

Whittier Alliance – Business Association

Draft Meeting Minutes

June 13, 2007 – 4:00PM - 5:30PM

Los Amigos – 2746 Blaisdell Ave

Present – Chris Carrow, Erica Christ, Jim Coury, Elizabeth Grzechowiak, Doreen Hartzell, Paula Horan, Paul Jablonsky, Aaron McCallum, Thanh Phan, Mike Stebnitz, Lisa Vecoli

Speakers Present – Huey Fung – 2534 Nicollet, Michael Krause – Kandiyohi, Craig Wilson – Kandiyohi, Joe Kumpelmann – BKV Group, Michael O’Keefe – MCAD, Pam Nordaune - MCAD

Staff Present – Marian Biehn, Eric James

The meeting was **called to order** at 4:06 PM BA Chair Erica Christ; introductions were made and the Standard of Conduct and Conflict of Interest policies were reviewed. The **agenda** was reviewed and **approved**. The **minutes** from the May 9th, 2007 BA meeting were reviewed and **approved**.

Spotlight on Business – Los Amigos -- Jim Coury

Los Amigos began 16 years ago as a gas station, was purchased by Jim and converted to a convenience store then eventually turned into a Mexican store. 10 years ago the present building was built and the zoning changed to fit the current business. Business is slowing down but the building is improving everyday. Jim will be sub-leasing to a Mexican family to open a restaurant inside. The Chair thanked Jim for hosting the BA.

Pedestrian Overlay Land Use Plan for Nicollet & Franklin

The committee is near the end of the overlay presentations. The current proposal is in the open public comment period. Now it’s time to make comments to City officials and planners. The committee would like the neighborhood to have a vote of approval of the overlay for the Planning Commission and City Council. Information on the overlay was recapped: All new build at two stories, clear corner cuts, bicycle parking requirements, restrictions on surface parking lots. Everything on Nicollet at this time is grandfathered in. Non-conforming properties are allowed to rebuild as non-conforming if rebuild permits are applied for within a certain period of time. The overlay is meant to make Nicollet a more urban and pedestrian orientated street. The reasons for doing the overlay included existing presence of commercial activity, Nicollet being narrower than streets like Hennepin and Nicollet was identified by the City as a target site for a pedestrian overlay or activity center.

The overlay boundaries were given. The shaded part of the overlay map is an area the City would like to upzone to a C3A activity center which includes most Nicollet storefronts. This allows for more mixed use developments. Rezoning can only occur at the owner’s request or by a formal pedestrian overlay study of the City. Current zoning of AZIA is C1 and some other properties are C2. Elizabeth stressed the BA should recommend the City be conscious of the parking needs specific to this neighborhood when reviewing overlay requirements.

BA 1 Motion: The Whittier Business Association moves to support the Pedestrian Overlay and Land Use Plan to the Planning Commission and City Council. Motion carried.

Kandiyohi Group/BKV Architects – Craig Wilson, Ted Remond, Huey Fung

Kandiyohi does urban renewal projects with strong environmental focuses. They were hired by Huey Fung over a year ago to review the property from AZIA (2550 Nicollet) to Sindbad’s Deli (2528 Nicollet) and look at development opportunities there. The group has been conscious of the overlay district and neighborhood trends such as density, urban streetscape, type of business wanted, rezoning & land use changes. The current proposal should reflect these factors.

The proposal will be reusing primary structures including AZIA Restaurant and the Ice House. Remaining businesses will be demolished. Huey is working with his tenants on relocating them and they have expressed interest in returning. The Board should recognize Ted Redmond, who is working on the team. In terms of parking, it will be sufficient. However the City is in the process of redoing parking requirement standards. The group is committed to doing a multi-million dollar investment of parking into this project. They can meet all the City requirements with underground parking. It’s a very expensive investment that will not worsen current parking and contribute more supply.

The feature element to the project is the ACE Hotel Group, who’s Portland location was featured in the NY Times as the most original hotel in America. They have a very high design standard that takes after the area’s character. Rooms are priced at 80-90% percent of the area’s market. It’s a high-low approach. The development team has a signed memorandum of understanding with ACE at this time. Also, ACE has connections to international retail from Europe and Asia and interested in developing the hotel and managing it along with a mix of retail. The group anticipates non-

restaurant retail of more diversity and mix along Nicollet (clothing, bicycle shops, barber shops). The group would like feedback from the community on the project and what changes could be made.

GIS Map of Nicollet was reviewed: The AZIA corner is an interesting site because of its location in the Whittier neighborhood: a strong node with Nicollet connecting to downtown and the Convention Center with the site at the heart of Eat Street – a draw for residents and visitors. It has interesting access that connects to MIA and MCAD along 26th. This development would support other businesses and institutions in the neighborhood.

Site plan map was reviewed. Proposing retail space, event center space, hotel, and green roof space. They are drawing on the existing urban fabric of Nicollet Avenue with small store fronts, etc. There's currently an alley/parking space between AZIA and Hiep Thanh Grocery. That space will be moved up and with two new buildings which border out the interior void space.

On the master site plan: There will be entry from the street up onto the interior void space which could be an open market. Also opens out onto Ice House. Void space could support functions in other buildings or be occupied by vendors. Retail space along the interior void space (north and south). The ACE hotel entrance is in the existing AZIA building. The whole first floor will remain a restaurant.

On the second floor interior site plan. The ACE hotel will occupy the existing apartments atop AZIA. The ACE hotel likes to work with the artifact and existing components of the building. The conference area on the second floor (north of AZIA building) opens out onto a green roof space which can be accessed by people on the second floor. In terms of the Ice House, instead of inserting a bunch of floors they are trying to utilize existing space. The Ice House is a challenge because it's a large volume. On the second floor of the north building, retail/office type space. On the second and third floor of the north building -- new hotel rooms. Parking will be below grade and entry occurs at the southwest end of the building. 82 stalls per floor, may exceed 200 stalls.

Exterior concepts were reviewed. One proposal takes an abstraction of the existing AZIA restaurant into a new façade on the new build north building. The group wants to make the buildings as transparent as possible. The second-floor hotel on the north building is set back 12 feet from the building edge and will be visually connected with the staircase tower.

Aaron inquired about existing hotel demand and how rates are assessed. The group said there is a need for hotel rooms with the Met Council predicting 1000 additional rooms per year. There is also a particular need for a unique kind of hotel room. People don't necessarily want to stay downtown – they want to have access to neighborhoods and unique businesses like Los Amigos. Visitors are looking for a grassroots neighborhood feel just outside of downtown. ACE again rates at 80-90% of the market. The rate here will be about \$120 instead of \$150 downtown. Combination of location and price may make the hotel successful. The group has collected a lot of research. For example the Midtown Sheraton has 100% occupancy throughout the week. Nicollet is centered from Uptown, Midtown and Downtown with MIA/MCAD drawing 10k+ visitors per year. The group also interviewed Hennepin Theatre Group about, for example, where production crews and actors stayed. Hennepin noted visitors are tired of being in standard hotel rooms. Conventions also compete with availability.

Aaron emphasized the importance of managing the hotel properly. The group noted ACE is advising on the development of the hotel. There are financial incentives in doing the project and design well. The ACE group is concerned about having good design with reasonable rates. The group expects guests to patron nearby restaurants and shops.

Lisa asked what is happening to existing businesses in the proposed redevelopment including Taco Morelos and AZIA Restaurant. The group said there is an amount of churning of restaurant spaces, they are not sure about Taco Morelos. If it moves out then AZIA may expand to that space with its Anemonie Sushi Bar. Morelos is for sale right now. As for other businesses, each situation is unique. Many of them voiced interest in returning to the location. The group will try to accommodate that. Sindbad (which is also for sale) will not move but Jasmine Deli will. Marian encouraged discussion occur soon with current businesses as Nicollet has empty space available for them. The developer noted they wish to keep businesses who want to stay.

Marian noted all the green space is tucked within the building whereas the spirit of the pedestrian overlay is to bring green space along the street. Craig said they are trying to landscape the interior court as a street to meet this. Question on the public-private access. The interior court is private space open to the public, it is not a park, but there is no entry fee or gate blocking residents, nor will be heavily patrolled. The developer is trying to be street-forward and the upper level setback could have vegetation. The rear will have a green wall. The group noted they are sustainable developers and look at ways to bring technologies to the site. When people walk along the east side of Nicollet, they want them to notice activity inside the building. Trees placed along the interior will be tall enough to be seen from the street.

Liz noted it was a very beautiful project and wonderful asset. She cautioned it's easy to say all the lease holders are on board and the project is set. In the future as we talk about this development, we need more insight as to what is exactly happening to all these businesses, where their lease stand, how can a business afford a beautiful development such as this. The businesses are what define Eat Street and AZIA has played a significant role in the dev. of the corner. She doesn't wish to take credit away from anybody but as the anchor tenant, they want to make the vital components of this block are intact. This is such an amazing project, she'd hate to see this one building given more attention than the businesses that currently exist.

The developers acknowledged they are presenting to the neighborhood in order to receive feedback. In terms of transitioning, the space will benefit the area as a whole with more traffic and investment. All will share in the growth as the overall expectation. What makes Eat Street important is the hole in the wall restaurants, etc. They are trying to shave off operation during peak time hours and instead bring in people at all times of the day ie offices, services (9am, 3pm).

A representative from AZIA acknowledged the importance of talking to the public and bringing the community involved. He asked about the ownership structure of the development site as well as who will be managing and owning the retail spaces. The developer noted those factors are being sorted out. Huey and partners will own the entire building. ACE will manage the hotel portion. Custodial and facility services will likely be unified.

Jim asked about the existing code of parking and how many stalls are needed. For hotels it is one stall per three guest rooms. The total number of stalls depends on what the upper floors will be used for (office space). The event center as well is not yet done. Total supply may be in excess of 200 spaces. They are proposing to build underground parking accessed off of 26th street at the southwest corner, showing 82 parking spaces per level – may be 3 levels. Very expensive investment. Huey requested a very high quality construction of the buildings.

There are no major environmental clean-up measures needed. As mentioned earlier, there is an agreement with ACE Hotel at this time (20 year agreement that can be terminated at any time). ACE may also do extended stay rooms with no kitchenettes. Organizations may also have the opportunity to do contract rates with the hotel.

Paul asked about the capacity of the Ice House – 7,000 sq ft – 250-300 people, 150 parking stalls. Retail spaces at 1200 sq ft – London/Tokyo retailers would need that (clothing/bicycle). There could be 900 sq-ft spaces along the interior court area. Along the street, storefronts maintain standard width and depth. Regarding the terrace, it is open to use by the hotel. The hotel will have kitchen capability with potential for outdoor eating. It is possible to have a very functional space in the green space. Hotel room people may be able to walk out onto the green space but meeting or event people cannot.

MCAD Campus Facility Planning – Mike O'Keefe, Pam Nordaune

Mike O'Keefe, President of MCAD said the college is in the preliminary stage of doing physical improvements to the campus. The college is 120 years old and on the site since 1915 when the Morrison Building was built in the north area. Currently they enroll 740 full time status students in Bachelors of Fine Arts, Graphic Arts, Film, Photography, Furniture Design, etc. Also one of the nation's outstanding comic art programs. Largest number of students is in the design department. Offers BS of visualization for leadership/project management/etc. Master of Fine Arts (55 students).

The MCAD Board of Trustees has asked the college to develop a short-range and long-range plan for the campus because enrollment and student demand has been increasing. Many buildings including Morrison need severe renovation. Some dorms need demolition and replacement (due to changing student needs). Parking was leased by MIA for several years (144 spaces). Because MIA demand/expansion, MCAD has to provide those lost spaces.

Options for meeting those needs include a large surface lot in the south portion and taking out some green space. The parking study is nearly complete. For example 150 students live on campus and use those spots. Option two is a free standing parking ramp in the same area (southwest). A third option includes the parking ramp and adds a complex which wraps studio, office or dorm space and improves the façade. Future goals also include ensuring access along 26th street is an inviting connection to students and staff. Mike thanked the neighborhood for marketing Nicollet Avenue as an amenity to the college.

In other immediate concerns, the Morrison Building in the north needs substantial renovation. The two four-plex dorms in the southeast need to be torn down and redone. The corner southeast building also needs renovation. Also, additional studio and classroom space are being looked at.

In terms of demand, MCAD brings in about 10,000 to the campus each year including students, summer program participants, exhibition guests, talks, etc. The college needs more parking but also wants to ensure it becomes an asset for the neighborhood. Mike informed the BA that the college wishes to bring the neighborhood into the know regarding MCAD's actions in addressing these issues.

Chris asked about adding another level on the MIA ramp. If the current ramp expanded on an adjacent dorm property, parking could double for the site. The MIA at the time rejected the proposal because the addition capital investment was already done. However the ramp cannot be added on top.

Jim Coury said many people come into his business for directions to the college. The President noted that was a sensitive topic to him because that was a major concern on his watch. Mike has finally organized the interior signage for buildings but road signage has yet to happen. He has been trying to organize with MIA/CTC to place signage. The complex is not easy to access from the highway.

Marian asked about remote parking. The three institutions have agreements with Wells Fargo to use their lots. A circulator has started for certain event days. Mike noted the planning process has realized that the right incentives are not being given to students. Next Fall they will be charging students for parking and giving them incentives to not bring vehicles. The Chair noted other businesses have been contracting with churches and other places for parking and valet parking. Marian noted flat lots tend to become more permanent than anticipated. Ideas for design can come from students and the community. She encouraged the college to be proactive to avoid surface parking. Mike noted the surface lot has a lot of costs as well because of slope requirements needing retaining walls, drainage, etc. The college would like to see green space linking the college horizontally.

Paula noted some students still drive to MCAD from 3 blocks away. She also noted students don't feel safe walking at night. Mike noted that's another challenge because MCAD facilities are open 24 hours. The facility is actually very busy late night as well as during the day. In terms of safety, the college acknowledges a wall will not do it but by opening the facility and making it transparent. Opening out to the neighborhood accomplishes this not the reverse.

Paul suggested long-range solutions should be directly looked at. He also mentioned U of MN private construction partnerships which have been successful. Mike acknowledged having a private developer can work but because MCAD students do not lease year-round financing is not feasible. What parents want for students dorm housing looks more like an apartment nowadays.

If residents have any comments, concerns, problems, rumors, please contact Pam Nordaune at MCAD directly.

BA CPED Grant Request 2007-2008

2006-2007 money was used for BA website, computer enhanced facades. New to the proposal this year is there is not a heavy emphasis on graffiti because money is available in NRP. The executive committee is looking to subsidize someone to write development guidelines which can inform developers and organizations as to what is preferred and needed in the neighborhood. There is also money in putting together a cookbook of Eat Street and Whittier restaurants. Lisa noted the guidelines will improve the façade process later. The Chair acknowledged the neighborhood is still in the planning stage. Liz said the City may see it as beneficial the neighborhood planning work being done now.

BA 2 Motion: The Whittier Business Association moves to send the BA-CPED grant request for 2007-2008 to the City of Minneapolis. Motion carried

Comments

There is a contaminated site on Nicollet which needs to be cleaned up. Jim Coury encouraged the BA ask the City for a public parking ramp similar to Lyndale Avenue. The Chair noted NABA has been looking into that.

Adjourn

The meeting was **adjourned** at 5:40 PM. Minutes submitted by Eric James. Next meeting: