

**WHITTIER ALLIANCE - Community Issues Committee
MEETING MINUTES**

August 13, 2007 – 6:30PM-9:00PM

Minneapolis First Seventh-Day Adventist Church

Present Morgan Adanson, Michaela Ahern, Nimco Ahmed, Nur Ahmed, Tesla Aldrich, Andy Baird, Cecilia Basantes, Jon Bates, Wendy Darst, Alex Bauman, Shirley Bernu, Marilyn Bigbear, Alex Bissen, Tom Bissen, Michael Bloyer, Mark Burgess, Mary Cable, Mahamed Cali, Jeff Carlson, Lori Chu, Jenna Conley, Don Davis, Felino de la Pena, Sheila Delaney, Paul Demko (City Pages), Deb Dickson, Abdalah Elmi, Geoff Freeman, Christopher Gottshall, Eric Grumdahl, Melissa Geppert, Verne Greenlee, Mohamed Hassan, Doreen Hartzell, Eric Hedberg, Jim Hornalt, Yuyudhan Hoppe, Paula Horan, Mary Hourigan, Duong Hung, Garat Ibratti, Bjorn Iversen, Gerald Johnston, Peter Johnson, Beth Kehoe (Lowry Hill East Board), Chris Ledoux, Christina Le, Abbie Loosen, Barb Lickness, Larry Ludeman, Gregory Maddox, Brooks Mahoney, Kris Martinson, John Meyer, Mohamed Mohamed, Daniel Nelson, David Nelson, Jeff Nelson, Phuc Nguyen, Sarah Paul, Megan Pierce, April Posner, Ed Ryss, Gregory Sautter, Erin Sjoquist, Scott Smith, Steven Stodolka, Matt Stoddard, Mike Stebnitz, Joel Storby, Todd Skallerup, Jeffrey Thomson, Chris Tupper, Michael Tupper, Shannon Tupper, Paul Udris, JP Verweij, Rochelle Wadorsky, Stephen Wagner, Mohamed Warcler, Rachel Wertzbaugher, Jake Wyer (Southwest Journal), Steve Wiese, Rachel Worwa, Sabah Yusuf, Laura Zebuhr,

Speakers Lieutenant Eddie Frizell, CPS Sarah Mahmud / Michael Krause, Kim Havey, Craig Wilson (Kandiyohi Development Partners), Huey Fung (Proprietor) / Jeff McElmury & Jonathan Bates (Sabri Properties)

Staff Marian Biehn, Josie Shardlow, Eric James

Call to Order at 6:43 by Chair Destin Nygard. The Conflict of Interest & Standard of Conduct policies were noted. **Motion** to approve the agenda **carried**. A **motion** to approve the July 9, 2007 minutes **carried**.

Announcements/Community Comments & Discussion

A resident said a tire was stolen from her car and a generator stolen from her van. The Community Gardens tour is on Saturday. The mentor of the MCAD student who was killed said she was a wonderful student, working very hard at MCAD. The late student's work is being shown at the Chambers Gallery.

Fifth Precinct Report – Lieutenant Eddie Frizell, CPS Sarah Mahmud

Lt. Frizell commended Whittier for its participation. Many 5th Precinct officers have been down at the 35W bridge collapse as many of them were first to respond. A resident thanked the police for everything they have done and the committee applauded. The Lt said bridge emergency services are on Phase 3 where crews are working 12 hour days. He said Whittier has been a victim of robberies. There have been outstanding phone calls to 911 giving accurate descriptions. Police are getting the bad guys off the street but the Lt. needs the n'hood's diligence to, for example, not walk down alleys in the middle of the night. A robbery does not necessarily involve violence but simply must take and deprive you of something. He has been coordinating with MCAD security.

A resident asked about the homicide on 1st Ave. The Lt said it is still an active investigation but Whittier residents are not at risk. A resident asked about curfew enforcement and focus zones. The Lt said since youth have been targeted, graffiti and vandalism has gone down. Each week Police are targeting areas of high crime and have made high profile apprehensions as a result. A resident asked about research in traffic enforcement. The Lt said the City Council has asked Police to put officers full-time in the traffic department. He said any issues which don't require immediate Police attention to call 311 for parking issues, barking dogs, etc.

Sarah Mahmud has been comparing statistics from 2006 to 2007 and robberies and burglaries are down 27 percent. Over the past few months dropped 26 in June and 19 in August. Overall Whittier is down in crime but there is a spike during the summer. New block leaders have been trained at National Night Out. She noted a general concern is theft of bicycles which are a big number of larcenies. For car theft, Honda Accords and Civics are main targets. A resident asked about recovery of bikes to cars. Sarah said many bikes are stolen and not recovered. She noted bike serial numbers are very helpful (recovery via pawn system). Also she had a resident who found their bike on Craig's list after it was stolen. A resident noted the City's website has bike theft prevention information.

Report on Washburn Fair Oaks Park (WFOP) Visioning

Marian spoke on the WFOP meeting. She thanked those who attended. WFOP will be a "passive" park (a place to pause and reflect, relax, etc). In order to do something on the park Whittier will need to enter the park into the Capital Long Range Infrastructure Committee to gain funds. If people are interested in improving the park, email Marian at the office. Tom asked about the 2001 Master Plan. It was tabled by the Park Board and its viability has now expired.

Sept Community Issues Meeting: Mon. Sept 10, 2007 6:30pm Whittier International Elementary School

2528-2550 Nicollet Ave – Kandiyohi Dev. Partners/BKV Architects – Michael Krause, Kim Havey, Craig Wilson / Huey Fung / Jack Barron (ACE Hotel Group) / Phil Baxman (BKV)

Michael Krause reintroduced the team and noted the CI last month approved the site plan and the Bus. Assn. approved the Good Neighbor Agreement. He said the lengthy process has been helpful in making the proposal a signature project. The proposal includes: ACE hotel, Icehouse redevelopment into an event center, 18,000 sq. ft. of new retail space with a focus on new kinds of retail into the City and Nicollet Ave, 8,000 sq. ft. of office space on 2nd floor, 90,000 sq. ft. of total space. Krause noted a goal of the project was to completely park the project and they are doing 3 levels of underground parking, satisfying and going a little over requirements.

Destin explained the motion to return to CI was done by the Board because there were significantly site plan changes which needed community review.

CI 1 Motion; The Whittier Alliance Community Issues Committee supports the current site plan review and concept as presented to the committee for 2528-2550 Nicollet Avenue. (July 9, 2007)

BD 1 Motion: The Whittier Alliance Board of Directors moves to return CI 1 Motion to committee. Motion carried. 12 / 1 / 4 CI 1 Motion is returned to committee. (July 26, 2007)

Kim Havey of KDP reviewed the updated site plan. The Icehouse event center still can use the second floor green space. The second floor is office spaces with an upper level garden terrace also accessible by the hotel and event center. The public can come up the courtyard stairs to use the garden terrace. Updated site plan includes the two floors of hotel space configured as fin facades which face towards downtown. The parking ramp has a typical layout with looping circulation and two stair access. Elevations of the project were shown. Havey noted most people will see the building from an angle and not directly on elevation. Because it is an in-fill project, the building will look very different from north and south approaches. Two digitally enhanced photos of the buildings were shown from those approaches. He noted the fins and the windows allowing transparency of upper levels. The architectural expression of the buildings and street level features were elaborated.

Jack from ACE hotel noted the street level façade will have texture and rhythm. The “fin” windows are 3-4 feet width and close to a classic width. The fins create pockets along the street to step off the sidewalk. The fin angles become more flush with the sidewalk edge as they approach the entrance area. Baxter said for the courtyard, the team wants to capture the European feel by opening the interior upwards and using rich materials. He said BKV prefers to use existing structures. He said KDP was progressively minded in giving an opportunity in creating a sustainable community focused project, notably the courtyard space. A resident asked about what is planned above the second story of the AZIA building. The 2nd floor will be hotel rooms. For the exterior, the group is looking at very different materials that age well. What is being shown at the moment is corting steele that rusts over time. He noted they want the building to last. Craig Wilson said the landscape variance will put a lot of green space in the courtyard. A resident noted pavers dug up from Lake Street are Old World materials. A resident asked about the courtyard hours. Krause said the courtyard is not open 24 hours but there is no fee or gate to get in. It will be open late. The resident noted she liked this presentation better than last month.

Christina Le and Phuc Nguyen, owners of Truong Thanh, Seafood Palace and the building adjacent to the proposed development (U+B & Maharishi) spoke. They want to work with the developers but have a lot of concerns. They expressed concern over safety of their building tenants during construction of the underground parking. They would like CI to approve the site plan with a contingency that tenant safety be addressed. There are concerns over the tenants’ loss of business during this period. They would like to see the project be successful and make money but would like to negotiate more with the developers and Huey to protect businesses on Nicollet that have been there so long and made it what it is today.

Mark Burgess, principle at U+B Architects, said they support the development but there are important technical issues that have not been addressed. Burgess’ firm is unique in the development because they are immediately adjacent. They understand the need for parking but going down three stories adjacent to their wall creates concerns about what will happen structurally to their building. He noted the pile driving noise at Artist Quarter Lofts was nothing compared to the proposed 3 stories being driven down. He spoke with his structural engineer who recommended not working near other building foundations. Burgess expressed his firm will not be able to stay there during demolition and construction until a foundation is set. They should not have to bear the cost of another owner’s gain as they have expanded their operation into the current building. Jim Morwak at the Maharishi Enlightenment Center supports the same vision of KDP for the n’hood including upscale, green building, good for health and the environment. He noted he is not an architect or an engineer but after hearing the costs of the project he was unsure about the survival of his business. His whole business is based on the need for quiet. They will need to have more discussions as to how they will survive. Christina encouraged the

developers to build this legacy and wants to support them. She recommended attaching a contingency to the site plan approval. Destin read a letter from Christina which addresses their concerns.

Krause said this is a very difficult issue for in-fill development. He asked the members to remember the businesses on Lake Street. No compensation was paid to those businesses. The value comes after construction is over. With the office towers downtown, even with three years of construction, no compensation is paid by the developer. A compensation proposal will make the project unfeasible and is a first precedent for the City. He noted they have been at the BA meeting three times and this topic was never addressed. Krause noted the Good Neighbor Agreement. The developers have no legal right to collapse the neighbor's wall and will hire structural engineers to do a good job. He has asked businesses not to jump to conclusions. Krause said this is the nature of infill work.

A resident noted sustainability is also about transportation. Bike racks were not mentioned in the proposal. Jack said he is from Portland, they love bikes, and a retail tenant will also sell bikes. Because racks are not in the drawing doesn't mean they are not there. In terms of parking, it's not the intention of the project to have parking, but that the City requires parking be provided. The pricing of the hotel rooms are a little above average-- in Portland it is \$95-\$250 a night. Portland and Seattle have shared bathrooms, European style. This encourages people to share rooms and have a great experience. It is not the cheapest hotel around but it has a lot of amenities. Krause said most of the parking is generated by the event center (132 spaces) which is the City's formula.

A resident said the semi-public space is not beneficial to the overall community. She expressed concern the development is being spoken about as if it is already underway. She noted the project may destroy local businesses and will benefit people who do not live in the n'hood. New viable retail spaces may not even fit the existing n'hood clientele. Wilson said Tacos Morelos is for sale and will be leaving as well as Icehouse Studios. He said many have expressed interest in returning to the project including Sinbad, Jasmine Deli, Saigon Deli, Saigon Travel & Jewelry, attorney office. Jack said in reference to their previous projects, they are not meant to threaten the n'hood. He said the intention is to keep as much as they can. The green space along the street is decorative and they are trying to create truly usable and stable green space inside. He said the hotel group wants to be there long-term and help incubate businesses around them (not GAP or Pottery Barn).

Jim commented he really enjoys the development. However, he applauded the adjacent property owner who came forward who has existed for 20 years. They have a valid issue. Wilson pointed out the group is there to ask for variances and approvals. Jim said the safety issues must be resolved. Krause said safety is a given. The Chair reviewed the agenda item approvals. Steve Wiese across the street at 2543 Nicollet is not opposed to the project. He has been a recording studio for over 50 years and suffered losses during the Artist Quarter Lofts project. He reviewed a document to go on record on behalf of his recording studio tenants. They require a lot of silence and therefore will need to cease business activity during construction. They anticipate a loss of revenue and ask for site plan approval with a contingent of successful compensation agreement with other neighbors.

Wendy asked about height. Four stories will be in the development and lower than the current Icehouse height. A resident asked what is green space. It is any ecology that grows. Krause said KDP goes through a comprehensive review of environmental concerns to obtain a certain rating. ACE Hotel guy noted they will be careful about safe and quality building materials.

Mike Stebnitz, AZIA partner, spoke in favor of the project but the existing buildings are tear-downs and many tenants have moved on. He said concessions need to be made as the project is doing a good job and should residents want urban, they will need to have a boxy and tight space. He liked what Christina did to her building to prevent graffiti. They want the project to go forward but not at all costs. Mike requested businesses be given time to establish legal protection before the project begins. Tom said the Whittier Alliance should not take up the compensation issue as it is a legal matter between the property owners. Mike said where is the forum for such issues to be addressed at the City if not the Whittier Alliance.
Motion to call to question carried 33 / 26.

Overall site plan review

CI 1 Motion: The Community Issues Committee moves to support the site plan review of the ACE Icehouse Redevelopment at 2528-2550 Nicollet Ave. Motion carried 42 / 19 / 2

Conditional use permit for a shopping center (interior retail openings into the courtyard)

Darcy amended the motion to include the development not be allowed chain businesses.

CI 2 Motion: The Community Issues Committee moves to support the conditional-use permit for a shopping center (business entrances opening into an interior) at 2528-2550 Nicollet Ave with the request that chain retail or chain food are not allowed as tenants. Motion carried 47 / 1 / 5

Setback variance reduction from 11' to 0' on west side allowing for hotel use up to the lot line of the alleyway

CI 3 Motion: The Community Issues Committee moves to support the setback variance reduction from 11 feet to 0 feet on the west alleyway lot line at 2528-2550 Nicollet Ave. Motion carried 44 / 2 / 10

Discussion: A resident noted concern for the blind with regard to the setback. It was clarified that it would not impede foot traffic. A question was asked about building to the lot line on the Nicollet ave side. The Chair noted the POD allows build up to the lot line. A resident asked how service trucks go into the project and if any utility poles obstructed access. Krause noted the service area. The resident noted her business suffers from service trucks backing up and hitting cars. and because near the Calhoun building, trucks have hit poles and knocked electric wires to the ground. Bill from BKV said the building is below current power lines that run through the area.

Alternative compliance to minimum landscaping requirements of the Pedestrian Overlay District (POD). 650 sq. ft. of Nicollet Ave green space required by POD / proposing 421 sq. ft. (Overall green space will be 16,000 sq. ft. at: street level along Nicollet, in the interior courtyard, and on green roofs and facades).

CI 4 Motion: The Community Issues Committee moves to support the alternative compliance to minimum landscape requirements of the Pedestrian Overlay District (650 sq. ft. of Nicollet Ave green space required by P.O.D. / proposing alternative 421 sq. ft. on the street front with additional green space in the interior courtyard, green roof and west facade to total 16,000 sq. ft.) at 2528-2550 Nicollet Ave. Motion carried 46 / 2 / 7

Discussion: A resident asked about the interior green space. Krause noted they want to capture rain water via the interior green space and utilize it. Green space on other areas will cool the building. Store front green space offers a cooling effect for the street. Krause clarified the POD requirements asking for building up to the lot line on Nicollet. A resident asked why setbacks along Nicollet aren't greater. The POD allows a maximum setback of 12 feet from the lot line (not the curb).

2848 Pleasant Ave S – Midwest Machinery – Jeff McElmury & Jonathan Bates (Sabri / Leonard Properties)

Midwest Machinery Redevelopment is a housing development proposal for re-use and new build for 102 rental units of 3 & 4 bedroom units. Destin gave background on the building. The zoning has been changed from industrial zoning to R-5 which is high density residential. The WA Board made a motion requesting that the historic part of the building be conserved. The second proposal for a storage business was approved but the owner stepped out. The current proposal has gone through the Development Review Group. The sale of the building to Basim Sabri is complete. CI members noted some work has begun on the site including demolition.

Jonathan Bates who recently joined Sabri Properties as the Communications Director introduced himself. The proposal is for a residential facility on a currently vacant site. Sabri has been in business for 28 years, projects are 100% self-funded, and has done work on Lake Street. The company's work in the community was reviewed.

The site is a five story re-build at 28th and Pleasant. 102 units of residential housing and 102 parking spaces, 25% 2-bedroom, 50% 3-bedroom, and 25% 4 bedroom. From the east side the new build portion has 20-foot offset from behind the existing wall. Planning to incorporate a day-care center in the lower level of the old building. The building has a maximum height of 48 feet. Will have a green roof to collect run-off for watering and reduce pollution. The project is aligned with City planning goals which for the area is dense residential housing. A zoning map of R-5 and R-6 properties were shown. Karmel Village includes stairwell and elevator access to the Greenway. Full-time security will be present with high-resolution security cameras. The day-care center may include subsidized day-care. The project will mitigate traffic concerns for no bottlenecks.

Interior demolition begins on September 15, 2007. Reconstruction of the structure is in October 2007. In February 2007, first occupancy. Completed in April 2008. Generated images of the project were reviewed. All parking is included within the building. The project includes an interior courtyard. The paid tax value will largely increase, benefiting the City. New transit ridership will increase in the area. Investment and security at that site will improve the overall n'hood with land values going up. The project is building within the scale of R-5, and is smaller than previous proposals, one which had 120 units. Marian clarified the previous proposal was actually 78 units with a density and bike bonuses which brought it up to 92. The Chair asked about building materials. They will be keeping much of the existing brick and use materials such as masonry, tan brick, and steel. The Chair said the concern of the DRG was to use lasting materials and not stucco as proposed in the current plan. A resident asked for clarification of the parking. Jeff McElmury said the parking connects to a corridor which then leads to people's apartments. Tenants will be charged for parking. McElmury said the ramp exit leads onto Grand and takes traffic away from the n'hood. A resident said the Midwest Machinery height is much lower than what is depicted in the graphic. McElmury said the building is actually three stories and reviewed the elevations. A resident inquired about emergency exits. McElmury detailed exits in the parking ramp and building.

Chris at 2826 Pleasant who participated in the DRG meeting noted that specific questions and issues from the Development Review Group were not addressed in the presentation. 1) traffic conditions and parking study is not done 2) density reduction of the project, 3) info on square footage, market pricing and how many adults living in, 4) building materials had recommended no stucco, 5) alleyway issues on the north are not resolved. He noted construction has begun and consent has not been given. The n'hood has not been informed of who the new Project Manager is. He expressed concern scale drawings are not present considering argument at the meeting has already begun on exact elevations. Bates said on September 1 a website is being launched on the project. The pricing has not been done yet and are in the early process which is dependent on density. Density is currently negotiable. The building is five stories which are setback from the neighbor to allow space. The height is due to prevent encroachment on other neighbors and still be economically feasible and achieve number of units. He encouraged residents to call him with questions.

Barb Lickness presented a stop-work citation for Sabri's property at 2901 Pleasant. Sabri does not have a licensed contractor or electrician to do the work at this property. The citation is not the first warning but the final warning to stop work and obtain those permits. She is concerned about such contractor practices when building for 102 families. Bates suggested part of the issue is lag of response from the City. Jim at 2829 Pleasant was concerned about green space for children and carbon dioxide leaking in from the parking space. He would also like to see more windows, light and sqftage. Parking and traffic is his current issue. Without a formal study, they may not be able to go forward. He is also concerned about any toxicity abatement when there has been no study. Jim noted the current process is not a good way to work with the n'hood. He asked who was going to take care of the toxicity. Bates said the information will be made available as an individual has been placed in charge of it. A resident noted a previous developer proposed a higher density and there is precedent set by the n'hood opposing the higher density. McElmury said based on the current formula, 117 units are allowed and they are doing 102. Marian asked about the timeframe with the City. They are meeting with parking officials shortly. Applications for building are being made and meetings are setup. The group would like to go with construction on Sept 15. Another immediate neighbor said construction has begun without any precautions with removal of external walls or effects to other neighbors. A Landmark study will be provided soon on environmental hazards. McElmury said the contamination is minimal. Mohammed expressed concern the info has changed so much since the last meeting with the Karmel BA. A Karmel business tenant said the behavior of the developer (Sabri) endangers the tenants. Sabri doesn't provide contacts so he raises the rents whenever he wants. He noted concern about the management of Karmel Mall and fees. A resident said the community should not take chances with this developer. Bates said Sabri is the largest landlord for Somalis in the country and has given out many loans. A Somali resident challenged that statement. Another nearby resident noted concern over traffic and that issues are not resolved with Karmel Square either

CI 5 Motion: The Community Issues Committee moves to deny support of the site plan review of the Midwest Machinery Redevelopment ("Karmel Village") at 2848 Pleasant Avenue. Motion carried 39 / 1 / 2

CI 6 Motion: The Community Issues Committee moves to deny support of the conditional use permit of 102 units at the Midwest Machinery Redevelopment ("Karmel Village") located at 2848 Pleasant Avenue. Motion carried 39 / 2 / 2

Discussion: Marian commented 1,200 sq ft for a 3-4 bedroom is very small. What market studies did they use that showed the demand and absorption rate of 102 rental units? McElmury said they arrived at their unit numbers by bonuses of 20% for affordable housing and 20% for parking all units.

CI 7 Motion: The Community Issues Committee moves to deny support of the variance for a fifth story height at the Midwest Machinery Redevelopment ("Karmel Village") located at 2848 Pleasant Avenue. Motion carried 36 / 4 / 1

Discussion: Most buildings in the n'hood are 2-3 stories and going up to the 5th story is substantial. McElmury said the zoning and requirement conditions on the site lean such a project. Alex said he prefers varied building heights in the City and Whittier School is an example of an asset. He said where he lives he doesn't feel a 5th story would impact the n'hood. A resident said the n'hood agreed on previous lower heights. Wendy said what the City wants for the area is not what the n'hood prefers. She said the main concern is the important toxicity issue.

CI 8 Motion: The Community Issues Committee moves to return discussion of the Midwest Machinery Redevelopment ("Karmel Village") located at 2848 Pleasant Avenue to the Development Review Group. Motion carried

Old / New Business

Meeting adjourned at 9:52 p.m. Minutes submitted by Eric Fu-Wah James, Whittier Alliance.