

## Upper Harbor Terminal Redevelopment Community Meeting on Revised Concept Plan

**December 11, 2018**

Prepared by Ann Calvert, City of Minneapolis

Meeting held at: Minneapolis Park and Recreation Board headquarters, 2117 W. River Road N.

Note: Text in *italics* is supplementary information added to the meeting summary to make it more informational.

### Introduction and welcome

Ravi Norman of THOR Companies welcomed participants, made some introductory remarks and introduced the other members of the development team: Brandon Champeau (United Properties) and Dayna Frank (First Avenue) and a representative of the development team's design firm, Robin Ganser (Coen+Partners).

### Presentation

The presentation found [here](#) was started by development team members, but discussions between the presenters and attendees resulted in later slides not being directly addressed.

Mr. Norman reinforced that the development team intends to continue the conversation to refine the proposed Phase 1 plan, but they need to have the basic land uses confirmed before they can make progress.

### Q&A, Comments and Input:

1. Why is there only one plan option to which the community can respond? They expected more innovation and options. Will other land uses that are not included in the approved concept plan be excluded from future consideration?

A: The team actually looked at many options with a balance of uses, but only wanted to pursue options that the development team thinks have some feasibility.

To make progress on testing the plan, the next phase will focus on the specific land uses proposed for Phase 1, but with lots of room for input as to design, scale, programming, etc. Any land uses can be considered for the "Future Phases" parcels. The challenge is that the community input has been so varied, so there isn't one clear path to follow. (If there were, then a plan change would be more likely.) The team is trying to turn that input into a balanced plan in which everyone will see some of what they're seeking (but probably not everything).

The goal is to find a balance in which the site maximizes local benefits while also helping the area and the region compete. Both the hotel and the music venue help make North Minneapolis a destination.

2. Have any feasibility studies been completed?

A: Yes, various general feasibility studies have been completed, but to get more in depth, the team needs to have the basic land uses approved.

3. What will the concept plan include, and what will be the process and timeline for consideration of the concept plan?

A: The concept plan will identify the basic land uses that will be further explored in the next stage of planning. Slides 3 and 4 of the presentation outline the currently expected process and timeline.

4. Please explain the Opportunity Zone program.

A: This program was created by the 2017 federal tax law. *An IRS FAQ is [here](#)*. The UHT site is within a designated Opportunity Zone. The goal of the program is to attract capital investors (locally and from all over the country) by offering a deferral and/or forgiveness of federal capital gains taxes. Because of the ten-year deferral period, it's hoped that investors will be more patient in leaving their funds invested. They also may be willing to accept a somewhat lower rate of return because of the tax benefits. These factors could help make challenging developments more feasible. In order to have access to the initial largest group of investors, there needs to be a credible development plan in place by the middle of 2019, which is one of the reasons why having the Concept Plan approved in early 2019 is important. Opportunity Zone/Fund investors will provide funding, but will not own the developments in which they invest. Some Opportunity Zone Fund organizations are being designed to aim for a triple-bottom line in which public benefits also are important, not just the financial return. [MNvest](#) (online business funding by the community) also might be a possible source. Mr. Norman noted that Opportunity Zone funding isn't a good match with trust ownership.

5. How can neighbors be able to give feedback in the next phase of planning?

A: In addition to meetings, the team is considering the use of technology such as Hoodstarter. Community members also can provide input directly to their elected representatives.

6. How can you plan for Phase 1 without having a master plan for the entire site?

A: We're interested in understanding what your idea is.

The development team understands the interest in having a more complete master plan, but it's hard to plan for the southern end of the site until we know if GAF's new equipment will solve the odor problem.

7. Green jobs are more important than affordable housing. The community wants to own something.

8. Has the community indicated it wants a hotel? Is there any evidence that it will be catalytic?

A: The most quantifiable way to answer is by looking at the online survey results. Of the 68 people in zip codes 55411 and 55412 who responded, 63% said that a hotel “sounds like a good fit for that location” while 37% said that “revisions are needed.” The small sample of people of color who responded (28 people) supported the hotel 86% to 14%, and renters (55 people) supported it 74% to 26%.

The development team noted that often a hotel comes later in a redevelopment process, but that THOR is being more proactive, as they feel that it will be part of the “destination” and make the Northside a more competitive community.

9. The CPAC is a cornerstone of the plan, and the hotel is associated with it. If the concept plan approval is just for “live music” and the community wants something smaller, will that be as much of a destination and might there no longer be a need (or market) for a hotel? Why approve a hotel when it’s not known how large the music venue will be?

A: Yes, if the music venue shrinks substantially, that would impact the hotel viability.

In the [“what would bring you to the river?” survey](#) work at meetings/events, live music received the most responses (trails were #2). Having a “world class” development was one of the Characteristics of Success, and the goal has been to design the music venue accordingly to be something amazing. The team is willing to invest in further exploring the design and scale in the next phase of work.

10. Is there a City commitment to the goals of the Green Zone and Promise Zone?

A: Yes, those goals were approved, but they are fairly general, so we need to explore how they would apply to this specific site and plan.

THOR is definitely committed to racial equity.

11. It’s good to see that private dollars are being invested into the site and community.

12. When is an assessment done, and what are the values? Is the plan responding to the climate crisis? What would a partnership look like to do so? We need innovation and vision.

13. An attendee said that the systems of engagement being used just perpetuate inequities. The people with whom she works aren’t seeking a music venue or hotel; their needs are very different – how can they be addressed?

A: Will the Hub and/or community-focused ground floor spaces help address those needs? Mr. Norman noted that he certainly understands the systemic inequities that have existed, and he won’t be part of a project that doesn’t help address them. He encouraged attendees to take the time to explore his track record.

Many of the answers can be in “how” things are done, not just “what.” For example, First Avenue looked very carefully at how to keep the revenues from the music venue in North Minneapolis through zip code hiring; giving priority to community

businesses for security, food service, merchandise printing, etc.; and community programming to be funded by the venue that also will give skills to youth.

The ground floor active spaces also can be a place where Northside businesses can showcase their products to the audience attracted to the music venue and thus they can be more successful.

This site needs to be part of a regional strategy to make connections to have larger long-term benefits for Northside residents.

14. One attendee observed that she thinks there's a big disconnect in that the plan doesn't address how the site would connect to other parts of North Minneapolis. For example, there will be an LRT station at Wirth Park; consideration should be given to how people could get from that station to and from the site (e.g., people using the hotel). She also noted that as a member of the [MPCA Environmental Justice Advisory Group](#), there are some groups that should not be harmed.
15. One attendee indicated support for Project Sweetie Pie and the Co-Creation effort and expressed concern that the plan doesn't seem to have any alignment with the Climate Action Plan and more information is needed. A question also was raised about measures to stop displacement.
  - A: City staff is actively involved in the national [All-In-Cities Anti-Displacement Policy Network](#) initiative to explore ways to avoid or mitigate displacement. UHT project staff will be monitoring this initiative to learn what it identifies as tools and approaches. It could be that those tools would be applied on a city-wide basis rather than a project-by-project basis, as the problem is city-wide, and it would be hard to assess what the impact of any specific project might be.
16. An attendee expressed that there seems to be a rush to judgment and observed that there hasn't been this much engagement until recently. This project shouldn't be "business as usual" and there shouldn't be a rush. If we can build the right model, money will rush to us. The CPAC is too small a concept; more thinking is needed. What is happening to the Bloomberg money?

A: Excerpt from [Bloomberg Philanthropies press release](#):

*"Winners of the Bloomberg American Cities Climate Challenge will be provided robust technical assistance and a support package valued at \$2.5 million per city. These resources include a philanthropy-funded team member to facilitate the development and passage of high impact policies, training for senior leadership to assist with implementation of their proposed climate plans, and citizen engagement support to maximize community buy-in. Cities will work with Bloomberg Philanthropies and partners to implement their specific climate plans:*

*Minneapolis plans to develop Mobility-as-a-Service pilot, offering subscription service for unlimited transit use, an allotment of use for shared cars, bikes, scooters, and ride-hailing; increase the use of low-carbon mobility modes by non-traditional users*

*by 10% through incentives and a full education and encouragement campaign; and implement comprehensive citywide solar strategy including focus on low-income onsite and community solar garden subscriptions.”*

Mr. Norman asked how we can get to “yes, and” by having a reciprocal partnership that recognizes that the development team has spent real dollars and timing does matter. There’s recognition that the process has not been perfect and a desire for further improvement as it moves forward.

17. How can the southern end of the site be cleaned up?
  - A: The development team has met with GAF and learned that, although GAF plans to keep their roofing plant in operation, they do want to integrate better into the community. One option that could be considered for the southern end of the site in the next phase of planning would be state-of-the-art manufacturing with the highest environmental rating and good jobs.
18. How would that impact the site as a destination? Have you talked to Disney or Six Flags? And what would be the timeline?
  - A: The southern end could be redeveloped as fast as the community input and market allow. The two basic options are light industrial (as noted above) which could start in the near future or, if other types of development are desired, we could wait until later to see if odor issues are controlled and until the destination has been created and the market has responded. To accommodate additional engagement, we will need more time.
19. An attendee thanked the community and development team for the productive dialogue. She noted that there will need to be a strong public/private partnership to make sure that the proposed public benefits are kept. For example, how can we assure that public access to the riverfront paths will not be blocked by CPAC events, and who chooses which days the CPAC ticketed events use the facility? If State bonding (for which the principal and interest is paid by State taxpayers) is provided for the music venue, then there will need to be strong agreements.
20. Another attendee also expressed thanks for the team participating in the dialogue. As a Northside resident (36<sup>th</sup> and Xerxes), he is excited by the CPAC. The development team is great, and the timing needs to be considered; how can agreement be reached? He also noted that he thinks there are people who would be interested in a hotel in North Minneapolis. For example, people come to North Minneapolis to tour sites tied to Prince and there is no place for them to stay.
21. An attendee noted that the High Line development in New York caused gentrification, to which no thought had been given, and the [Atlanta BeltLine](#) development is in chaos. There needs to be a plan and resources. The [Democracy Collaborative](#) has ten principles about how to generate wealth. We need funding to avoid gentrification and a plan now.

22. An attendee says there has been lots of great community input, but it doesn't seem authentic. She doesn't think that the concept plan meets the community's needs and that more time is needed.
23. The development team asked attendees for input on how to design the next round of input and what sorts of events and approaches would be desired in the next phase of planning as part of a new process.

A: One attendee agreed to send models from other cities.

Another suggested that meetings could be taped and posted online.

24. An attendee said that the team is hearing, but not listening, and the process hasn't moved past consultation. There are parts of the concept plan he likes, but he doesn't want any options to be precluded by the approval of the concept plan. He won't be satisfied until there's a better process and is agnostic about the outcome, as long as it's a good process. A development team member pointed out that changes were made in the concept plan in response to input, but the attendee did not feel there were enough changes and wanted to know why the deadline for approval of the concept plan can't be extended.
25. An attendee said that he is challenging the City and Park Board to do bottom-up planning, not top down. He wants to grow ideas, not throw them out. The plan doesn't need to be killed; just extend the deadline to do a different process and improve the plan. We should change how development is done on this key site.

Another attendee agreed and said that what should be truly world-class would be the process, not the buildings. Renters don't know about the site or process and some don't have web access or know who their Council Members are. Another noted that the people in the room can enhance the feedback and that the process needs to bring in other demographics. A fourth said the development team is a victim of circumstances and the community's distrust of the City, Park Board, County and Met Council.

A development team member said that the Council Members and Mayor want to see progress, and an attendee asked how to get the City to allow more time for the process. Another development team member asked how much more time is being requested, and the attendee said that a proposal had been made to Councilman Cunningham. The City says the development team doesn't want to allow more time and vice versa.

A development team member indicated that the concern is that the same conversation could be continued for a long time without reaching any conclusion as to a shared plan that would be feasible. It's really hard to get partners aligned, but the team wants to do the right thing. Another team member indicated that the concept plan will simply approve a few basic things that then can be used as a framework for additional planning.

An attendee noted that there's pushback from the community and nonprofits due to concern. Co-Creation is needed to inform the concept plan; that process would only result in maybe a two-month delay.

26. There was discussion back and forth about whether the development team was willing to ask the City and Park Board to extend the deadline for approval of the concept plan. The development team indicated that they are concerned about losing access to the Opportunity Zone funding and would need to discuss it.

One attendee stated that any other neighborhood would have had co-creation for planning, but North Minneapolis was discounted. The development team was asked to be change agents and value democracy, extending courtesy to those who have faced disparities and give a voice to those who have been voiceless. The City and Park Board are in the hotbox, not the development team. Another suggested that any discussions and decisions should institutionalize the community, especially those who haven't been represented.

The development team noted that Councilman Cunningham is leading the effort to plan the upcoming community engagement, as the development team shouldn't. There's a need to assure consistency and to avoid re-doing. Dialing back the level of detail that will be included in the concept plan already was a big response on the part of the development team to the community input. It was noted that until there's a deadline, people don't get motivated. If there's a new process, will everyone support the outcome of that process?