

Upper Harbor Terminal Collaborative Planning Committee Minutes

Regular Meeting
July 8, 2020 - 5:00 pm
Online Meeting

Members Present: Markella Smith (Chair), Vanessa Willis (Chair), Jashan Eison, William "Bill" English, Tanessa Greene, Britt Howell, Mary Jamin Maguire, Channon Lemon, Melissa Newman, Alexis Pennie, Grace Rude, Courtney Schroeder, and Makeda Zulu-Gillespie (Quorum: 9)

Staff : Hilary Holmes

Call To Order 5:10pm

1. Roll Call.

Quorum Present

2. Adoption of the agenda.

Action Taken: Adopted as Amended

3. Acceptance of Minutes

Action Taken: Adopted as Amended

Minutes amended to include as part of Committee request for property tax projection discussion at future meeting, that a representative from Hennepin County assessor is also part of the conversation.

Discussion

4. Welcome from Committee Co-Chairs

Action Taken: No action taken

5. City Update on Upper Harbor Project (Erik Hansen, City of Minneapolis)

[7-8-2020 UHT CPC City Update on Upper Harbor Project.pdf](#)

Action Taken: No action taken

Erik Hansen provided an update from the City, noting that the City budget deficit is somewhere between \$160-\$200 million. The Mayor will be proposing an amended budget July 9th at Council, and more will be known about the budget cuts by the end of July. The preliminary 2021 budget will be announced in August, that is when the City will get a better picture of the City's financial state at that time, including timing and funding availability for future developments. Mr. Hansen noted that the State Legislature has not made any decisions on bonding. They will meet next week and there are negotiations ongoing around a bonding bill, so there is a possibility that the legislature could act next week on a bonding bill and reconstruction efforts for Minneapolis and St. Paul following the murder of George Floyd.

Mr. Hansen responded to Committee questions regarding First Avenue's required match for the state bond funding for the music venue, affirming the match will be raised by First Ave. Mr. Hansen responded to a question regarding the City's budget for infrastructure.

Mr. Hansen responded to a question regarding the \$6 million in state bond funding awarded to the City for infrastructure and if that is enough to cover the total cost of the infrastructure. Mr. Hansen stated that the City would fill the gap through its Development Account. There was a request from the Committee for Public Works to state the amount of BIPOC small businesses that are part of the design team for the infrastructure project. JoAnna Hicks, project management consultant for the City, stated Public Works will address that in more detail at the 7/22 committee meeting, and two of the firms on the team are either black owned (4RM+ULA) or black led (JXTA).

Mr. Hansen responded to a question about if the ownership model of the music venue has been decided. Mr. Hansen affirmed that the bonding requirement for the music venue would require City that the City has a controlling interest - the ownership of the specific building could be owned by First Ave + community entity, which is what was proposed to the Committee in February.

Ms. Hicks responded to a question regarding whether Phase 1 infrastructure would serve the proposed business park at the south end of the site and confirmed Parcel 5 would be accessible as part of Phase 1, and Parcel 4 is currently proposed as part of Phase 2 development. Responding to a question regarding an update on the work of the Mississippi Watershed Management Organization (MWMO) Ms. Hicks noted that it is tentatively on the agenda for the 7/22 committee meeting.

6. Developer Update on Upper Harbor Project (Brandon Champeau, United Properties)

[7-8-2020 UHT CPC United Properties Update Memo to CPC.pdf](#)

[7-8-2020 UHT CPC UHT CPC Development Scenario 4 Update.pdf](#)

Action Taken: No action taken

Brandon Champeau expressed his excitement to be meeting with the Committee again and highlighted a few items from his developer update memo:

- United Properties is in discussions with Devean George/Building Blocks CDC as the developer of the affordable housing developments as well as potentially serving as the lead of the HUB.
- Mr. Champeau is working with JE Dunn as a preconstruction consultant to assist with predevelopment estimating. Their diversity consultant is working to establish a project ecosystem for all of the contractors and vendors that will be needed for design and construction of the private development, in order to identify opportunities and strategies to achieve the inclusion goals for this project.
- United Properties is involved in ongoing discussions with Pillsbury United Communities and others who are working to create a North Minneapolis Community Development

Corporation and to figure out how to integrate this future CDC into the project as soon as possible.

Mr. Champeau noted that during the pause in April, the development team continued financial underwriting, identifying gaps in the feasibility and mapping out a financing strategy for development phasing based on Scenario 4. This will be the primary focus of the 7/22 committee meeting. What is reflected in Scenario 4 is a first phase that United Properties believes can be accomplished within the next three years. Parcel 4 is in Phase 2 based on need to identify operators for the food production component – if that can be identified it can move forward. Mr. Champeau invited people to send comments to him about Scenario 4 and he can respond in writing before the next meeting.

Mr. Champeau responded to a question regarding United Properties contributing to close the financial gap by stating that United Properties is contributing 40% of the development fee.

Committee commented wealth creation and economic opportunity need to be part of Phase 1 development. Mr. Champeau responded that the development team has approached phasing as Phase 1 addressing the two most critical needs: affordable housing (Parcel 1B and 6A) and jobs (Parcel 3 and 5) and that Phase 2 could take a similar approach or pivot as needed. Mr. Champeau responded to a question regarding how the phasing is determined, by stating that the phasing is based on a number of factors including financing, market demand, gap financing availability.

7. Reconvening UHT CPC Schedule Discussion (JoAnna Hicks, Element & Hilary Holmes, City of Minneapolis)

[7-8-2020 UHT CPC Reconvening & Schedule Discussion.pdf](#)

Action Taken: Continued to meeting of Jul 22, 2020

JoAnna Hicks, Element (City's project management consultant), presented outstanding topics for discussion and a proposed schedule. Committee discussion of schedule and topics followed.

Committee commented on additional meeting times, and that Committee members should send staff questions/concerns and make sure there aren't any outstanding.

Committee will submit priorities for schedule topics and questions to staff and questions/comments on Scenario 4 to Mr. Champeau.

Addendum

8. Code of Conduct for Committee Meetings (Erik Hansen, City of Minneapolis)

Action Taken: No action taken

Erik Hansen reminded the Committee of the talent and experience of the committee members and requested that all members treat each other with respect and professional courtesy as the Committee deals with important and controversial issues. Mr. Hansen noted that if there are

violations to this, the Chair will enforce the policy. Staff will send out a written code of conduct and request some sort of acknowledgement from Committee members that they have received this.

Adjournment 7:34pm.

Notice: A portion of this meeting may be closed to the public pursuant to MN Statutes Section 13D.03 or 13D.05.

This meeting may involve the remote participation by members, either by telephone or other electronic means, due to the local public health emergency (novel coronavirus pandemic), pursuant to the provisions of MN Statutes Section 13D.021.

Next Upper Harbor Terminal Collaborative Planning Committee meeting: Jul 22, 2020

Submit written comments about agenda items to: councilcomment@minneapolismn.gov

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