

## Whittier Alliance-Community Issues Committee- DRAFT MINUTES

August 10, 2009 1st Minneapolis Seven Day Adventist Church

**Attendees:** Ahmed Ali, David Bagley, Jim Baker, Tom Bissen, Mary Cable, Anthony Carchedi, Erica Christ, Glenn Crown, Felino de la Pena, Duane Friauf, Colin Gatling, Garen Gotfredson, Chris Gottshall, Andy Grim, Paula Horan, Laura Jean, Elizabeth Krutd, Erick Levey, CM Robert Lilligren, Larry Lundeen, Brooks Mahoney, Jeff Nelson, Kurt Nelson, Chris Nevin, Destin Nygard, Cary M.Pizzo- O'Connell, Dennis O' Connel, Jesse Oyervides, David Schotchl, Erin Sjoquist, Lisa Smyth, Chris Swaggert, John Wilson, Corinne Zwickey

**Presenters:** Chelsea Adams (5<sup>th</sup> Precinct), Mark Bigelbach (TruStone), Don Gerberding (Masters), Lt. Hayhoe (5<sup>th</sup> Precinct), Cynthia Lee (Commonbond), George Pridmore (Liquor License), Tony Smith (Masters) Gene Suh (The Lyndale), Josh Thomas (Lyndale) **Staff:** Marian Biehn, Becky Neamy

Call to order at 6:08 by Destin Nygard, CI committee chair, who noted the Conflict of Interest & Standard of Conduct policies. A motion to **approve the agenda** was made and carried. Attendees were given time to review the previous months minutes; **a motion to approve** the July 13, 2009 CI minutes was **carried**.

### Announcements and Community Comments

Destin said he would be moving out of the neighborhood and that he would be stepping down from the CI Chair position. Destin discussed the position and the responsibilities of the CI Meeting Chair, and stated that those interested in applying should speak with the Whittier Alliance.

**5<sup>th</sup> precinct Report-** Lt. Hayhoe reviewed the July crime statistics, overall they are down 10% city wide. They are also down 10 % overall for Whittier. However, there has been a 22% increase in burglaries in the neighborhood. The precinct has been focusing on this and having more patrols look for suspicious activity and potential burglaries. There has been an increase in the number of bikes stolen and items from open garages. CPS Adams, reminded people to lock garage doors and windows and to complete an inventory sheet of valuables and record their bikes serial number and dollar value, so that when the offender is apprehended the offenders offense would be charged on the dollar value of the stolen property. The majority of the crimes have been occurring on Mondays, Fridays and Saturdays around 2-4 am. She also said that there will be an opportunity for community input regarding stolen bikes via a Community Impact Statement for an upcoming offender. Also, there will be an upcoming meeting to review the Whittier Neighborhood Policing plan on October 6, 2009 at 6 p.m. at the Whittier Elementary School's multipurpose room. This is an opportunity for residents to share their concerns for crime and police activity in the Whittier area. The current policing plan is available on the precinct's website.

**St. Steven's/ Clinton Ave Task force-** Anthony C. spoke about creating a task force to get social services and neighbors together to address some of the different perceptions that they may have about living together and using the neighborhood. This is a way to try to get both parties to come to common goals to that would help to make the neighborhood a better place. The task force will have an estimated three month time commitment with several meetings to get conversations going about group's goals and how to reach them. There was a sign up sheet passed around, other inquiries can be directed to the Whittier Alliance. **Barb Lickness** was not present to make her announcement. **Becky Neamy** from **Whittier Alliance-** spoke about the upcoming Whittier Neighborhood Field Day event on August 29<sup>th</sup> in Whittier Park. The event is for kids ages 5-15, and parents are welcome to attend. **Southwest Transit LTR Route-** **David Bagley**, Whittier resident and volunteer on the LTR advisory committee, spoke about the upcoming meetings to discuss the four proposed alternatives of the LTR. He said that all four routes are still under consideration. He said that the Kenwood neighbors are extremely active in putting their input in the planning of the LRT, so that it does not come to their neighborhood. The first route is proposed along the Kenilworth trail, the other three proposed routes are in Whittier: going through tunnels on either Blaisdell, Nicollet, or 1<sup>st</sup> Ave.. The trains would be entering on Lake near the greenway and then exiting on to Franklin, going through the neighborhood underground. David talked about the impact of having the construction on Blaisdell and 1<sup>st</sup>. Equipment would be in people's yards He said that the capital cost for the Kenwood route is around the \$850 million to the \$1.2 million for the route compared to \$1.4-1.6 billion to have the LTR come up Nicollet or 1<sup>st</sup>. Despite the cost differential showing the 3C

(Whittier) alignment as being well beyond the \$30 cost effective index, there has been a very active campaign from Kenwood to have the LTR not their neighborhood but in Whittier. There will be a public hearing for the preferred location of the LTR on Sep. 15<sup>th</sup>. The SW Transit is hosting several meetings and open houses in the month of August, the exact schedule and SWT info can be found on their website. A flier with all the public hearing dates was distributed. CM Lilligren also commented that it would not be very cost effective for the LTR to go in Whittier, and the city is going to base its decision on financial data. There will be only underground stations at 28<sup>th</sup> and Franklin, it will be a subway station. The LTR is projected to be started in 2015. **Summer Music Festival:** Minneapolis 7<sup>th</sup> Day Advent Church will be hosting a music festival on August 22<sup>nd</sup> outside of the church on 1<sup>st</sup> Ave. Everyone is welcome to attend.

**Whittier Co-Op- Cynthia Lee- Common Bond Communities-** Commonbond is a regional non-profit that manages a total of about 5,000 units. They serve a variety of populations; are a mission driven organization that has a history of holding on to properties long term. They stepped in to manage the Whittier Co-op at 2609 Blaisdell about 2 years ago. They are looking to reinvest in the property and rehabilitate the interior and exterior of the building, to make it more energy efficient and provide more space for resident services. Some of the improvements include: new roof, windows, kitchen appliances and cabinets, flooring, carpet, painting, energy efficient improvements, and an increase in common space. They do not plan on displacing any of the residents during the rehab process. Common Bond is applying for funding from the city of Minneapolis' affordable housing fund trust this Friday, and will apply for additional funding through state programs in the fall. They are hoping to secure funding to begin construction in the spring of next year. They have an existing mortgage of \$640,000. The estimated total development cost for the project will be \$5,325,000. At this time the property has a negative cash flow and part of the loan will be used to restructure the loan, so they can afford to cover the current debt. The property is currently owned by the Co-op but managed by Common Bond. Common Bond is looking to submit a purchase agreement for the building, for the cost of the existing mortgage. Cynthia said that they are looking for a letter of support from the neighborhood for their application to the city.

**Attendees Comments and Questions:** Tom Bissen, asked for the financials and info about the rentals and revenues. Cynthia Lee said there are 0-3 bedroom units that are \$545- \$930 per rent. These rent rates are right in line with the current rent rates of the neighborhood. The question was raised as to why the co-op could not afford or had not set aside money for the capital improvements. Tom said that the improvements break down to \$75,000 to per unit, which might be cheaper to build new. Transition from Co-op to rental? Ownership will no longer be assumed by residents but under Commonbond communities or another affiliated entity. What will happen to the equity that has been built up since 1980? The property has not been able to cash flow lately. Duane, a co-op resident said that the co-op is a section 8 regulatory property, and that co-op members do not have any say in to where the extra money goes. This has made it difficult for the co-op to profit to make capital improvements. The co-op currently houses residents that are at market rate housing and does not qualify for section 8 housing. What is the plan to not displace these people who do not qualify for affordable housing? Commonbond will allow 50 % at median income to live there, they will propose that 15 or the 45 units will have to be at MMI and the rest are open to being section 8. They will not have any units at market rate. All new renters have to qualify for the section 8 program (which is anyone whose income is up to 80% below the MMI).

Commonbond does not propose to reapply for section 8. Paula requested that they send the income limits and programs that they are applying for to the board. Will any of the affordable housing trust fund loans be forgivable? Yes, up to \$30,000 on the city's affordable housing loan. All other loans will be deferred. (No payment made on the loan unless the property is sold). Do a majority of the residents support the decision? At this time Commonbond is having discussions with the residents to gain support for the project. Tom requested that we have more information before offering to support the funding.

**CI Motion 1:** The Community Issues Committee supports writing a letter of support for Common Bond's application for Affordable Housing Trust Funds for Whittier Co-op at 2609 Blaisdell Ave. S.

**Motion failed: 8-9-9**

**CI Motion 2:** The Community Issues Committee requests Commonbond to return to the community with more information, regarding specifics about improvement costs, budget and ownership/management for Whittier Co-op at 2609 Blaisdell Ave S. **Motion was made and carried.**

**Trustone Financial- 2817 Lyndale- Mark Bigelbach-** Trustone was originally Teachers Federal Credit Union, it began in 1989 in Minneapolis. They currently have about 578 members living in Whittier. The company changed its name due to the stigma of credit unions, whom were only limited to employees or specific groups. The new brand represents the open charter to all people who are interested in utilizing their services. They purchased land near the Loon Express gas station, and demolished the existing building last spring. They found toxic materials in the soil, and are working with EPA to correct this problem by adding clean fill to the site. The site is zoned C2. The proposed single story building has less than 4500 square feet, two drive throughs and two curb cuts. The drive thru will be straight in and out with no left turns allowed. The business will be open classic banker's hours M-F, S. This site the will employ 5-7 full time employees. They are looking to start building in the fall of 2009 and build over winter to open in the spring/ March 2010.

**Attendees Comments and Questions:** Ahmad, Loon Express, asked about changing the grade and how it will be at a different level than his property. Trustone is proposing to add drainage, to prevent pooling and run off. Design: Has Trustone reviewed the design guidelines? Will their design be in compliance to these guidelines? Will it blend with the current context of the neighborhood? Trustone said that they are adding to more pedestrian friendly design and additional landscaping to the building. Quality of materials? Destin said that the current proposal to use EFIS for the construction, is not a long lasting material and will not wear well. With the curb cuts will there be anything to prevent people from making a right hand turn on to Lyndale? The building will have 17 parking spots, employees will park on site. Larry Lundeen, spoke about current problems with snow removal in the alley with other buildings that are on the zero lot line. Will the proposed 6 foot high block retaining wall be on the zero lot line on the alley side? Minneapolis City Statue 530.501 states that you can not have a solid fence in an alley, and that it must be a 95% opaque fence if there is residential on the other side of the alley. It also states that building be in compliance with neighborhood features, natural elements. What percentage of the business is drive through? 35-45% of business is drive through. Will Trustone put in additional lighting for to improve the safety of the neighborhood? They are scheduled to go before the planning commission for the on Aug. 24<sup>th</sup> to discuss their lighting and exterior. An attendee stated that she thought that the design looks like a suburban car dealer ship, and that they need to make a design that needs to fit a more urban area.

**CI Motion 3:** The Community Issues Committee denies the support of site plan and design for TruStone Financial at 2817 Lyndale Ave. due the lack of information. **Motion passed.** 15-5-6

**Master Engineering-2644 Nicollet- Don Gerberding/ Tony Smith-** Don proposed a new project on Eat Street, in conjunction of ESG construction, and Los Lakes LLC of California. The project will be a four story building proposing 45 rental units, a roof top garden with amenities (fitness and community room) will be in addition to the 4 floors, large decks and Juliette balconies. The first level will have retail, and possibly a new restaurant. The building will be a clean lifestyle building with two entrances, one on Nicollet and one on 27<sup>th</sup>. The second floor will have a set back from the first floor. The proposal includes 23 retail parking stalls and 38 underground stalls for residents. Retail parking will be behind the building, through an archway off of 27<sup>th</sup>, and residents will enter the parking from the alley. The project will be seeking to have leed certification and energy star requirements in the building. The units will be 50% one bedroom, 25 % studio, 25% 2 bedroom. There will be 20 % affordable units at 50% AMI. They are looking to rent at \$1.65 per square foot. Total development cost for the project is about \$9 Million. The city likes idea of Green roof, but it will need a CUP for roof, because it will exceed limit of 56 feet. The rooftop garden will be over 56 feet because they will are going to enclose the roof top space with windows. They are planning on setting it back from the top level. Don's previous work includes the Greenleaf Lofts and Artist Quarter Lofts, both on Nicollet. Don hopes this new project will add

connectivity and value to the neighborhood from 26<sup>th</sup> to 29<sup>th</sup> street. He is hoping to get in front of planning commission in Sept., and is open to coming back in front of the neighborhood with final design plans.

**Attendees Comments and Questions:** The neighborhood is looking for homeownership, not rental, 89% of the neighborhood is rental. Don did not feel that this was feasible market today and said that Whittier had many new condos but not much new in rental. An attendee corrected him on that and cited all the new-build rental coming on line in Whittier. Don was unaware of that. It is also not design that his investors would like to build. Retail parking with 23 lots will not sufficient enough for restaurants. There was a concern that the project will not have sufficient parking and Don will have to go back to the city to ask for a variance, as he did in his previous projects where the parking is not adequate. There was a concern about the quality of construction of the project on the interior, due to substitutions in materials. A resident/ member of the condo board of the Arts Quarters spoke up and said that the condo owners have had a plethora of problems due to poor construction that have cost owners tons of money in repairs. With many mechanical liens on Don's previous projects, and his over \$150,000 in unpaid property taxes; will the investment money be used to pay off old debts? Don said that neither he or Master's own any of these properties with liens on them, it is owned by the LLCs. He has ownership of no more than 5-6% ownership in the LLCs.

**CI Motion 4:** The Community Issues Committee denies support of the site plan of 2644 Nicollet, as it is rental not homeownership. **Motion passes.** 12-5-9.

**CI Motion 5:** The Community Issues Committee denies support of a variance in height for the roof top deck, which would exceed the 56 ft limit by 7-8 feet for the proposed development at 2644 Nicollet Ave. **Motion passes.** 10-9-5

**The Lyndale-2937 Lyndale-Gene Suh** Public hearing for liquor license. They had originally applied for class B license that would allow dancing and DJs, however they are now applying for a class E on sale license. The owners currently have a few different places in town: Solera, La Bella Vie, Barrio, and a Caribbean bar in Stillwater. An extensive background was given on their restaurants and backgrounds. They wanted to focus on a gastro pub concept, which was a concept that began in the late 90's in England. It is a revitalization of pubs to incorporate more food about 60% food, 40% liquor sales. They are applying for café seating, to have outdoor seating. Barrio and La Bella Vie have both won awards for best restaurants. Local food will be served whenever possible. They plan to open in Sept.

**Attendees Comments and Questions:** How will they accommodate parking? They will pay for 40 parking spots behind restaurant, to comply with the zoning requirements. A discussion followed on the debate between the restaurant and the City regarding the size of the bar and what is considered "excessive" and how bar size changes uses (larger bar becomes nightclub). An attendee said that he liked a larger bar as a n'hood gathering spot.

**CI Motion 6:** The Community Issues Committee supports a 35 foot bar vs the 20 foot bar for the proposed restaurant at 2937 Lyndale. **Motion passes.** 12-0-4

**Old / New Business** (there was none offered).

**Meeting adjourned:** 8:54 pm

**Minutes submitted by:** Becky Neamy, Community Organizer, Whittier Alliance

**Next meeting:** Monday, September 14, 6 pm, the Whittier Elementary School