

# Upper Harbor Terminal Open House Q&A



Updated January 13, 2021

## Upper Harbor Terminal Open House January 5, 2021 Q&A Responses

### General Project Questions

#### HOW DID THE CITY SELECT THE UNITED PROPERTIES AND THE DEVELOPMENT TEAM?

In 2015-2016 the City of Minneapolis and the Minneapolis Park and Recreation Board (MPRB) collaborated on community engagement to inform a Request for Qualifications (RFQ) for the redevelopment of the Upper Harbor Terminal (UHT) site. In August of 2016, the City of Minneapolis and Minneapolis Park and Recreation Board (MPRB) issued an RFQ to seek a qualified development team to work with the City, MPRB and community on the redevelopment of the UHT site. One submission for consideration as master developer was received from United Properties, with THOR Development and First Avenue Productions as development partners.

Community input about the submission was sought at a public meeting held on November 3, 2016, and also via an online survey. A recommendation committee (comprised of the City and MPRB) reviewed the master development team submission. The committee took into account input from the community and City and MPRB staff, and conducted an interview of the development team. The Committee recommended selection of the development team to the City Council and MPRB.

In 2017, the City of Minneapolis and MPRB selected United Properties as the master developer to work with the City, MPRB and the community to create a plan for redevelopment of the UHT site.

Information on the selection process can also be found on the project website:

<http://upperharbormpls.com/process>

<http://upperharbormpls.com/master-developer-rfq>

#### WHEN WILL THE AUAR BE RELEASED FOR REVIEW? WILL IT BE BEFORE OR AFTER THE COORDINATED PLAN HAS COMPLETED ITS COMMENT PERIOD ON THE 15TH?

An AUAR will be completed for the Upper Harbor Terminal Project. The Alternative Urban Areawide Review (AUAR) is a form of environmental review that reviews a project's environmental setting, the potential environmental effects of the project, alternative scenarios, and a very specific mitigation plan.

The City can use an AUAR as a planning tool to understand how different development scenarios will affect the environment of their community before the development occurs. The process is designed to look at the cumulative impacts of anticipated development scenarios within a given geographic area, including noise, traffic and impact on cultural resources. Environmental analysis information from an AUAR can be used to inform local planning and zoning decisions.

The City Council will approve the scope of the proposed AUAR, which is anticipated to occur in the first quarter of 2021. Once the AUAR analysis is complete and the proposed mitigation strategies are identified, the Minneapolis City Council will make a determination on the adequacy of study following a public comment period.

Once that has occurred, the normal development review process may begin. This includes the final design of the required infrastructure (roads, stormwater management, utilities, etc.) and site and building design for each individual component of the development. This will occur as each building within the development is brought forward for review. As with any development review process, this is a critical opportunity for community input and feedback.

### **WHAT KIND OF NOISE RESTRICTIONS WILL YOU HAVE FOR THE MUSIC VENUE?**

A recently completed noise study showed no adverse effects on either the heron rookery or surrounding neighborhoods. The AUAR will identify noise impacts and noise mitigation strategies. New buildings being constructed on the UHT site will implement noise mitigation strategies through building materials and techniques. Additionally, acoustic consultants and theater planners will advise the design team on optimal audio setup to reduce noise off property and improve the concert going experience for customers. This could include delay speakers, ribboning and other acoustic treatments. The acoustic design work will commence after the schematic design for the CPAC is formalized.

### **IS THERE NOT BETTER PLACEMENT FOR THE FACTORY/FOOD PROCESSING BUILDINGS OTHER THAN THE RIVERFRONT?**

Creating opportunities for generating livable wage jobs was identified as an important goal for the UHT site by the UHT CPC and in prior public feedback. In particular there was strong support expressed for building sustainable food systems on the site that might provide synergy with the food vendors at the venue or ground floor retail. The buildings were designed to provide the required dimensions and loading needed to attract advanced industries, and the development team envisions a high level of design and sustainability for the buildings. The location of these buildings on the southern end of the site is consistent with the industrial uses to the south of the UHT site. The northern portion of the site is focused on park and residential uses.

## **Redevelopment**

### **HOW WILL THE GROUND LEASE WORK? WHAT WILL THE GROUND LEASE PAYMENTS BE USED FOR?**

A *ground lease* is an agreement in which the developer will be permitted to develop a piece of property during the lease period, after which the land and all improvements are turned over to the property owner (the City of Minneapolis). In order to secure financing to build the development, the term of the ground lease will need to be approximately 99-years.

The City, the development team and the Upper Harbor Terminal Collaborative Planning Committee are recommending a special enterprise fund be established by the City Council to earmark the annual ground lease payments to be used for anti-gentrification efforts in North Minneapolis. It is proposed that the future UHT Community Entity (see Question 3) would make recommendations on the distribution of those funds to the City of Minneapolis. Ground lease payments will be tied to each specific parcel, so the timing of payments to the fund will depend on the final phasing schedule.

### **CAN YOU SPEAK SPECIFICALLY TO HOW YOU BELIEVE THIS PLAN CAN, PER ITS OWN OBJECTIVES "DISRUPT" GENTRIFICATION?**

As defined on page 28 of the Draft Coordinated Plan, the third project value is “Advance the interests of our Northside community without gentrification and displacement.” The UHT CPC worked with the City’s Division of Race and Equity to create the UHT CPC Equitable and Resilient Inclusive Development Matrix, which established objectives and outcomes tied to each of the six values. The four objectives for disrupting gentrification and displacement are: to increase residents and owners that are stably housed, provide affordable commercial space for Northside BIPOC business owners, ensure new housing is attainable for residents most at risk of displacement, and anticipate and prevent involuntary displacement.

The Draft Coordinated Plan recommends strategies to achieve each of these outcomes:

#### *Increase residents and owners that are stably housed:*

The overall development is offering affordable home ownership opportunities - The addition of at least 32 homeownership units, with a commitment to pursue mixed-income and perpetual affordability models.

There is a focus on preventing gentrification by providing a deeper level of affordability in the first phase of the development with 65% of rental housing units designed to be attainable by current Northside residents at or below 50% of the Area Median Income. The Phase 1 rental housing on Parcels 1B and 6A will be 100% affordable with 245 rental mixed-income units priced for residents earning at or below 30-70% of Area Median Income (AMI), including 160 units (65% of the Phase 1 units) attainable to Northside residents earning at or below 30-50% of AMI. The majority of the units in Phase 1 are two bedrooms or larger, with a focus on providing housing options that work for families.

#### *Provide affordable commercial space for Northside BIPOC business owners:*

The development team has incorporated multiple opportunities for affordable commercial space for Northside BIPOC business owners into the development plan: the Community HUB which could include incubator space, business accelerator, and other supports, a potential multi-tenant food hall in Parcel 1A, and smaller ground floor commercial spaces in Parcel 6A. The proposed Community Entity will have the opportunity to serve in either an advisory or

ownership role in the commercial space, with the intention of leveraging strategic partnerships and financial tools such as New Markets Tax Credits to support Northside BIPOC business owners.

*Ensure new housing is attainable for residents most at risk of displacement:*

The City is recommending that the [City's Community Preference Policy](#) be applied to all of the housing being developed as part of the Upper Harbor Terminal redevelopment whether market or affordable (at all available affordability levels), rental or ownership, with 50% of each category being subject to the preference.

The City adopted the Community Preference Policy (Ownership Housing) in November 2020. The goal of the preference policy is to disrupt involuntary displacement of Minneapolis residents. Preference policy opportunities will apply to those who have either experienced or are at-risk of experiencing displacement from identified Minneapolis neighborhoods due to extreme economic forces or housing crisis. The Community Preference Policy intends to serve current and previous Minneapolis community members, focusing on anti-displacement of Black, Indigenous, People of Color, and Immigrant (BIPOCI) and low wealth communities; which are disproportionately impacted. Involuntary displacement can and has been a result of extreme economic forces, such as gentrification and rapidly increasing housing costs. The Community Preference Policy as applied to the Upper Harbor Terminal project would be implemented based on the following concepts: income eligibility, household size, preference policy and current renters.

*Anticipate and Prevent Involuntary Displacement:*

In addition to the prioritizing the construction of affordable housing in the initial phase of the development, the Draft Coordinated Plan includes the creation of two sustainable revenue streams proposed from the overall development: the annual ground lease payments from the private development parcels and the \$3.00 ticket fee from the Community Performing Arts Center. Annual ground lease payments from private development to the City will be redistributed back to the Community to be used on anti-displacement initiatives or other Community priorities. The ticket fee will be received and distributed by a Community Entity which can use the annual proceeds to fund anti-displacement and anti-gentrification initiatives among other UHT priorities.

**CAN YOU SHARE THE LARGER HOUSING VISION FOR THE UPPER HARBOR TERMINAL SITE AS IT RELATES TO A MIXED INCOME COMMUNITY? (AFFORDABLE RENTAL UNITS, HOMEOWNERSHIP OPPORTUNITIES, AND SAMPLE RENTS)**

The proposed affordability mix was designed by the UHT CPC and the development team to (1) deliver housing that is affordable to current Northside residents, (2) provide a mix of unit types and sizes to accommodate a wide range of Northside households including workforce, family and senior housing, and (3) create an intentional mixed income neighborhood including home ownership opportunities and market rate rentals that serve a broad range of Northside residents. More details of the affordability strategies can be found on page 29.

In addition to meeting the requirements of the Unified Housing Policy, the Draft Coordinated Plan reflects a strategy developed with the Upper Harbor Terminal Collaborative Planning Committee (UHT

CPC) to create a mixed-income community, with the overall project providing approximately 1/3 of units affordable at 30-50% of Area Median Income (AMI), 1/3 of units affordable at 50-70% AMI, and 1/3 of units affordable at market rates. The units at 30% AMI will be able to accept project-based Section 8 vouchers.

Page 96 of the Coordinated Plan includes sample rents in Phase 1 of the development based on 2020 income limits. For example, a 1 BR in the development could range from \$582/month at 30% AMI to \$1,267/month at 70% AMI while a 4-BR ranges from \$900/month at 30% AMI to \$2,100/month at 70% AMI.

### IS THE \$3 TICKET FEE THAT GOES BACK TO THE COMMUNITY SET AT THAT AMOUNT, OR DOES THAT INCREASE OVER TIME WITH INFLATION OF TICKET SALES?

The ticket fee will be adjusted annually to reflect inflation but will never be less than \$3.00/ticket.

## Public Realm and Infrastructure/Parks

### WHERE IS PARKING OR TRANSPORTATION HUB?

The Draft Coordinated Plan proposes several parking structures within the UHT site. Each development will have parking as part of the development, and each development will need to go through the City's site plan and development review process that would determine the off-street parking calculations and designs of each project.

- As part of Phase 1:
  - Parcel 7b is proposed to have temporary surface level parking (316 spaces). In the long-term, this parcel is planned for redevelopment for hospitality and additional housing.
- As part of Phase 2:
  - Parcel 7a is proposed to include district parking (270 Community Hub parking stalls) and a potential mobility hub.
- The parkway will include several parallel parking bays for access to the park.

### WHAT KIND OF TRAFFIC STUDIES HAVE YOU DONE?

**Traffic Impact Studies.** As a part of the environmental review, the development team conducted a vehicular traffic analysis to understand the impacts of new traffic associated with the UHT development. This vehicular traffic analysis quantifies the delay and level of service at intersections near the development during the weekday AM and PM peak hours for existing and future build conditions. The full study is posted on the Upper Harbor project website.

[Traffic Analysis – Executive Summary](#)  
[Traffic Analysis Report](#) and [Appendix](#)

## WHY ARE THERE SO MANY BIKE LANES?

The City has worked closely with community stakeholders, residents, MPRB, Hennepin County, MnDOT, and MWMO to develop preliminary design concepts that provide a connected system of sidewalks, trails, and streets to support greater connectivity and access between nearby neighborhoods and the Upper Harbor site.

The transportation design concepts prioritize and incorporate designs that promote safe, convenient, and comfortable travel. Preliminary design concepts in this plan are the product of community engagement, technical work and collaboration with partner agencies, previous planning studies, and alignment with broader City goals and policies. The transportation concepts have been and will continue to be studied and designed in collaboration with other public utilities (e.g., water, sanitary sewer, stormwater management systems) development, and parks/trails to ensure that the designs are fully integrated and complementary to maximize public realm benefits.

The concepts are preliminary in nature and will continue to be guided by stakeholder engagement and more detailed technical analysis in advance of design approvals through City Council in 2021.

The City of Minneapolis is continually working to develop a multi-modal transportation network in support of our existing policies and goals. The examples below highlight the City's intention to develop multi-modal public infrastructure which reduces motor vehicle reliance and subsequent climate change impacts.

- The [Complete Streets policy](#) aims to build a complete and integrated transportation system to ensure that everyone can travel safely and comfortably, regardless of whether they are walking, biking, taking transit, or driving.
- The Transportation Action Plan includes the [All Ages and Abilities Network](#), which outlines a ten-year effort to establish a comprehensive city-wide bicycle infrastructure system for safe, convenient and comfortable bicycle travel.
- The [Climate Action Plan](#) and [Minneapolis 2040](#) set forth policy goals to reduce greenhouse gas (GHG) emissions by 80% (from emission levels measured in the year 2006) by the year 2050. Motor vehicles are a key contributor to GHG emissions; hence the City has set a policy goal within the [Transportation Action Plan](#) to reduce average daily vehicle miles traveled by Minneapolis residents from 15 to 11 miles by the year 2030. The Transportation Action Plan also sets forth a policy goal to have 60% of trips taken by means other than a car (35% by walking and biking, and 25% by transit) by the year 2030.

## IS THE CITY PLANNING ON ACQUIRING PROPERTY AS PART OF THE DOWLING STREET RECONSTRUCTION PROJECT?

No, the City of Minneapolis will utilize the existing roadway footprint (street and sidewalk) for its reconstruction – the City of Minneapolis will not utilize eminent domain to acquire residential properties. Temporary easements may be required for construction activities but will be limited to an as-needed basis to limit impacts to adjacent properties.

# Outreach and Engagement

## HOW HAS THE NATIVE AMERICAN COMMUNITY BEEN INVOLVED IN THIS PLAN?

The City's Upper Harbor Terminal Collaborative Planning Committee was established by the City Council in March 2019 to work with the City and the development team to refine the Upper Harbor Terminal Concept Plan into the Upper Harbor Coordinated Plan for redevelopment of the site. The City Council intentionally created the Committee to be inclusive of the diversity of communities in north and northeast Minneapolis and is comprised of north and northeast Minneapolis residents, an owner of a business located in north/northeast Minneapolis, a representative of the Environmental Justice Coordinating Council (EJCC) and a representative of the Above the Falls Community Advisory Committee (AFCAC). The UHT CPC is appointed by the City Council and the Mayor. The structure of the UHT CPC is as follows:

Membership structure:

A. Seven (7) Community Resident Members (seats 1 through 7), with one each from the following areas, with preference in appointment given to include at least one renter representative and one representative who is between 16 and 21 years of age at the time of application:

- (1) Resident of the McKinley neighborhood;
- (2) Resident of the Hawthorne neighborhood;
- (3) Resident of the Bottineau neighborhood;
- (4) Resident of the Marshall Terrace neighborhood; and
- (5, 6 and 7) Three appointments by the Mayor of residents of north or northeast Minneapolis.

B. Five (5) Cultural Group Representative Members (seats 8 through 12), who shall be appointed with care to consider the diversity of the UHT Community Planning and Engagement Committee UHT Collaborative Planning Committee membership, including diversity based on people identifying as Indigenous, Latinx, Asian or Pacific Islander, African American, African, and/or LGBTQIA. Preference for north and northeast residents.

C. Three (3) Affiliation Group Representative Members (seats 13 through 15), which must include one member of a person representing each of the following groups:

- (1) An owner of a business located in north or northeast Minneapolis;
  - (2) A member of the Environmental Justice Coordinating Council who resides in north or northeast Minneapolis; and
  - (3) A member of the Above the Falls Community Advisory Committee.
- D. Seats 16 and 17 shall be appointed by the City Council.

The Learning Tables community engagement events convened by the Public Policy Project-Environmental Justice Coordinating Council also provided a space for community members to provide input to UHT CPC members, the development team and City staff as part of the Draft Coordinated Plan process.

The Minneapolis Park and Recreation Board Upper Harbor project team has reached out to Indigenous leaders, organizations, and community members in many ways around park issues. The park team has also hired a Dakota team to help advise on park options, engagement, and other work related to Indigenous people.