**Notes from Minneapolis Downtown Council’s 2025 Plan**

**East Downtown Development Committee Task Force
Small Group Meeting #4**

**Tuesday, January 20, 2015, 9:00-10:30 a.m.**

**PadillaCRT, 1101 West River Parkway, 3rd Floor Falls Conference Room**

1. **Introductions and Review of Agenda**Dan Collison, MDC Director of East Downtown Partnership, reviewed the agenda and explained that he presented “A Compelling Vision for East Downtown Development” (both included in his January 14th email to this group) and Work Priorities for 2015 to the 2025 Plan Development Committee this past Thursday and wanted to give a quick overview of it to this small working group.

Participants were then asked to introduce themselves:
John Breitinger, Cushman & Wakefield/NorthMarq Retail Advisory, and ULI Minnesota
Mike Dwyer, NRG Energy Director of Sales and Marketing
David Fields, contractor with CPED
Chris Fleck, North Central University
Tom Hayes, Hennepin County Medical Center
Lynn Regnier, Elliot Park Neighborhood, Inc.
Ben Shardlow, Minneapolis Downtown Council/Downtown Improvement District
John Slack, Perkins+Will and Minneapolis City Planning Commissioner
Marcela Sotela Odor, aide to Ward 6 Councilmember Abdi Warsame
Carletta Sweet, Downtown Minneapolis Neighborhood Association
Kim Vohs, Vohs Consulting, Inc.
2. **Review of A Compelling Vision of Development for East Downtown (a work in progress)**
Dan shared the slide presentation shown on January 15, 2015. The biggest news conveyed was that out of the 14 proposals submitted for the Downtown East Commons (DEC), the City selected San Francisco-based Hargreaves Associates. Local partners on this project include Damon Farber Associates and VJAA. Next week will be the first organizational meeting about the beginning framework for the DEC. Their winning bid was leveraged against some of their more successful projects, e.g.: Discovery Green in Houston, Texas; and Queen Elizabeth Olympic Park in London, U.K.

As he heads to Denver next week, Dan plans to spend time with Downtown Denver Partnership’s (DDP) leadership to learn more about how they focus on transit-oriented development and parks and all the parts that were compared to East Downtown to stay engaged in all of the pieces to help get it right. The DDP also has a large area plan similar in scope to the East Downtown district.

Other developments reported on included:
* The Portland Tower to be built on the corner of Portland Avenue South and South 8th Street by Jim Stanton (<http://portlandtowerminneapolis.com/>);
* Trader Joe’s grocery store going into the Thresher Square development by Sherman Associates (<http://millcitytimes.com/news/breaking-trader-joes-coming-to-downtown-minneapolis.html>); and
* The new grades 9-12 charter Mill City High School going into First Covenant Church that will open this fall (<http://www.millcityhigh.org/>).

Dan explained that he, David Fields and Beth Elliott have looked through the entire EDDCTF asset library and distilled down to eight essential development imperatives (some of which kind of compete with each other) that will be used in these meetings to interact with everything presented and examined as to how it fits in with what everyone is saying is most important. The eight imperatives are as follows:

1. Establish an East Downtown district for residents, employees, and visitors that seamlessly includes and is complemented by a world-class park and multi-purpose stadium.
2. Promote East Downtown as an essential component of a nationally recognized multi-modal transportation system by incorporating TOD principles and practices into housing, commercial, infrastructure and public realm development.
3. Maximize the development potential in East Downtown in order to meet the plan’s goals of doubling Downtown’s residential population, paying special attention to all opportunities for diversifying the housing stock to better accommodate families, college students, senior citizens, and people of all incomes.
4. Expand the economy of East Downtown by promoting business ventures, retail services and employment opportunities that ensure community-wide prosperity.
5. Shape a quality commons experience through public realm improvements and greening initiatives, thereby enhancing East Downtown’s position in Downtown by creating a consistently compelling and safe 24/7/365 experience with a critical mass of density, activity, and special attention paid to leveraging the arts and sports activities.
6. Develop district parking strategies to lessen the impact of the perceived need for vast expanses of surface parking lots, as well as development of other strategies for better integrating automobile traffic and pedestrian-friendly experience.
7. Apply district energy strategies and water management practices to create local interdependent networks that mitigate waste and pollution, highlighting benefits of creating a truly sustainable district in East Downtown that promotes green infrastructure, dramatically intensifies the tree canopy, and creates green corridors that connect to destinations on the riverfront.
8. Advance urban design practices that pay special attention to appropriate building typologies, size and scale in relation to both district and neighborhood function.

Dan encouraged participants to continue to think about these and to send further comments to him via email. Then he discussed the Work Priorities for 2015 by enumerating the 13 high-priority projects and topics:

1. Downtown East LRT Station
2. Downtown East Commons
3. Hennepin County Medical Center campus expansion and neighborhood development
4. Housing developments (putting together a large group to focused on this)
5. Connection to the University of Minnesota
6. District energy analysis
7. District identity, branding, and marketing framework (underway)
8. Public realm inventory
9. Greening Minneapolis Conservancy
10. Full market analysis (CPED hopes to release this by summer)
11. Social equity framework
12. A new model for community engagement for development
13. A new website to promote task force work
14. **District Energy**
Mike Dwyer described what district energy (DE) is and gave a brief history of the system in Minneapolis. The idea is instead of each building having its own boilers or furnaces, chillers or air conditioners to heat and cool, a DE system does that work for them by producing steam, hot water or chilled water at a central plant then pipes it underground to individual buildings for space heating, domestic hot water heating and air conditioning.

DE has a long history with New York having the largest in the U.S. Where it has had the greatest impact is in Europe, particularly Scandinavia, the cradle of DE, as well as in Canada. Where DE is strong, often it is a partnership between the local government and private entities. Not so in Minneapolis where the private sector has built the system.

Why DE? The most important reason is because of its reliability. There are lots of discussions in cities now about reliability and what it means to have a robust infrastructure. This clearly came to light during the hurricanes out East and the cities that had DE were the ones that could stay up and operating; the ones that did not often times were shut down. Even in locations such as Minneapolis, there will be times when part of the infrastructure will fail. The advantage of DE is that it is a smaller, more centralized infrastructure, easier to operate and has lower lifecycle costs. Other advantages of DE include: its environmentally sound; energy efficient; uses smart energy choices; easy to operate and maintain; and is comfortable and convenient.

NRG is a Fortune 250 company and a leader in the energy field. It is not a regulated utility but an independent power producer with power plants (whether goal, nuclear, gas-fired, solar, wind) around the country. The power it produces is sold into the grid and purchased by regulated utilities during peak periods. NRG’s electric business is primarily in deregulated states. Power areas they have become involved in a large way include: solar and renewable power; building an electric vehicle ecosystem; carbon capture technology; customer-centric energy solutions; and retail electricity provider.

NRG was originally established in 1926 by Baker Properties to heat 10 downtown buildings. At that time there were a lot of small DE systems around, e.g., one in the Soo Line Building and one in the Young-Quinlan Building that shared infrastructure costs with adjoining properties. In 1967, IDS Properties purchased the Baker Properties DE system and in 1972, as part of the IDS Center construction and in joint venture with Minnegasco, they began what is now known as the Minneapolis Energy Center to serve it and adjoining properties.

Subsequently, MEC was owned by a limited partnership formed by Dain Bosworth and as capital needs increased and tax benefits decreased they sold it to Xcel Energy who purchased it for its Non-regulated Group in order to go into areas particularly outside of the U.S. where they could build power plants and not be regulated by government entities. Most power companies that took that course went broke, including Xcel who filed for bankruptcy. Once out of bankruptcy, Xcel’s Non-regulated Group was transformed into NRG.

Dwyer then provided information on NRG’s staff, downtown boundary (from the Mississippi River to I-94 and I-35W to the Twins Stadium), location of its generation plants (e.g., the main at South 8th Street and 4th Avenue South, in the basement of Baker Center, in the basement of Macy’s), and the fuels used to generate steam and chilled water. He also discussed the steam and chilled water distribution systems and their reliability — both being 99.9999% reliable.

Lastly, Dwyer showed images of NRG’s downtown customers that included office buildings, hotels, residential, and public buildings including the new Vikings stadium. Then he entertained questions from participants. For more information, visit <http://www.nrg.com>.

Dan thanked Dwyer for explaining the complexity with which energy is provided in downtown Minneapolis.

1. **Closing comments**Dan announced that the small group would be meeting on a more regular scheduled, i.e., the 3rd Tuesday of each month from 9 to 10:30 a.m. The next is on Tuesday, February 17th. Heidi Ritchie, senior policy aide to Council Member Frey, has reserved a room at City Hall. More details to follow.

Dan would also like to conduct a panel discussion with the large group focused on housing with different presenters, i.e., developers and think tank people (e.g., George Sherman of Sherman Associates, Alan Arthur of Aeon, Cathy Bennett of ULI Minnesota, someone from Artspace) who can comment on all of downtown and bring unique perspectives to East Downtown. Then he asked what questions he should pose to the panelists.

Responses included what are the demographics that will make up the city and who are we attracting downtown; how do we create middle-income housing; importance of looking at rental versus ownership balance; and how the housing stock (old versus new) evolves over time.
2. **Adjournment**
The meeting adjourned at 10:33 a.m.