAW on p. 5 should have listed 9,600 sq. ft. for the “Other commercial” category. This is the size of the proposed spa.
- Due to changes in Project design, Table 4 on p. 18 of the EAW should be modified as follows:

Parking Stalls Required by the Minneapolis Zoning Code

Use	Amount	Required	Provided	Surplus/(Gap)
Residential	38 Units	38	88	50
Stalls per unit			2.3	
Spa and Retreat	9,400 Sq. Ft	18		
Restaurant	9,600 Sq. Ft*	116		
Subtotal commercial		134	42	(92)
To be leased to the Park Board			65	
Totals		172	195	
* Assumes 60% is seating				

The prior design included a total of 199 stalls with 109 stalls reserved for the 38 residential units (2.9 stalls per unit) and 42 public stalls for the commercial uses. The 65 stalls to be leased to the Park Board¹¹ remains unchanged.

- Attachment 9, “Consistency with Adopted Plans, Policies, Guidelines, and Regulations Applicable to the Wave Project,” in the EAW has been revised. The replacement is attached to this Findings Document as Exhibit G.

6.0 ISSUES IDENTIFIED IN THE EAW

The following are general categories that group the issues identified in the EAW and those identified by the reviewers and commentators (and discussed in Section 4.0):

- Effects on historic properties on the Project site
- Land use, height, massing, scale, and shadow effects
- Visual effects
- Consistency with applicable plans, policies, and regulations
- No Build Alternative

7.0 COMPARISON OF POTENTIAL IMPACTS WITH EVALUATION CRITERIA

The Minnesota Environmental Quality Board Rules (4410.1700 Subp. 6 & 7) require the Responsible Governmental Unit, the City in this case, to determine whether a project has the potential for significant environmental effects and whether an Environmental Impact Statement (EIS) is needed. The Rules define four criteria with which to evaluate the environmental effects that may be reasonably expected to occur from the Project. The following is that comparison. It can also serve as a summary of the EAW:

¹¹ The purchase agreement with Omni includes a 99-year lease to the MPRB for \$1 per year.

7.1 Type, Extent, and Reversibility of Environmental Effects

7.1.1 Effects on historic properties on the Project site: The EAW and the additional information in Section 4.0 and Exhibits F, H, I, and K describe the likely effects of the Project on historic properties. As detailed in the EAW, the Project site includes important archeological and historic resources; namely, the ruins of parts of the foundations of three mills (Bassett, Columbia, and Occidental), railroad artifacts, and possibly artifacts of the Wheelhouse and power shaft. Experts argue that the Fuji Ya Building is independently eligible for listing on the National Register of Historic Places (NRHP) and local designation. As originally proposed, the Project would have destroyed significant portions of the foundation ruins of the Columbia and Occidental mills. This would have constituted a significant adverse effect on these on-site resources and to the locally and nationally designated St. Anthony Falls Historic District (District). In response to the numerous substantive comments on this matter and in consultation with Minnesota State Historic Preservation Office (Mn SHPO), the Office of the State Archeologist (Mn OSA), and others, Omni Investment (Developer) made significant modifications to the Project design to avoid and mitigate these adverse effects. It will be the responsibility of the City, through the permit review process of its Heritage Preservation Commission (HPC), to decide whether these proposed design changes and other measures are sufficient to avoid and mitigate the potential adverse effects on these on-site properties.

The following is a summary of the major Project changes intended to avoid and mitigate on-site adverse historic effects with a focus on the type, extent, and reversibility of the effects. Exhibit H4 provides a detailed listing of the changes and Exhibit K includes the analysis from the 106 Group as to the extent these changes avoid and mitigate on-site adverse historic effects:

- **Measures to avoid and mitigate effects on the Columbia Mill ruins:** As originally proposed, the Project would have destroyed the north, south, and west walls of the Columbia Mill. This would have constituted a substantial adverse effect. With the design modifications, the ground floor of the east end of the new building on the north side has been pulled back (to the south) to completely avoid the ruins of the northern foundation wall of the Columbia Mill. The west, south, and east walls would be incorporated *in situ* (in place) within the new building. To accomplish the space requirements with a smaller ground floor footprint, the Project replaced four parking stalls with spa space. The western wall of the Columbia Mill would form the western wall of the spa (refer to items 1-5, 16, and 19 in Exhibit H4). Four columns would carry the upper floors over the top of the ruins.

- **Measures to avoid and mitigate effects on the Bassett Mill ruins:** An internal wall of the Bassett Mill serves as the eastern foundation for the *Fuji Ya* Building and two other internal walls from the Bassett are still in existence within the building. The original and current design of the Project included the preservation of these walls consistent with the Secretary's Standards (refer to items 5, 17, and 18 in Exhibit H4).

In consultation with Mn SHPO and the Mn OSA, the Developer has provided a plan to guide archeological data recovery of features that would be exposed and to preserve the ruins consistent with the Secretary of the Interior's Standards. The Developer would consult with a project design/build team of specialists that would assist in decision-making during the archeological data recovery process. Exhibit H includes four documents that detail this issue, especially H1, 3, and 4.

- **Measures to avoid and mitigate effects on the Occidental Mill ruins:** The east wall of the Occidental Mill abuts the west wall of the Columbia Mill. The project would preserve this wall *in situ* consistent with the Secretary's Standards (refer to Feature 6 in Exhibit H4). The proposed parking facility would occupy the sites of the currently subsurface west and south walls of the Occidental Mill (refer to items 7, 9, 12, & 13 in Exhibit H4). The Project design does not avoid the adverse effect of placing the building on top of these resources. To mitigate these adverse effects, the Project includes archeological data recovery per the plan defined in Exhibit H3.
- **Measures to avoid and mitigate effects on potential Wheelhouse ruins:** The Wheelhouse building was located partially in the current right-of-way for the Parkway and the nearby Park Board parking lot. The southwestern most part of the building foundations may be on the Project site to the east of the *Fuji Ya* Building. These ruins may include parts of the turbines that powered the three mills by means of a buried drive shaft, which was the technology that transferred the waterpower upstream of the intake canal (refer to items 15 and 20 in Exhibit H4). The revised Project plan is to use the portion of the site to the east of the *Fuji Ya* Building as an outdoor plaza area, and, as such, there will be no disturbance of any on-site ruins.
- **Measures to avoid and mitigate effects on railroad artifacts:** The archeological dig unearthed railroad artifacts including parts of the foundations of the scale room and parts of the scale and other artifacts (refer to items 14 & 21 in Exhibit H4). The Project plan, as detailed in Exhibit H3, is to accomplish archeological data recovery of any features that will be exposed and necessarily destroyed, and to preserve recovered artifacts consistent with the Secretary of the Interior's Standards for use as

interpretive elements if possible (refer to items 15 and 20 in Exhibit H4). The Developer would consult with a project design/build team of specialists that would assist in decision-making during the archaeological data recovery process.

- **Historical analysis, potential designation, and restoration of the Fuji Ya Building:** Mn SHPO and OSA staff have argued that the Fuji Ya Building is independently eligible for inclusion on the National Register of Historic Places (refer to Section 4.1). Omni has committed to the following measures for study and preservation of the Fuji Ya:
 - **Eligibility study:** Omni would fund a study by the 106 Group of the eligibility per the criteria of the NHRP (refer to Exhibit H2).
 - **Potential NRHP Nomination:** If it is determined that that the Fuji Ya Building is eligible, this study would provide sufficient detail to prepare a draft NRHP nomination for submittal to the State Historic Preservation Office for future consideration for listing.
 - **Potential City Designation:** The NRHP evaluation study of the Fuji Ya would also determine if the property meets the City of Minneapolis Historic Designation Criteria.
 - **Design-Build and Design Modifications:** Omni would consult with the Minneapolis Heritage Preservation Commission to devise a plan to rehabilitate the building according to Guidelines for the District. In addition, Omni would work with the Mn SHPO to find potential treatments that would comply with the Secretary of the Interior Standards for Rehabilitation to the extent that it is technically and financially feasible.

The potential analysis, designation, and renovation of the Fuji Ya Building consistent with the Secretary's Standards would constitute a significant positive effect on the historic District.

- **Public access:** The Developer has committed to provide public access through the Project between 1st St. and the river side of the building. Pedestrian access from there to the rest of Mill Ruins Park and the pedestrian path on the north side of West River Road has yet to be determined. The Developer is also working with the Public Works Department and the Park Board to explore pedestrian and bicycle access between 2nd St. to River Road via the former railroad right-of-way that goes under 1st St. and abuts the Project site on the west. The northernmost part of this former right-of-way is on Park Board property. The southern

portion that bisects the Parcel A land north of 2nd St. is owned by Mill Place Inc.

- **Interpretive station:** The Developer has committed to work with the St. Anthony Falls Heritage Board to create an interpretive station along the pedestrian path located on the north side of West River Road. There are numerous places along this path with interpretive plaques and historical artifacts, including one directly north of the middle of the site. Artifacts recovered from the Project excavation and plaques that describe the historic character of the Project site may be appropriate.

7.1.2 Land use, height, massing, scale, and shadow effects:

- **Height:** As stated in Section 4.2, the Project, at 11 stories and 149 ft. above 1st St., would be at least 8 ft. below the height guideline in the Minneapolis Heritage Preservation Commission's (HPC) St. Anthony Falls Historic District Guidelines (Guidelines) for the West Bank Milling Area (WBMA). As measured from the elevation of West River Road, the Project would rise the equivalent of 14 stories (three are parking levels) to 172 ft. The Zoning Code limits the height of structures in this area to 6 stories or 84 ft., whichever is less. To exceed this limit, the City would have to grant the Project a conditional use permit (CUP). This permit requires the City conclude that the Project would not have a substantial effect on surrounding properties as regards 1) access to light and air; 2) shadowing of significant public spaces; 3) incompatibility in terms of scale and character; and 4) preservation of views of landmark buildings, significant open spaces, or water bodies. During the permitting process, City decision makers would use the information in the EAW to judge the Project's consistency with all CUP requirements.
- **Massing:** As detailed in Section 4.2, the existing one-story height of the Fuji Ya would be maintained on the east side of the project site and the new construction would step up gradually from the Fuji Ya to 10 residential levels and one parking level above 1st Street for the westernmost 80 feet of the site. The variation and stepping up of the mass of the building avoids the more imposing presence that can result from a uniform stretch of a single, mid-rise building or a series of buildings of uniform height.
- **Shadow effects:** The shadow study indicates that the greatest additional shadow impacts on West River Road and the Mill Ruins Park that would be attributable to the Project occur in the late afternoon and early morning from late September through late March. At most other times of day throughout the year and particularly in summer when the park and other

public spaces are in highest use, the Project would not cause significant additional shading of public spaces because the building shadow either does not fall on those areas or it falls within the larger shadows cast by the 20-story RiverWest Building and the 40-story Carlyle Building.

7.1.3 Visual effects:

Information in the EAW, the 106 Group report attached to the EAW, Section 4.2 in this Findings Document, and Exhibits F, H, and K detail the view effects of the Project. The following is a summary of these analyses:

- **Project effects on views of the river, parks and other public spaces, and historic resources—from the north:** The Project would be an addition to the downtown skyline view and it would not block any views of the river. When viewed from the northeast, the western end of the Project would also block the view of the historic Dann and Hall Barrel Company Factory (Mill Place) located on the southeast corner of 3rd Ave. S. and 1st St. S. When viewed from the northwest on West River Road, the Project would block the lower floors of the historic Crown Roller Mill (refer to Exhibit F14).
- **Project effects on views of the river, parks and other public spaces, and historic resources—from the south:** A pedestrian walking south along 1st St. St. can see the wooded area to the west of the Fuji Ya building, the river, and its environs on both banks. The Project would completely obstruct this view (refer to Exhibit F11 for the current and future view).
- **Project effects on views of the river, parks and other public spaces, and historic resources—from the west:** The current view from the public sidewalk at the intersection of 2nd St. S. and 3rd Ave. S. towards the narrow opening between the Mill Place Building and RiverWest Building offers a view of some of the historic buildings in the distance on the east bank of the river but the river is not visible at all. The Project would block this view. However, the City intends to redevelop the vacant parcel of land known as Parcel A and when built, this new development, at 4-5 stories in height, would likely block both this view and view of the Project from this location. The drawing in Exhibit F10 shows the current and future view.
- **Project effects on views of the river, parks and other public spaces, and historic resources—from the east:** The Stone Arch Bridge view in Exhibit F13 shows the view from West River Road. The Project would have no substantive effect on views of the single-story Minneapolis Eastern Railway Company Engine House (now the First Street Station) or

the Dann and Hall Barrel Company Factory (Mill Place) on 1st. St. The Project would block the southernmost portion of the historic 3rd Avenue Bridge but no views of the river. This view is exemplary of other views from Mill Ruins Park and from West River Road east of the site.

- **Updated visual effects to off-site historic resources by the 106 Group:** Exhibit K by the 106 Group includes a detailed analysis of the potential visual effects of the revised Project design on historic resources located off site. The following is a summary of the conclusions from the report:
 - **Adverse effects on visual setting of four historic properties:** Compared to the original project proposal, the revised project design allows for the retention of additional archaeological resources and includes materials on the base of the building that are more in keeping with materials found in WBMA. Despite these changes to the proposed project, the 106 Group concluded that the revised design would have an adverse effect on the visual setting of four historic properties: The WBMA, the Hall and Dann Barrel Company Factory, the Minneapolis Eastern Railway Company Enginehouse, and the contributing archaeological resources in Mill Ruins Park.
 - **Adverse effects on views from seven historic properties toward the proposed development site:** The proposed project, as revised, was found to have an adverse impact on views toward the proposed development site for seven properties: the WBMA, the Hall and Dann Barrel Company Factory, the Minneapolis Eastern Railway Company Enginehouse, the Third Avenue Bridge, the Stone Arch Bridge, the EBMA, and the contributing archaeological resources of the Mill Ruins Park. Each of these properties has significant historical associations or relationships with views towards the proposed project site; proposed changes in those views were perceived to be significant enough and out of keeping with historical precedent such that they would be considered adverse impacts.
 - **Adverse effects on the setting of the WBMA:** Similar analysis was conducted to determine the effects of the revised Project on the setting of the WBMA. Although unrelated to the historic properties used for the above analysis, the locations of those properties were used for this analysis since they were sited in a variety of locations around the WBMA. Adverse impacts were found where the proposed scale, massing, and materials of the revised design would result in changes to the perception of the

WBMA as a historic property, and to the inclusion of the Project site within that historic district. In locations where the Project and the WBMA were clearly visible, the scale, massing, and materials of the revised Project were found to have an adverse effect on the setting of the historic district. The revised Project significantly affected the perceived use of the parcel, the perceived boundaries of the waterpower area, the linkages to other contributing properties to the WBMA and the SAFWA, and the appearance of a cohesive historic district.

7.1.4 Consistency with applicable plans, policies, and regulations: The following is a summary of the detailed analysis found in Exhibit G (which is a revision of Attachment 9 in the EAW):

- **Consistency of the residential and commercial uses:** The commercial and high-density residential uses plus a shared parking facility are consistent with the applicable housing and Downtown development aspects of the City's Five Year Goals and the City's Comprehensive Plan, the *Minneapolis Plan*. The Zoning Code allows the proposed use, density, and height subject to several Conditional Use Permits (CUP) and other permits. The other plans that have jurisdiction over the site are either silent as regards allowable uses or do not have policies that would prohibit the proposed uses. The Final Comprehensive Management Plan for the Mississippi National River and Recreation Area calls for uses to have a relationship to the river. Like its most recent predecessor, the Fuji Ya restaurant, the new uses (restaurant, spa, and residential) rely on the views of the river and its environs.
- **Minneapolis Park and Recreation Board Plans:** The MPRB Master Plan for the Mill District Park and West River Parkway (adopted by the MPRB in 1983 and modified thereafter) shows the Project site to be on land not needed for the park and parkway. Although the Master Plan shows development on the Project site, the City's adopted land use plans are the appropriate documents against which to judge project consistency. The current plan for the Mill Ruins Park, when funding is available, calls for excavating and reopening the gatehouse and the old canal walls, which are in place and served as the main control system for the water intake system. This will allow water to flow through the gatehouse to the existing rehabilitated tailrace canal down stream. This plan relies on replacing the need for the surface parking lot that occupies the Headrace Development area with 65 stalls to be leased by the Park Board in the Wave Project.
- **Historic preservation and destruction:** Of the nine plans that have jurisdiction over the development of the site, all call for the preservation

of historic resources. The Project preserves most of the historic resources on site consistent with these plans; however, it also includes the destruction of other archeologically and historically significant resources. The Project is inconsistent with this policy to the extent the proposed measures detailed in Exhibit H are not able to mitigate the adverse effects on historic resources. As stated above, the 106 Group has concluded that the height, massing, and scale of the revised Project will have adverse visual effects on seven historic properties in the area.

- **Siting on a bluff and preservation of natural vegetation:** The Project would remove most if not all of the natural slope on the site and replace the trees, including several trees of substantial size, with minimal landscaping appropriate to the industrial character of the historic district. The Zoning Code states that development “shall not be located on a steep slope or bluff . . . except where approved by a Conditional Use Permit.” The Zoning Code also only allows the removal of vegetation on steep slopes and bluffs, “provided sufficient vegetative cover remains to screen parking areas, dwellings and other structures when viewed from the protected water and provided a continuous natural cover is maintained.” In addition to the normal findings required for a CUP, this particular CUP has three more including the following: “The view of the developed slope from the protected water [the river, in this case] shall be consistent with the natural appearance of the slope, with any historic areas, and with surrounding architectural features.” City decision makers would use the information in the EAW to judge whether the Project is consistent with the historic West Bank Milling Area and, if so, whether this is acceptable compensation for the loss of natural features.

The City’s Critical Area Plan has policies designed to prevent walls of tall buildings along the river corridor and to have buildings that step back from the river to avoid excessive shadowing public areas. The Project, at over 500 ft. long with no substantial setbacks perpendicular to the river, is inconsistent with these policies. Since the site does not qualify as a bluff per the plan’s definitions, but rather is a steep slope, the Project would comply with the requirements for setbacks from the river.

- **Height:** Only the City’s St. Anthony Falls Historic District Guidelines and the Zoning Code set height limits that apply to the site. The Project height is consistent with the Guidelines but, as stated above in Section 7.1.2, the Downtown Height Overlay District in the Zoning Code limits the height of structures to 6 stories or 84 ft., whichever is less, in this area. To exceed this limit, the City would have to grant the Project a CUP. This particular CUP requires special findings as regards the Project’s effects on views of landmark buildings, significant open spaces, and water bodies, and scale

and shadow effects. The analysis in the Findings Document in Section 4.2 addresses these matters.

- **Historic Mills District Master Plan architectural guidelines:** The City's Historic Mills District Master Plan includes architectural guidelines regarding massing, roofs, glazing, materials, and colors. As is appropriate for an EAW, designs are still at a conceptual stage and are thus still adaptable to change.
- **Visual effects:** The Mississippi River Critical Area Plan, states that walls of tall buildings along the river corridor should be avoided. The view effects of the Project are described in the response to EAW Questions 25 and 26 (refer also to Attachment 10 and the numerous drawings in Attachment 3) and in this Document at Section 4.2. City decision makers would use the information in the EAW to judge whether the view effects of the Project should result in permit denial or substantial modifications to the Project.
- **River access:** The Final Comprehensive Management Plan for the Mississippi National River and Recreation Area calls for improved river access. Currently, there is no pedestrian access between the east side of the Crown Roller Mill and the Hennepin Ave. Bridge, a distance of 2,500 ft., nearly half a mile. The Project includes public access through the Project building from 1st St. S. to West River Road where there is none currently. The applicant is also working with the Public Works Department and the Park Board to explore pedestrian and bicycle access between 2nd St. to River Road via the former railroad right-of-way that goes under 1st St. and abuts the Project site on the west.. The northernmost part of this former right-of-way is on Park Board property. The southern portion that bisects the Parcel A land north of 2nd St. is owned by Mill Place Inc. It should be noted that the Park Board staff opposed this connection as a bike path in a letter dated 5/22/02 (the letter is included with the comment letter from Craig Kupritz in Exhibit E).

7.1.5 No Build Alternative: The Developer has an option with the MPRB to purchase the Project site. Since this purchase agreement expires on March 17, 2007, it will likely expire before Omni could obtain the needed permits from the City. If the MPRB does not extend the expiration date of the Purchase Agreement, Omni could still exercise its right to purchase the site under the current agreement and accept the risk that the City will not approve a building permit for the Project as designed. In this scenario, Omni could then submit a significantly modified project that addressed the bases for the City's denials or sell the site to another developer. In the event that the MPRB and Omni allow the current purchase agreement to expire, it is not known what the MPRB would do with the property.

They could initiate a new RFP process for the site, take measures to stabilize the site's historic resources, do nothing, and/or take some other action.

Several commentators recommended the EAW include an analysis of alternative uses for the site; most often, as an expansion of the Mill Ruins Park. Minnesota Rules for an EIS require an EIS “compare the potentially significant impacts of the proposal with those of other reasonable alternatives to the proposed project” (emphasis added). While the Rules include alternative sites for the proposed project as a possible alternative to be considered in an EIS, they do not require the analysis of alternative uses of the proposed site. The Rules state, “The alternative of no action shall be addressed” in an EIS. This is to examine the relative effects of no change on the site, not an invitation to speculate on unfounded future possible uses. The No Build alternative described is the only other scenario with a reasonable chance of occurring at this time.

The MPRB's adopted 1983 master Plan, which addresses the future uses for the Project site, shows it to be outside of the proposed park boundary and it shows undefined private development to the east and west of the Fuji Ya site. The MPRB has continued to implement the elements of its Master Plan including the proposed sale of MPRB property.

7.2 Cumulative Effects of Related or Anticipated Future Projects

The EAW and this Findings Document include all of the potential environmental effects known at this time. As stated in the EAW, it is difficult and perhaps even questionable to attempt to predict potential cumulative effects beyond those described herein. At approximately 38 units, the Project is not expected to be a significant impetus for further development or for demand on local amenities.

Many parts of the St. Anthony Falls Historic District and most of the West Bank Milling Area (WBMA) have been fully developed or the historic buildings have been rehabilitated for contemporary uses. The City-owned Parcel A site located to the south of the RiverWest Building and the Project site are probably the only remaining undeveloped parcels in the WBMA. The removal of contributing archaeological and historical resources for new development would not be precedent setting, as similar efforts are currently underway for the Phoenix Lofts Project in the East Bank Milling Area, the Whitney Project in the WBMA, and other projects along the riverfront. The Developer has made a commitment to avoid and mitigate as much as possible the adverse effects on historic resources.

One potential cumulative effect to historic resources stemming from the Project has been identified. The Project includes the construction of public parking facilities for use by the Minneapolis Park and Recreation Board, which would increase parking capacity in the vicinity of the WBMA and the Mill Ruins Park. The cumulative effect of this action

would likely result in greater access for and an increase in visitors to the historic district and to the Mill Ruins Park. It can be anticipated that the increased visitors would result in the enhanced appreciation for the historic resources of the district and for the preservation of the extant resources of the Mill Ruins Park. As stated above, the current plan for the Mill Ruins Park, when funding is available, calls for excavating and reopening the gatehouse and the old canal to allow water to flow through the gatehouse to the existing rehabilitated tailrace canal down stream. This plan relies on replacing the need for the surface parking lot that occupies the Headrace Development area with 65 stalls to be leased by the Park Board in the Wave Project.

Further cumulative effects could not be identified at this time.

7.3 Extent to which the Environmental Effects are Subject to Mitigation by Ongoing Public Regulatory Authority

The Developer has developed plans intended to avoid and mitigate potential adverse effects (refer to Exhibit H). The Project as a whole, has no “as of right” permissions or standing to construct a development resembling the Project without significant discretionary approvals and permits from the City. The City has the established process, authority, and staff to conduct the necessary reviews and to assure conditions of approval are fulfilled. The processes the City would use to review the Project would be competent and open. In its review of the Project and determination of the required mitigation, modifications, and amendments necessary for approval, the City would have the opportunity to initiate similar studies, have similar information made available, and provide similar opportunities for public participation as would be provided in the process to develop an Environmental Impact Statement (EIS).

The City has the experienced appointed and elected officials and professional staff, and the regulatory format to address and resolve the technical issues raised by the Project. Its review would also provide the only accepted path, i.e. approval by local elected officials, to resolve the major non-technical and perceptual issues regarding the visual relationships and effects posed by the Project. The record created by this EAW process would be available to inform and guide all participants. This local approval process and the opportunity for public participation throughout is the direct, effective, and efficient approach to identify and encourage compatible redevelopment, and assure their implementation at this important site. This process and its participants are the best method to either assure the evaluation and mitigation of the environmental effects of the Project or deny the needed permits. The following summarizes the City’s process for review, mitigation, and approval for the Project:

The City’s review process for this Project would have two sequential but interrelated reviews. First, the Minneapolis Heritage Preservation Commission (HPC)—through its process of staff analysis, public meetings, discussion by informed and experienced appointed commissioners, and, if necessary due to appeal, by final decision of the City

Council—would consider a “Certificate of Appropriateness” for the Project. The HPC will determine whether the proposed measures sufficiently avoid and mitigate the adverse effects of the Project. If approved, the HPC will also likely define additional mitigating measures if needed, and the specifics of the Preservation and Rehabilitation Plan as a condition of approval. Second, the City Planning Commission (and City Council if appealed) would review the multiple discretionary amendments and permissions identified in the EAW as necessary for development of the Project. For example, The CPC will determine whether the Project meets the findings necessary for obtaining the Conditional Use Permit required to exceed the 6-story height limit in the Zoning Code (refer to Section 4.2).

7.4 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.

Two prior environmental reviews are relevant to this EAW: The EIS prepared for the Pillsbury “A” Mill Complex and the EIS prepared for the West River Parkway Project. Relevant information from these analyses has been incorporated into this EAW and Findings Document.

Exhibits:

- A. Project description**
- B. Record of Decision**
- C. Public notification record**
- D. Information regarding the Public Comment Meeting**
- E. Comment letters (printed separately)**
- F. Revised project drawings:**
 - 1. Site plan
 - 2. Parking level plans
 - 3. First Street elevation
 - 4. West River Road elevation
 - 5. River elevation
 - 6. Longitudinal section
 - 7. Profile with RiverWest
 - 8. Site and view key
 - 9. 1st Street rendering
 - 10. View corridor at Mill Place
 - 11. View corridor at First Street
 - 12. Aerial view
 - 13. Stone Arch Bridge view
 - 14. View across the river
- G. Revised Attachment 9 from the EAW**
- H. Archeological and historical analyses:**
 - 1. Archaeological overlay
 - 2. Historical Evaluation of Fuji Ya and Data Recovery Plan Preparation
 - 3. Wave Preservation and Rehabilitation Plan
 - 4. Revised “Table 3, Recommended Alternatives to Reduce or Remove Adverse Effects” from the report, “The Wave Development Analysis of Effects and Phase II Archaeological Evaluation, Minneapolis, Hennepin County, Minnesota”
- I. Shadow study**
- J. Summary of workshops conducted by the Developer**
- K. “Updated Effects to Resources Outside the Development Area Based on Revised project proposal (as of 12/18/06) Developed in response to the EAW Comment Process,” by the 106 Group**
- L. Tree Survey**
- M. List of Acronyms and Abbreviations**
- N. Council/Mayor action**