

Land Use Committee

Monday, September 25th, 2006

6:30 pm to 9:00 pm

@ Loring Park Office Bldg.

430 Oak Grove St. Room 207

**I. 6:30-6:45 pm Call to Order—Robert Cook, CLPC Vice-Chair
Agenda Approval, Introductions, Approve August Minutes, & Announcements**

In Attendance: Richard Anderson (210 West Grant), Paul Hinderager (Summit House), John van Heel (110 West Grant), Jana Metge (CLPC Coordinator), Robert Cook (Eddy's Café), Dick Sandberg (Loring Green East), Jan Sandberg (Loring Green East), Bob Copeland (The Wellington), Pat Havenstein (World Mission Prayer League), Doug Duvoss (Buchanan Architects), Jay Nord (Singular Development Resources), Karen Fournier (330 Oak Grove), Diane Hansen (Copenhagen Enterprises & Loring Park property owners), Kecia Wright (Ivision), James Garrett, (4Rm+ULA architecture), Ta-coumba Aiken, Roger Cummings, Greg Langford (Elliot Park resident), Lee Lewis (Clare Housing), Craig Wilson (Kandiyohi Development Partners), Katie Hatt (LaSalle), Bernadette Hornig (Sherman Properties), Roger Howley (Miller Hanson Architects), Jon Hornig (Hornig Development), Branden Stengel (1414 Laurel).

Robert Cook led introductions of the 20 persons in attendance. Eventually 25 persons were in attendance.

Motion by Paul Hinderager, seconded by John Van Heel, to approve the agenda.

Motion passed

Agreed to carry over the August Land Use minutes to October.

Announcements:

- **Hawthorne Apartments Grand Re-Opening** brochure distributed. The meeting is Tuesday, September 26th from 4-6 p.m. at 1501 Hawthorne Street. Note the coupon for one month's free rent to MCTC students interested in a health career.
- **Land Use Goals** available,
- **Community Meeting called by Minneapolis Park & Recreation Board** - Loring Park - Oct. 3rd from 6:30-8:30 p.m. at the Loring Park Community Center - Jana
"The Park Board is holding a series of meetings to develop a comprehensive plan. Residents are urged to take advantage of this opportunity to help the Minneapolis Park & Recreation Board identify the needs and priorities of our neighborhoods!!"
- **Transportation Task Force Neighborhood Summit** - John Van Heel
"You are invited to attend a Summit of Downtown Neighborhood Associations and Resident Boards on Thursday, Sept. 28th from 6:00-8:00 p.m. at The Woman's Club of Minneapolis/410 Oak Grove St." - Call John at 373-9111 for more information or if interested!!
- **Community Meeting - Presentation of Loring Hill Development Guidelines** at The Woman's Club, 10:00 a.m. on Saturday, September 30th
- Jana said that next month there would be a request for a liquor license for a new restaurant in the Tiburon space.

- There are color copies of the four presentations in the office that give a better feel for the proposals.

II. 6:45-8:30 Developer presentations as submitted for the Nicollet Avenue ‘Meter Farm’ site
—Robert Cook

Robert noted that there was a presentation by developers last week at the CPED offices. Tonight, each presenter has 20 minutes to present and 10 minutes for Q & A from committee members.

II. A. 6:45-7:15 p.m. Singular Development/Land Trust Option—Jay Nord

Preliminary notes from the presenters:

Singular Development Resources Inc. is the real estate development and consultant business of Jay Nord. Current clients include Sienna Corporation and the Northeast Community Development Corporation. Past clients include The Cornerstone Group, Central Community Housing Trust, Clare Housing, and Sherman Rutzick and Associates. The mission is to provide affordable entry level home ownership opportunities in urban settings.

Interest in this site began four or five years ago when we worked with The Cornerstone Group. Our proposal seeks to fill what we perceive as the greatest need in the Loring Parking neighborhood - to provide a stock of permanently affordable owner occupied workforce housing. Our design is sensitive to the scale of the existing community, and we wish to engage with the neighborhood group, with the CLPC functioning as the design client, to get the details and design of this project right. Our goal is to make this a community driven project so that we can maximize the community benefits generated by this project.

Pollock | Buchanan Architects is a multi-disciplined architectural and design firm with a hands-on, small firm touch. They have 18 years of experience delivering high quality, design intensive multi-family housing projects, and have significant experience with alternative ownership forms of housing. They have studied the site extensively, and have a good grasp on what will fit and function on the site, but need to engage with the neighborhood to make the appearance and details of the project right for the neighborhood.

A representative of Pollock Buchanan will present on the design, and Jay Nord will explain our concept and approach, and field any questions.

Jay reviewed his history with the “meter farm” site, beginning with the first discussions about the site more than five years ago. The site has unique challenges including its dimensions. Jay met with the neighborhood group about five years ago and feels that this interaction gave him a better understanding of the neighborhood’s interests. He has been involved with several recent projects including 301 Clifton. He is interested in providing permanently affordable owner-occupied housing. Loring has many affordable rental opportunities and a number of nice upper-end owner-occupied units, but little in the middle. Jay is working with the City of Lakes Community Land Trust on this project as one way to keep the housing affordable. His theme for the site is “less is more.” He spoke with area business owners who do not want more retail competition, just customers. Jay also wants to minimize any parking or traffic issues.

The proposal is for a three-story condo building. The 1st floor will include a retail space and a semi-underground garage with an entrance off 15th Street. The rest of the 1st floor house two-sto-

ry townhouses with parking. There will be affordable condos on the 2nd and 3rd floors with a few market rate condos. While there seems to be a glut of condos, there are few town homes available. Jay also said that he wants to treat the neighborhood as the design team. Doug added that the proposal stays within current zoning requirements for the number of parking spaces. There is some encroachment into 15th Street which they propose to make one-way with parking. Jay said that making 15th Street more pedestrian friendly might free up some additional land.

Questions:

- Type of construction? The current price points are based on 50% brick, 25% glass.
- Zoning? Jay thinks that the front half of the lot is C1 and back half is C3 although city was not completely clear about this.
- Height? 35 feet, the limit under current zoning.
- Elaborate on public elements on 15th Street? Jay said that public art, gathering spots, and other public zones are possible. This will be clearer when there is a chance to sit with the neighborhood.
- Retail space? ~700+ sq ft in each of two spaces, possibly live-work space between the 1st and 2nd floors. Alternatively, these could be traditional retail.
- Is entire building land trust? There are several ways to deal with this. It could include the entire building or only certain parts of it and the trust part could be graduated depending on the initial investment.
- Property taxes in land trust? Jay is not sure--it depends on Hennepin County. [Jan S note: a subsequent communication from Elena Gaarder said that taxes are currently based on market-rate values.

II. B. 7:15-7:45 p.m. Ivision/4Rm+ULA Tower and Hotel—James Garrett (4Rm+ULA architecture), Keisha Wright (Ivision Construction & Development), Ta-coumba Aiken, Roger Cummings

Preliminary notes from the presenters:

The design and concept of the proposal is guided by three primary goals: 1) To develop a high-density mixed-use, mixed income, residential/commercial site, 2) To build utilizing sustainable materials and methods of construction, and 3) To integrate art as an underlying theme-positively enhancing the aesthetic, commercial, and cultural value of the site.

1501 on Nicollet will be a premier catalyst in changing public perception of Minneapolis' "Main Street" and will support the Nicollet Ave. Task Force's vision "to represent the best of urban living for a diverse group of people."

Proposal maximizes the use of the site's 19,000 square feet of land by developing: 1) 114 hotel units, 2) 71 housing units (21 affordable including 14 commercial artists lofts), 3) 1 public art gallery/hotel lobby, 4) 1 restaurant/lounge, and 5) 141 parking spaces (6 to be designated for the local car share program).

Keisha described the background of their work on the project, including the idea that the project will “extend” beyond this site to include working with other businesses in the area. James de-

scribed the mixture of uses that will lead to an exciting element for the area. There will be a restaurant on Eat Street, an art gallery (displaying the work of artists living the building) integrated into the lobby of the boutique hotel, and public art that will merge outward onto Nicollet. This will be a green-designed building using vertical wind turbines and photovoltaic panels, a green roof that may also be used for outdoor spaces.

James displayed a cross-cut of the building showing the orientation of the boutique hotel toward the convention center and the restaurant and gallery onto “Eat Street.” Several parking spaces will be reserved for the local car share program.

James differentiated this development from the Chambers Hotel and upcoming ‘W’ Hotel. The art will not just be displayed but will focus on the work of local, community artists. There will be lofts for local artists.

Roger Cummings explained that he and Ta-coumba Aiken will play a management role to bring together people from many sections of the community including artists from underserved communities. They stressed that it is not just where people live but how they live.

James then addressed the zoning implications of the site, currently zoned C1. First he showed a building that would be 35’ high to the lot lines. He then looked at upzoning to C3A which would allow 53’ in height. But this option seemed to lack energy especially compared to nearby buildings. The proposed building would require upzoning to C3A, with two conditional use permits for this height and density and a variance for the floor ratio.

Questions:

- Hotel group? In negotiations with Carlson Group to manage the hotel.
- Number of rooms in hotel? 141 rooms in the hotel owned by Ivision and 4RM+ULA.
- James Garrett background and projects?—He grew up in the Twin Cities, interned at several local businesses, studied architecture, sustainable materials and affordable housing in California, and is active in the Twin Cities architecture community. James listed a number of Twin Cities regional projects.
- Builder experience? Weiss Builders has 70 years experience in housing and hotels. They have the experience to develop a solid plan for logistics during construction which will be difficult given the size of the site.
- Integration of hotel and residences? There would be certain common areas such as the roof garden and gallery but there would be separate elevators.
- What do you mean by affordable? There will be 21 affordable units, 14 for artists (based on a sliding scale although this could be tricky to calculate). These would not be subsidized by the city but by the hotel. There is still some uncertainty about how to keep these affordable for a period of time such as 20 years. After this time the units might cease to be affordable.
- How does this project relate to the street? James and Keisha used the street map and elevation drawings to Nicollet and toward the Convention Center. Ta-coumba Aiken added that what can look like blank walls can be enhanced with inlay and other artistic elements.
- What if the hotel is not profitable? Keisha said that they have done enough research to be sure that it will be profitable, about 60% occupancy.

- Are the spaces for the turbines really open? Yes---these are areas of least resistance for the wind pushing against the building.

II. C. 7:45-8:15 p.m. Clare Housing –Lee Lewis (Executive Director) and Craig Wilson (Kandiyohi Development Partners)

Preliminary notes from the presenters:

9 PRIDE Lane will be a dynamic, mixed-use project that fills in a key block in the Loring Park Neighborhood and compliments the ongoing expansion of Nicollet Ave. south of downtown as a dining, shopping, and entertainment destination.

The project includes approximately 20,000 gross square feet of retail and commercial space on two levels. Forty parking spaces will be provided underground with access from 1st Ave. So. Three additional stories above the commercial space will provide 44 units of rental housing, managed by Clare Housing, at rents affordable at 50-60% of Area Median Income. Maximum height of the building is estimated at 52 feet.

The most active proposed uses for the commercial space are: Quatrefoil Library, GLBT Welcome Center and a coffee shop with outdoor seating on the Nicollet Ave. side. Second floor space is planned for District 202, a program serving GLBT youth and additional administrative and program space for Outfront Minnesota.

Lee explained that Clare Housing has been around since the late 1980s offering housing for those with HIV. The original model was a hospice model with intensive staff to client ratios. The most recent venture was Clare Apartments (2005) that uses a slightly different model. The building quickly filled and has a waiting list indicating that there is a demand for this sort of housing.

For this project, all parking will enter from the Convention Center side and all will be underground. The first two levels of the building will be commercial space; the top three floors will provide 44 units of rental housing (one-bedroom and efficiencies). The first floor commercial space on Nicollet Avenue, located near the Convention Center, will hopefully be a Visitors Center. The commercial tenants such as District 202, are interested but not yet committed. Financing will be supported by tax credits as many units will be occupied by those with disabilities.

Working with Kandiyohi Development, the building should include green elements. Craig reviewed these elements. Part of parking will be on the first floor but there will be windows to daylight the ramp during the day. This parking configuration will avoid excessive dirt moving. The project proposes a coffee shop/café with outside seating and plantings. There have been discussions with Wilde Roast Café whose model includes an attached bookstore. Craig said that it is suggested to change the name for one of the 15th Streets to ‘Pride Lane.’ The residential entrances would be located on the north side of the building opposite the entrances on the Sherman-owned building across the street. The commercial space will have an elevator to accommodate disabled GLBT youth. There is a community area at the front of the building on the top floor that could be used by residents and possibly District 202. Quatrefoil Library is looking for an area with higher traffic pattern than they now have in St. Paul. Craig reviewed some of his experience with other projects in the city. Materials such as brick will help mimic facades in the neighborhood. They are also looking at using a mesh application that will allow plants to grow.

Questions:

- How will the District 202 space work with the residential use? Lee cautioned again that the process is evolving. Ideally, District 202 would occupy a good part of the 2nd floor with its

own entrance. The community room would be above the District 202 space. Craig stressed that concentrating the related organizations in one building would make it easier to fund raise. Lee emphasized that Clare Housing is not interested in being a landlord. These other groups would own their space as condo commercial space.

- What is the level of commitment from Outfront and Quatrefoil? Lee said that Outfront Minnesota has been interested in developing a community center for several years. And Outfront would be the lead agency providing space for Quatrefoil. Lee sees this proposal as a catalyst to making the community center happen.
- Would this still work if there is an increase in the number of housing units? Lee said there are several ways to make it work such as increasing housing units or possibly go with for-profit units.
- Zoning? Craig said that this would all fit. Height would be 52 feet and the project can also meet other requirements. They would not have to upzone.
- Building exterior? The exterior is pliable at this point and the drawings show brick.

II. D. 8:15-8:45 p.m. Hornig Companies--Jon Hornig (Hornig Companies) & Roger Howley (Senior Associate/Miller Hanson Architects)

Preliminary notes from the presenters:

The Hornig Companies Meter Farm proposal creates a mixed-use block with 42 affordable apartment residences and commercial and social/community service uses at the ground floor. This proposal's urban design champions the vibrant pedestrian street life of Eat Street, and the building design reinforces the scale and character of the existing neighborhood, with cafe seating and classic Minneapolis apartment block massing, detailing, and walk-up stoops.

- *The Hornig Companies is a family-owned developer and manager of over 2,700 apartment units in Minnesota, over 500 of which are affordable. Recent Hornig Companies housing developments include a LEED registered condominium project, the Portico, now under development in Uptown Minneapolis, and Buffalo Heights Apartments, an 11-unit tax credit rental development on an infill redevelopment site in downtown Buffalo, MN.*
- *Miller Hanson Partners is an Architecture firm with 45 years of multifamily and mixed use experience. Our clients are profit and not-for-profit developers, faith-based groups, cities, local housing authorities, and health care organizations. We have completed a number of projects nearby the Meter Farm, including the Groveland Condos and the Third Avenue Place Condominiums, Phase I and II.*

Hornig Companies are apartment owners (3,000 units about half in Minneapolis) and have built about a dozen of this type of project in the last few years. They are currently building a 30-unit condo building near Lake Calhoun that has many green elements.

Roger showed a few photos of his firm's projects including the Groveland and East Village that included work with CCHT and pedestrian-friendly elements. They are excited about the scale and energy of "Eat Street." His firm sees a balance that is critical to the neighborhood of the one-story commercial spaces, parking, and the residential buildings. The proposal includes a 3,000 sq ft commercial space book-ended with a community service space--in between there will be residences. The building will include 42 units and 44 stalls of parking. Their proposal would be to narrow 15th Street to the north to a one-lane street. They would use a 'bulb' at the corners

to help calm traffic on 15th Street to the south. They see several areas for cultural activities using one of the streets. The plan also includes a pocket park to the northeast. The building would include stoops and private entrances for the 1st floor apartments. They have picked up design cues from nearby buildings including the Stratford across the street. Roger also discussed ways in which the building could incorporate more environmentally-sensitive elements.

They want to work with the neighborhood to critique the design process and get feedback on what would work well.

Questions:

- What does community services mean? This depends on what the community needs. If not for this use, could be more housing. The integrated community room would be available for the community use.
- Financing? Through bond and tax credits because of the 100% affordable rental units?
- Commercial spaces owned or rented? Rented
- No retail parking? There are 24 spaces on the street around the building. They would need a variance for the parking. They do not think that this size commercial space would need much parking (code would require 9 spaces.). A large commercial space is likely not feasible.

III. 8:45-9:00 p.m. Feedback/Comments from Committee members

- Concern that 29-stories is too high on this site and would lead to pressure to tear down one-story buildings on Nicollet.
- Reminder that the guidelines for the site called for high-density.
- Likes the Singular Development/Land Trust Option as retaining continuing affordability. Option Ivision/4Rm+ULA Tower and Hotel seemed a bit much. The other options seemed reasonable and would be good additions.
- Any of the options would be an improvement. Two options stood out and would help spur development and provide new destination elements: Ivision/4Rm+ULA Tower and Hotel and Clare Housing. Is there any way to get them to work together? He would like to know more about the backing for Ivision/4Rm+ULA Tower and Hotel and noted that there are several documents from the financiers in the proposal. A strength for Ivision/4Rm+ULA Tower and Hotel is a potential for future work in the area.
- He would not object to any of the proposals, all have some merits. If something as ambitious as Ivision/4Rm+ULA Tower and Hotel could happen on the site, it could lead to real changes. But he would also want to make sure they were well-financed before starting. He liked the Singular Development/Land Trust Option use of entries from street level. There was a similar element for the Hornig Housing proposal.
- While she liked the turbine concept of the Ivision/4Rm+ULA Tower and Hotel proposal, she liked the Clare Housing option as something needed in the area. But she is concerned about the use of the first floor for parking in the Clare Housing proposal. She has some concern with the Hornig Housing option because she sees a lot of the same look around the city.

- He likes the idea of transitioning into home ownership as presented by the Singular Development/Land Trust option. He thought that the Ivision/4Rm+ULA Tower and Hotel proposal looked exciting but is not sure if all elements were realistic. There is some concern about retail parking for the Hornig Housing proposal.
- Question if we have more of a say because the city owns the land. Yes--the task force participated in the RFP and sat in on the presentation to the city staff. The point is that the Ivision/4Rm+ULA Tower and Hotel proposal belongs on a larger parcel. This is an opportunity to provide affordable housing in the community as is offered by the Singular Development/Land Trust option. He does not see the Ivision/4Rm+ULA Tower and Hotel proposal as providing a similar opportunity.
- She had some concern about the height of Ivision/4Rm+ULA Tower and Hotel proposals and there is not much set back on the sides. It does not seem to have much street interaction. There was additional discussion that this was consistent with the guidelines.
- The 'Meter Farm' currently has 57 spaces. How would the proposals affect the amount of parking available for existing retail? Only two proposals spoke to allowing for street parking. There are indications that the city would be willing to narrow the north 15th Street. There are several hurdles to narrowing south 15th Street due to the prior infusion of federal funds. Would the bump out be a problem for using the street?
- The Ivision/4Rm+ULA Tower and Hotel option refers to acquiring an adjacent property for development—not sure about which property.
- He likes Singular Development/Land Trust option and Clare Housing proposal as best meeting neighborhood needs and does not think that Hornig Housing adds anything. He has a problem with the Ivision/4Rm+ULA Tower and Hotel option including its finances. He is concerned that the Ivision/4Rm+ULA Tower and Hotel might never be built. This brings up visions of The Reserve project.
- After sitting in at the CPED meeting the questioner thinks that the Hornig Housing proposal will be rated high because the company has completed projects. But there is a concern that the developer is asking for many subsidies that will compete against local property owners of rental property. Clare Housing is a great proposal—there was a different group of presenters at CPED and there were some differences from tonight's presentation.
- She heard that Dan Hunt is on the board of Clare Housing—maybe they would be interested in the Episcopal site. The Ivision/4Rm+ULA Tower and Hotel has an exciting team and it would be great if some of the other elements could be worked in.
- Concern that there are older apartment buildings that are essentially affordable housing yet the new building would get the advantage of city money.
- Many people like the concept of the Clare Housing option but not the look of the current proposal—was there a previous design.
- Would this site really work for a hotel with delivery trucks, cabs, and tour buses?
- She is concerned about reality of the Ivision/4Rm+ULA Tower and Hotel option and the Clare Housing proposal which does not seem to be working as a team.

- The affordable element of the Ivision/4Rm+ULA Tower and Hotel proposal seems to have been thrown in without much thought.
- There is some confusion about how affordable the units in the Singular Development/Land Trust option really are and if the sizes are too big. There is support for putting more units into the land trust. If the Singular Development/Land Trust option were chosen, then perhaps there could be negotiations about the size of units. And they did say that they would like to work with the neighborhood.
- The Ivision/4Rm+ULA Tower and Hotel fits the guidelines well but it seems too ambitious for that site. If it does not work there, perhaps they would look at another site. The Clare Housing option might be better incorporated into something else. He liked the Singular Development/Land Trust option especially with the townhouse element. He is less favorable toward the Hornig Housing option.
- If the Clare Housing proposal is chosen, would it be reasonable to expect Clare Housing to develop the property?
- Suspicion that the number of units in the Singular Development/Land Trust option reflects the available parking spaces.
- Would the pocket park in the Hornig Housing proposal be suitable for a dog park? What about the green roofs?

What are the next steps? The Nicollet Avenue Task Force will review, and it is possible that businesses will also review at an afternoon meeting. Jana suggests making this an agenda topic next month and decide whether to forward comments or a recommendation to the City and the Board. The city does not demand a recommendation although they might like it if we ranked them. The City has an evaluation sheet that the Task Force can use. The city will chart the proposals and evaluate financial feasibility and design elements—but probably not until early November.

Adjourned 9:25 p.m.