

NOTICE OF DECISION

The City of Minneapolis has completed the Environmental Assessment Worksheet (EAW) process for the Gateway Mixed-Use Development located at 30 South 3rd Street in Minneapolis. On September 21, 2018, the City Council decided to not order the development of an Environmental Impact Statement (EIS), therefore making a Negative Declaration, and adopting the Findings of Fact and Record of Decision document. This City Council action was approved by the Mayor on September 26, 2018, and was published in the Finance and Commerce newspaper on September 29, 2018.

Copies of the EAW are available for review at the downtown Minneapolis Central Library located at 300 Nicollet Mall, and in the office of the City's CPED, Land Use, Design and Preservation Section at 250 S. 4th Street, Room 300 Public Service Center. Copies of these documents can also be provided to individuals upon request by Hilary Dvorak, Principal City Planner, phone; 612-673-2639; email: hilary.dvorak@minneapolismn.gov.

The EAW, other reports and studies, and the Findings of Fact and Record of Decision for this EAW are also available for review on the City of Minneapolis web site:
<http://www.ci.minneapolis.mn.us/cped/planning/WCMSIP-I52386>.

FINDINGS OF FACT AND RECORD OF DECISION

ENVIRONMENTAL ASSESSMENT WORKSHEET

Gateway Mixed-Use Development

Location: 30 South 3rd Street
City of Minneapolis, Hennepin County, Minnesota

Responsible Governmental Unit (RGU): City of Minneapolis

	RGU	Proposer / Project Contact
Contact persons	City of Minneapolis Hilary Dvorak	UP Gateway, LLC Rick McKelvey
Title	Principal City Planner	Vice President – Commercial Development
Address	250 South 4th Street, Room 300, PSC	651 Nicollet Mall., Suite 450
City, State, ZIP	Minneapolis, MN 55415	Minneapolis, MN 55402
Phone	612-673-2594	952-893-8271
E-mail	hilary.dvorak@minneapolismn.gov	Rick.McKelvey@uproperties.com

Final action (refer to Exhibit D): Based on the Environmental Assessment Worksheet, the “Findings of Fact and Record of Decision,” and related documentation for the above project, the City of Minneapolis concluded the following on September 13, 2018:

1. The Environmental Assessment Worksheet, the “Findings of Fact and Record of Decision” document, and related documentation for the Gateway Mixed-Use Development were prepared in compliance with the procedures of the Minnesota Environmental Policy Act and Minn. Rules, Parts 4410.1000 to 4410.1700 (2009).
2. The Environmental Assessment Worksheet, the “Findings of Fact and Record of Decision” document, and related documentation for the project have satisfactorily addressed all of the issues for which existing information could have been reasonably obtained.
3. The project does not have the potential for significant environmental effects based upon the above findings and the evaluation of the following four criteria (per Minn. Rules, Parts 4410.1700 Subp. 7):
 - Type, extent, and reversibility of environmental effects;
 - Cumulative potential effects;
 - Extent to which the environmental effects are subject to mitigation by ongoing public regulatory authority;
 - Extent to which environmental effects can be anticipated and controlled as a result of other environmental studies undertaken by public agencies or the project proposer, including other EISs.
4. The finding by the City that the EAW is adequate and no EIS is required provides no endorsement, approval or right to develop the proposal and cannot be relied upon as an indication of such approval. This finding allows the proposer to formally initiate the City’s process for considering the specific discretionary permissions

necessary for redevelopment, and for the City in this process, informed by the record of the EAW, to identify and encourage the elements for compatible redevelopment, and assure their implementation at this site.

Consequently, the City does not require the development of an Environmental Impact Statement (EIS) for the project.

I. ENVIRONMENTAL REVIEW AND RECORD OF DECISION

The City of Minneapolis prepared a Mandatory Environmental Assessment Worksheet (EAW) for the Gateway Mixed-Use Development according to the Environmental Review Rules of the Minnesota Environmental Quality Board (EQB) under Rule 4410.4300 Subpart 32. Mixed residential and industrial/commercial projects with a sum of quotients exceeding 1.0. Exhibit A includes the project summary, and Exhibit B includes the Environmental Review Record.

II. EAW NOTIFICATION AND DISTRIBUTION

On July 9, 2018, the City published the EAW and distributed it to the official EQB mailing list and to the project mailing list. The EQB published notice of availability in the *EQB Monitor* on July 9, 2018, as well. Exhibit C includes the public notification record and mailing list for distribution of this EAW.

III. COMMENT PERIOD, PUBLIC MEETING, AND RECORD OF DECISION

Exhibit E includes the comment letters received. The Zoning and Planning Committee of the Minneapolis City Council considered the EAW and the draft of this "Findings of Fact and Record of Decision" document during its September 13, 2018, meeting. Notification of this Zoning and Planning Committee public meeting was provided with the EAW and to all persons or agencies commenting on the EAW.

IV. SUBSTANTIVE COMMENTS / COMMENTS RECEIVED AND RESPONSES TO THESE COMMENTS

The City received seven (7) written comments during the public comment period on the dates identified from the following:

1. Department of the Army, July 3, 2018, and July 19, 2018
2. Minnesota Department of Transportation, July 27, 2018
3. Minnesota Pollution Control Agency, August 2, 2018
4. Hennepin County, August 3, 2018
5. Minnesota Board of Water and Soil Resources, August 7, 2018
6. Minnesota Department of Natural Resources, August 7, 2018
7. Metropolitan Council, August 8, 2018

The following section provides a summary of these comments and responses to them (Exhibit E includes the complete comment).

1. Department of the Army

Comment: "The purposes of this letter is to inform you that based on the Environmental Assessment Worksheet for the project referenced above, a Department of the Army (DA) permit may not be required for your proposed activity.."

Response: Comment noted for the record.

2. Minnesota Department of Transportation

Comment: “MNDot has reviewed the EAW and has no comments.”

Response: Comment noted for the record.

3. Minnesota Pollution Control Agency

Comment: “It should be noted that infiltrating stormwater into areas of the site with contaminated soils may be prohibited by MPCA’s National Pollutant Discharge Elimination System/State Disposal System (NPDES/SDS) General Construction Stormwater permit unless the soils have been mitigated.”

Response: Stormwater Infiltration is not being proposed at this point due to potential perched groundwater table and potential soil contamination in the area. Also, the underground parking garage is located adjacent the site’s property lines and as a result stormwater infiltration is not practical. As design alternative is selected, stormwater management BMP’s will be identified and designed to meet current standards.

Comment: “The MPCA recommends that all equipment be fitted with the property mufflers during operation.”

Response: All construction equipment will be fitted with proper mufflers during operation.

Comment: “Given the location of this development and the proximity to high-noise areas, the MPCA recommends that a noise monitoring survey be conducted property to construction to help determine what the best noise mitigation techniques may be.”

Response: Due to the urban setting of the site, background noise may exceed the state standards for noise. There is not a direct line of site from the rooftop patios and outdoor spaces to the noise source (i.e. Hennepin Avenue); therefore, anticipated sound levels on the rooftops would be lower than experienced at street level. Construction of noise barriers along City and County streets in downtown Minneapolis to reduce traffic noise levels is not feasible or reasonable because of the proximity of roadways, sidewalks, and buildings to one another. Therefore, mitigation is not proposed as part of the project. Noise reduction technologies will be incorporated into the design of the building to reduce interior noise.

4. Hennepin County

Comment: “Page 14 of the Travel Demand Management Plan indicates that the signal timings being used in the analysis are from 2011. These are not the current signal timings as Washing Ave (CSAH 152) has been retimed to incorporate the bike phasing and cycle track which were incorporated with the County project in 2017. The consultant needs to acquire from the City of Minneapolis and use the most current timing plans for the analysis. The bike phasing and cycle track impact the signal timings at both Washington/Hennepin and Washington/Nicollet.”

Response: The analysis will be updated based on the updated Synchro model obtained from the City of Minneapolis that includes the recent changes to Washington Avenue. If any intersections are anticipated to operate below acceptable LOS based on the updated analysis, mitigation measures will be identified. An updated traffic analysis and TDMP will be submitted as part of the land use application.

Comment: “The County encourages the property developer to consider opportunities to not just meet, but exceed stormwater treatment requirements, particularly given the unique important of the Mississippi River to the life and identity of downtown Minneapolis.”

Response: Once a design alternative is selected, stormwater BMPs will be designed to meet current standards. Additional stormwater methods will be reviewed at the time of site design and project development.

5. Minnesota Board of Water and Soil Resources

Comment: “The EAW indicates there are no surface aquatic resources within the proposed development, BWSR has no comments.”

Response: Comment noted for the record.

6. Minnesota Department of Natural Resources

Comment: “As a reminder, construction dewatering for the placing of footings for the proposed structure, and for constructing utilities to the proposed structure, that exceed 10,000 gallons per day, or one million gallons per year, will need to be approved by a DNR Water Appropriation Permit.”

Response: If any dewatering is required for building construction or for operation on an underground parking structure, a DNR Water Appropriations Permit will be applied for. If soil contamination is present on the site, discharge from dewatering may need to be directed to the sanitary sewer. This will be coordinated with the City during final site design.

Comment: “We appreciate that bird safe treatments have been incorporated into the design of the building. Audubon Minnesota and the American Bird Conservancy have developed guidelines that could be useful in incorporating additional bird safe elements into the building design.”

Response: Audubon Minnesota guidelines were incorporated into the design of the proposed development.

7. Metropolitan Council

Comment: “The configuration of the site plan in the proposed development has potential negative impacts on the effectiveness and efficiency of Metro Transit operations along 3rd Street.”

Response: The updated TDMP will acknowledge the transit use along 3rd Street. The City and the applicant will continue to work with the Metropolitan Council regarding the design of the site and curb cuts along 3rd Street.

Comment: “Please note that Figure 3-2 of the TDMP shows bus stops that are no longer active.”

Response: Figure 3-2 will be updated to remove bus stops that are no longer active.

V. ISSUES IDENTIFIED IN THE EAW

No substantive environmental impacts/issues were identified in this EAW.

VI. COMPARISON OF POTENTIAL IMPACTS WITH EVALUATION CRITERIA

In deciding whether a project has the potential for significant environmental effects and whether an Environmental Impact Statement (EIS) is needed, the Minnesota Environmental Quality Board rules (4410.1700 Subp. 6 & 7) require the Responsible Governmental Unit (RGU), the City of Minneapolis in this circumstance, to compare the impacts that may be reasonably expected to occur from the project with four criteria by which potential impacts must be evaluated. The following is that comparison:

A. Type, extent, and reversibility of environmental effects:

The environmental effects identified in the petition are visual, localized, and can be mitigated through the City's existing formal development review process. This process captures and evaluates development proposals not only from a Planning perspective, which encompasses community planning, heritage preservation and development services analysis, but also includes evaluations by the Public Works Department related to stormwater management, water and sewer design, traffic, streets, right-of way, etc., the Construction Code Services Division of CPED related to building code review and inspections and the various utility companies.

B. Cumulative potential effects:

All future development within the area will be considered through the City's development review process; either administratively or through a public hearing process. This has and will continue to allow the City to manage potential cumulative effects of future development within the vicinity and throughout the City as a whole.

C. Extent to Which the Environmental Effects are Subject to Mitigation by Ongoing Public Regulatory Authority

The City has discretionary authority through its development review process, and the City and State have authority through the permit approvals required for this project to address, mitigate or avoid the environmental effects identified in the EAW and the comment letters.

The City's development review process is comprehensively administered by City Staff and implemented by experienced Commissions and the City Council. Any potential environmental effects are mitigated by the City's development review process.

It is important to note that City Staff and the City Planning Commission consider the context, character, and compatibility of new development.

D. Extent to which environmental effects can be anticipated and controlled as a result of other environmental studies undertaken by public agencies or the project proposer, including other EISs:

A project of this type within an urban setting is neither unique nor unanticipated. Residential, commercial and mixed-use developments that have been significantly more intense than the proposed project have been the

subject of EAWs and EISs as well as the City’s development review process. Based on these studies, the environmental effects of this project can be anticipated and controlled by the City’s development review process.

VII. DECISION ON THE NEED FOR AN ENVIRONMENTAL IMPACT STATEMENT

Based on the EAW, the “Findings of Fact and Record of Decision” document, and related documentation for this project, the City of Minneapolis, as the (RGU) for this environmental review, concludes the following:

1. The Environmental Assessment Worksheet, the “Findings of Fact and Record of Decision” document, and related documentation for the Gateway Mixed-Use Development were prepared in compliance with the procedures of the Minnesota Environmental Policy Act and Minn. Rules, Parts 4410.1000 to 4410.1700 (2009).
2. The Environmental Assessment Worksheet, the “Findings of Fact and Record of Decision” document, and related documentation for the project have satisfactorily addressed all of the issues for which existing information could have been reasonably obtained.
3. The project does not have the potential for significant environmental effects based upon the above findings and the evaluation of the following four criteria (per Minn. Rules, Parts 4410.1700 Subp. 7):
 - Type, extent, and reversibility of environmental effects;
 - Cumulative potential effects;
 - Extent to which the environmental effects are subject to mitigation by ongoing public regulatory authority;
 - Extent to which environmental effects can be anticipated and controlled as a result of other environmental studies undertaken by public agencies or the project proposer, including other EISs.
4. The finding by the City that the EAW is adequate and no EIS is required provides no endorsement, approval or right to develop the proposal and cannot be relied upon as an indication of such approval. This finding allows the proposer to formally initiate the City’s process for considering the specific discretionary permissions necessary for redevelopment, and for the City in this process, informed by the record of the EAW, to identify and encourage the elements for compatible redevelopment, and assure their implementation at this site.

Consequently, the City does not require the development of an Environmental Impact Statement (EIS) for the project.

Exhibits:

- A. Project Description
- B. Record of Decision
- C. Public Notification Record
- D. Council/Mayor Action
- E. Comments Received

EXHIBIT A

Project Description

This EAW studies the proposed mixed-use project that would result in the redevelopment of an approximately 1.7-acre site, which is currently a surface parking lot bounded by Hennepin Avenue, S 3rd Street, S Washington Avenue, and Nicollet Mall in Minneapolis. Two scenarios (Plan A and Plan B) were evaluated for this site. The two scenarios are as follows: Plan A – approximately 589,700 square feet of office, 9,000 square feet of retail, 280 hotel rooms, 50 attached residential units, and 511 off-street parking spaces; Plan B – approximately 486,750 square feet of office, 15,070 square feet of retail, 140 attached residential units, and 530 off-street parking spaces. The chosen scenario will be constructed during two construction seasons.

EXHIBIT B

Environmental Review Record for the Gateway Mixed-Use Development EAW

Date	Action
07/09/2018	City Staff distributes EAW to official EQB mailing list and Project List. EAW is posted on the City's website.
07/09/2018	Minnesota Environmental Quality Board (EQB) publishes notice of availability in <i>EQB Monitor</i> and the 30-day comment period commences.
08/08/2018	EAW public comment period closes.
09/13/2018	Zoning and Planning Committee (Z & P) of the City Council considers the "Draft Findings of Fact and Record of Decision" report, provides recommendation to the City Council.
09/21/2018	City Council approves Z & P Committee recommendation and makes a finding of Negative Declaration: EAW is adequate and no EIS is necessary.
09/26/2018	Mayor approves Council action regarding EAW
09/29/218	City publishes notice of Council/Mayor decision in <i>Finance and Commerce</i> .
10/01/2018	City publishes and distributes Notice of Decision and availability of final "Findings" report to official EQB List and the Project List
10/08/2018	EQB publishes Notice of Decision in <i>EQB Monitor</i> .

EXHIBIT C

Public Notification Record

The following describes the public notification process of CPED for the Gateway Mixed-Use Development EAW:

1. The City maintains an updated list based on the Official EQB Contact List. The Gateway Mixed-Use Development EAW project list follows. All persons on that list were sent copies of the EAW. CPED also distributes copies of the EAW to elected and appointed officials, City staff and others who have expressed interest in the project.
2. A notice of the availability of the Gateway Mixed-Use Development EAW, the dates of the comment period, and the process for receiving a copy of the EAW and/or providing comment was published provided with each copy of the EAW and in the *EQB Monitor* and was provided to the City's CPED Media contact for notice and distribution.
3. CPED distributed the Notice of Decision with information regarding the final "Findings" document to the Official EQB Contact List and the project list.
4. The EQB published the Notice of Decision in the *EQB Monitor*.

Attached:

Official EQB Contact List
Project List

EAW Distribution List, April, 2018

Agency and Organization Distribution List

Environmental review documents must be sent to the agencies listed on pages 12-13 in accordance with the requirements for each environmental review process. CDs or electronic copies may be submitted in lieu of paper copies, unless a paper copy is specifically noted. Confirmation of receipt is advised when submitting electronic copies to an email address provided on the following pages.

STATE AGENCIES			
Agency/ Organization	Distribution Instructions	Mailing Address	Electronic Submission (if applicable)
Environmental Quality Board	1 copy	Environmental Quality Board Environmental Review Program 520 Lafayette Road N – 4 th Floor St. Paul, MN 55155-4194	*Please use the EQB Monitor Submission Form
Department of Agriculture	1 copy	Becky Balk Department of Agriculture 625 North Robert Street St. Paul, MN 55155	becky.balk@state.mn.us
Department of Commerce	1 copy	Ray Kirsch Department of Commerce 85 Seventh Place East, Suite 280 St. Paul, MN 55101	raymond.kirsch@state.mn.us
Department of Health	1 copy	Department of Health Environmental Health Division 625 North Robert Street St. Paul, MN 55155	health.review@state.mn.us
Department of Natural Resources	1 copy	Randall Doneen Department of Natural Resources Environmental Review Unit 500 Lafayette Road St. Paul, MN 55155-4025	randall.doneen@state.mn.us
Pollution Control Agency	1 paper copy and 1 electronic copy	Dan Card Pollution Control Agency Environmental Review Unit 520 Lafayette Road N St. Paul, MN 55155	dan.card@state.mn.us
Board of Water and Soil Resources	1 copy	Annie Felix-Gerth Board of Water and Soil Resources 520 Lafayette Road N St. Paul, MN 55155	annie.felix-gerth@state.mn.us
Department of Transportation	1 copy	Debra Moynihan Department of Transportation Mn/DOT Office of Environmental Stewardship 395 John Ireland Boulevard, MS 620 St. Paul, MN 55155	debra.moynihan@state.mn.us
LIBRARIES			
Environmental Conservation Library	1 electronic or 2 paper copies	Helen Burke Environmental Conservation Library Hennepin County Library – Minneapolis Central Government Documents – 2nd Floor 300 Nicollet Mall Minneapolis, MN 54401-1992	govdoc@hclib.org

FEDERAL AGENCIES			
Agency/ Organization	Distribution Instructions	Mailing Address	Electronic Submission (if applicable)
U.S. Fish and Wildlife Service	1 copy	Project Leader U.S. Fish and Wildlife Service Minnesota-Wisconsin Field Office E.S. 4101 American Boulevard E Bloomington, MN 55425-1665	peter_fasbender@fws.gov
U.S. Army Corps of Engineers	1 copy	Chad Konickson U.S. Army Corps of Engineers Regulatory Branch 180 Fifth Street East, Suite #700 St. Paul, MN 55101-1678	mvp-reg- inquiry@usace.army.mil
U.S. Environmental Protection Agency	1 copy	Kenneth Westlake U.S. Environmental Protection Agency US EPA, Region 5 Office of Enforcement and Compliance Assurance 77 West Jackson Boulevard Chicago, Illinois 60604	westlake.kenneth@epa.gov
National Park Service	1 copy. NOTE: Send only if project is located within, or could have a direct impact upon, the Mississippi River Critical Area/Mississippi National River and Recreation Area (72-mile stretch of river from the mouth of the Crow River at Dayton/Ramsey to the Goodhue County border)	Stewardship Team Manager National Park Service 111 East Kellogg Boulevard, Suite 105 St. Paul, MN 55101-1288	N/A
REGIONAL AGENCIES			
Agency/ Organization	Distribution Instructions	Mailing Address	Electronic Submission (if applicable)
Metropolitan Council	1 copy. NOTE: Send only if the project is in the seven-county metro area	Review Coordinator, Local Planning Assistance Metropolitan Council 390 Robert Street N St. Paul, MN 55101-1805	reviewscoordinator@metc.s tate.mn.us
OTHER AGENCIES			
Agency/ Organization	Distribution Instructions	Mailing Address	Electronic Submission (if applicable)
State Archaeologist	1 copy	Amanda Gronhovd Office of the State Archaeologist Fort Snelling History Center St. Paul, MN 55111-4061	amanda.gronhovd@state.mn.us
Indian Affairs Council	1 copy	Melissa Cerda Indian Affairs Council 161 St. Anthony Avenue, Suite 919 St. Paul, MN 55103	melissa.cerda@state.mn.us
Minnesota Historical Society	1 paper copy	Sarah Beimers Minnesota State Historic Preservation Office 50 Sherburne Ave, Suite 203 St. Paul, MN 55155	N/A

Gateway Mixed-Use Development EAW Project Mailing List

UP Gateway, LLC
Rick McKelvey
Vice President – Commercial Development
651 Nicollet Mall, Suite 450
Minneapolis, MN 55402
Rick.McKelvey@uproperties.com

Council Member Steve Fletcher
Ward 3 - 307 City Hall

Downtown West Neighborhood

North Loop Neighborhood

Public Works - Allan Klugman – Room 300 Border Avenue

City Attorney's Office - Erik Nilsson – Room 210 City Hall

EXHIBIT D

Council/Mayor Action

Minneapolis City Council Agenda
Regular Meeting
September 21, 2018 - 9:30 am
Room 317, City Hall

Members Present: Council Members Lisa Bender (President), Andrea Jenkins (Vice-President), Andrew Johnson (Majority Leader), Cam Gordon (Minority Leader), Kevin Reich, Steve Fletcher, Phillipe Cunningham, Jeremiah Ellison, Abdi Warsame, Lisa Goodman, Alondra Cano, Jeremy Schroeder, and Linea Palmisano

(Majority vote of all members, 7; 2/3 vote of all members, 9; quorum 7)

Zoning & Planning

4. Environmental Assessment Worksheet: Gateway mixed-use development, 30 S 3rd St ([2018-01074](#))
 1. Approving the adequacy of the Environmental Assessment Worksheet (EAW) for the proposed Gateway mixed-use development located at 30 S 3rd St.
 2. Approving the determination that an Environmental Impact Statement (EIS) is not required.
 3. Adopting the Findings of Fact as prepared by the Department of Community Planning & Economic Development.

Action Taken: Adopted

EXHIBIT E

Comments Received on the Gateway Mixed-Use Development EAW:

1. Department of the Army, July 3, 2018, and July 19, 2018
2. Minnesota Department of Transportation, July 27, 2018
3. Minnesota Pollution Control Agency, August 2, 2018
4. Hennepin County, August 3, 2018
5. Minnesota Board of Water and Soil Resources, August 7, 2018
6. Minnesota Department of Natural Resources, August 7, 2018
7. Metropolitan Council, August 8, 2018



DEPARTMENT OF THE ARMY
ST. PAUL DISTRICT, CORPS OF ENGINEERS
180 FIFTH STREET EAST, SUITE 700
ST. PAUL, MN 55101-1678

07/03/2018

REPLY TO ATTENTION OF
REGULATORY BRANCH

Regulatory File No. MVP-2018-01839-JTB

THIS IS NOT A PERMIT

Rick McKelvey
United Properties
651 Nicollet Mall, Suite 450
Minneapolis, MN 55402

Dear Mr. McKelvey:

We have received your submittal described below. You may contact the Project Manager with questions regarding the evaluation process. The Project Manager may request additional information necessary to evaluate your submittal.

File Number: MVP-2018-01839-JTB

Applicant: UP Gateway, LLC

Project Name: UP Gateway, LLC / Gateway Mixed-Use Development

Received Date: 06/29/2018

Project Manager: Justin Berndt
(651) 290-5446
Justin.T.Berndt@usace.army.mil

Additional information about the St. Paul District Regulatory Program, including the new Clean Water Rule, can be found on our web site at <http://www.mvp.usace.army.mil/missions/regulatory>.

Please note that initiating work in waters of the United States prior to receiving Department of the Army authorization could constitute a violation of Federal law. If you have any questions, please contact the Project Manager.

Thank you.

U.S. Army Corps of Engineers
St. Paul District
Regulatory Branch



DEPARTMENT OF THE ARMY
ST. PAUL DISTRICT, CORPS OF ENGINEERS
180 FIFTH STREET EAST, SUITE 700
ST. PAUL, MN 55101-1678

July 19, 2018

REPLY TO ATTENTION OF
REGULATORY BRANCH

Regulatory File No. MVP-2018-01839-JTB

United Properties
c/o Rick McKelvey
651 Nicollet Mall, Suite 450
Minneapolis, Minnesota 55402

Dear Mr. McKelvey:

This letter is in response to correspondence we received from the City of Minneapolis regarding the 1.7 acre Gateway Mixed-Use Development. The purpose of this letter is to inform you that based on the Environmental Assessment Worksheet for the project referenced above, a Department of the Army (DA) permit may not be required for your proposed activity. In lieu of a specific response, please consider the following general information concerning our regulatory program that may apply to the proposed project.

If the proposal involves activity in navigable waters of the United States, it may be subject to the Corps of Engineers' jurisdiction under Section 10 of the Rivers and Harbors Act of 1899 (Section 10). Section 10 prohibits the construction, excavation, or deposition of materials in, over, or under navigable waters of the United States, or any work that would affect the course, location, condition, or capacity of those waters, unless the work has been authorized by a Department of the Army permit.

If the proposal involves discharge of dredged or fill material into waters of the United States, it may be subject to the Corps of Engineers' jurisdiction under Section 404 of the Clean Water Act (CWA Section 404). Waters of the United States include navigable waters, their tributaries, and adjacent wetlands (33 CFR § 328.3). CWA Section 301(a) prohibits discharges of dredged or fill material into waters of the United States, unless the work has been authorized by a Department of the Army permit under Section 404. Information about the Corps permitting process can be obtained online at <http://www.mvp.usace.army.mil/regulatory>.

The Corps evaluation of a Section 10 and/or a Section 404 permit application involves multiple analyses, including (1) evaluating the proposal's impacts in accordance with the National Environmental Policy Act (NEPA) (33 CFR part 325), (2) determining whether the proposal is contrary to the public interest (33 CFR § 320.4), and (3) in the case of a Section 404 permit, determining whether the proposal complies with the Section 404(b)(1) Guidelines (Guidelines) (40 CFR part 230).

If the proposal requires a Section 404 permit application, the Guidelines specifically require that "no discharge of dredged or fill material shall be permitted if there is a practicable alternative to the proposed discharge which would have less adverse impact on the aquatic ecosystem, so long as the alternative does not have other significant adverse environmental consequences" (40 CFR § 230.10(a)). Time and money spent on the proposal prior to applying for a Section 404 permit cannot be factored into the Corps' decision whether there is a less damaging practicable alternative to the proposal.

Regulatory Branch (File No. MVP-2018-01839-JTB)

If an application for a Corps permit has not yet been submitted, the project proposer may request a pre-application consultation meeting with the Corps to obtain information regarding the data, studies or other information that will be necessary for the permit evaluation process. A pre-application consultation meeting is strongly recommended if the proposal has substantial impacts to waters of the United States, or if it is a large or controversial project.

If you have any questions, please contact me in our St. Paul office at (651) 290-5446 or Justin.T.Berndt@usace.army.mil. In any correspondence or inquiries, please refer to the Regulatory file number shown above.

Sincerely,



Justin Berndt
Project Manager

Enclosures

cc:
Ben Carlson (BWSR)
Hilary Dvorak (City of Minneapolis)

Dvorak, Hilary A.

From: Scheffing, Karen (DOT) <karen.scheffing@state.mn.us>
Sent: Friday, July 27, 2018 8:25 AM
To: Dvorak, Hilary A.
Subject: Gateway Mixed Use Development

Hillary

Thank you for the opportunity to review the proposed Gateway Mixed Use development. MnDOT has reviewed the EAW and has no comments. Please contact me if you have any questions

Thanks
Karen

Karen Scheffing
Principal Planner
1500 W County Road B2
Roseville MN 55113
651-234-7784



520 Lafayette Road North | St. Paul, Minnesota 55155-4194 | 651-296-6300

800-657-3864 | Use your preferred relay service | info.pca@state.mn.us | Equal Opportunity Employer

August 2, 2018

Hilary Dvorak
Principal City Planner
City of Minneapolis
250 South 4th Street
Minneapolis, MN 55415-1385

Re: Gateway Mixed –Use Development Environmental Assessment Worksheet

Dear Hilary Dvorak:

Thank you for the opportunity to review and comment on the Environmental Assessment Worksheet (EAW) for Gateway Mixed-Use Development project (Project) in the city of Minneapolis, Hennepin County, Minnesota. The Project consists of 1.7 acre mixed-use development. Regarding matters for which the Minnesota Pollution Control Agency (MPCA) has regulatory responsibility or other interests, the MPCA staff has the following comments for your consideration.

Water Resources (Item 11)

It should be noted that infiltrating stormwater into areas of the site with contaminated soils may be prohibited by MPCA's National Pollutant Discharge Elimination System/State Disposal System (NPDES/SDS) General Construction Stormwater permit unless the soils have been mitigated. However, the MPCA encourages the use of green roofs and/or other green infrastructure to address stormwater incorporated into the urban redevelopment plans that do not rely on the use of existing soils. Questions regarding Construction Stormwater Permit requirements should be directed to Roberta Getman at 507-206-2629 or Roberta.Getman@state.mn.us.

Noise (Item 17)

The MPCA appreciates that construction noise will follow the Minneapolis city ordinance. The MPCA also recommends that all equipment be fitted with the proper mufflers during operation.

Although building design will incorporate noise reduction/attenuation technologies for interior spaces, the MPCA wants to clarify that any residences and hotel rooms would be considered Noise Area Classification (NAC) 1, which means that the strictest state noise standards would apply to those units.

Given the location of this development and the proximity to high-noise areas, the MPCA recommends that a noise monitoring survey be conducted prior to construction to help determine what the best noise mitigation techniques may be. It may also be the case that outdoor spaces, like patios, are inadvisable due to local noise levels. This would be dependent on how elevated the residential or hotel portions of the development are in the final plans.

Finally, the MPCA wants to remind the City of Minneapolis of Minn. R. ch. 7030.0030, which states that "[a]ny municipality having authority to regulate land use shall take all reasonable measures within its jurisdiction to prevent the establishment of land use activities listed in noise area classification (NAC) 1, 2, or 3 in any location where the standards established in part 7030.0040 will be violated immediately upon establishment of the land use." For noise related questions, please contact Christine Steinwand at 651-757-2327 or Christine.Steinwand@state.mn.us.

Hilary Dvorak
Page 2
August 2, 2018

We appreciate the opportunity to review this Project. Please provide your specific responses to our comments and notice of decision on the need for an Environmental Impact Statement. Please be aware that this letter does not constitute approval by the MPCA of any or all elements of the Project for the purpose of pending or future permit action(s) by the MPCA. Ultimately, it is the responsibility of the Project proposer to secure any required permits and to comply with any requisite permit conditions. If you have any questions concerning our review of this EAW, please contact me by email at Karen.kromar@state.mn.us or by telephone at 651-757-2508.

Sincerely,



Karen Kromar
Project Manager
Environmental Review Unit
Resource Management and Assistance Division

KK:bt

cc: Dan Card, MPCA, St. Paul
Roberta Getman, MPCA, Rochester
Christine Steinwand, MPCA, St. Paul
Teresa McDill, MPCA, St. Paul

HENNEPIN COUNTY

MINNESOTA

August 3, 2018

Hilary Dvorak
City of Minneapolis
Principal City Planner
250 South 4th Street, Room 300
Minneapolis, MN 55417

Re: Comments to the Gateway Mixed-Use Development Environmental Assessment Worksheet (EAW) as advertised in the EQB Monitor July 9, 2018

Dear Ms. Dvorak:

This letter provides comments to the above noted EAW for a large mixed-use project involving the redevelopment of an approximately 1.7-acre site, which is currently a surface parking lot bounded by Hennepin Avenue, S 3rd Street, S Washington Avenue, and Nicollet Mall in Minneapolis. The following two scenarios were evaluated for this site: Plan A – approximately 589,700 square feet of office, 9,000 square feet of retail, 280 hotel rooms, 50 attached residential units, and 511 off-street parking spaces; and Plan B – approximately 486,750 square feet of office, 15,070 square feet of retail, 140 attached residential units, and 530 off-street parking spaces. The chosen scenario will be constructed during two construction seasons.

Page 14 of the Travel Demand Management Plan indicates that the signal timings being used in the analysis are from 2011. These are not the current signal timings as Washington Ave (CSAH 152) has been retimed to incorporate the bike phasing and cycle track which were incorporated with the County project in 2017. The consultant needs to acquire from the City of Minneapolis and use the most current timing plans for the analysis. The bike phasing and cycle track impact the signal timings at both Washington/Hennepin and Washington/Nicollet.

Appendix B of the Travel Demand Management Plan

- The 2021 No Build AM peak hour table indicates for the Washington/Nicollet intersection that the NB left as 0 seconds of delay. I anticipate this is a typo.
- At the intersection of Washington and Hennepin the WB left has an almost 20 second increase in delay when comparing the 2021 AM no build to the 2021 AM build (Plan B). This is a rather significant increase. What is the proposed mitigation to offset the increase in delay?
- At the intersection of Washington and Hennepin the WB left and through lanes see 16 seconds and 13 seconds, respectively, of increased delay per vehicle when comparing the 2021 PM no build and build (plan A). These are rather



significant increases. What are the proposed mitigations to offset these increases in delay?

- At the intersection of Washington and Nicollet the overall intersection delay per vehicle increases by 25 seconds, the NB left increases by 37 seconds and the WB through increases by 46 seconds when comparing the 2021 PM no build and build (plan A). This is significant. What is the proposed mitigation to offset the increase in delay?
- At the intersection of Washington and Hennepin the SB left has an almost 14 second increase in delay when comparing the 2021 PM no build and build (plan B). This also is a rather significant increase. What is the proposed mitigation to offset the increase in delay?

The County encourages the property developer to consider opportunities to not just meet, but exceed stormwater treatment requirements, particularly given the unique importance of the Mississippi River to the life and identity of downtown Minneapolis. The County and the Mississippi Watershed Management Organization may be able to provide technical and financial assistance to help cover the cost of stormwater treatment that goes above and beyond requirements. The property developer can contact Karen Galles (karen.galles@hennepin.us or 612-348-2027) or Marcy Bean at MWMO (mbean@mwmoo.org or 612-746-4979) to inquire about technical and financial assistance programs.

We appreciate the chance to review this project document and hope the development successfully proceeds as planned. If you have any questions, please contact me (612-348-5714 or david.jaeger@hennepin.us) or those listed above.

Sincerely,



David Jaeger

Environmental Specialist

Cc: Karen Galles, HC Environment and Energy
Ryan Allers, HC Transportation Design

Dvorak, Hilary A.

From: Carlson, Ben (BWSR) <ben.carlson@state.mn.us>
Sent: Tuesday, August 07, 2018 8:18 AM
To: Dvorak, Hilary A.
Subject: Gateway EAW - Minneapolis

The EAW indicates there are no surface aquatic resources within the proposed development, BWSR has no comments.

Ben Carlson
Wetland Specialist
Minnesota Board of Water & Soil Resources
520 Lafayette Road North
St. Paul, MN 55155
Ben.carlson@state.mn.us
651-315-3952
www.bwsr.state.mn.us

Dvorak, Hilary A.

From: Horton, Becky (DNR) <becky.horton@state.mn.us>
Sent: Tuesday, August 07, 2018 11:27 AM
To: Dvorak, Hilary A.
Cc: Richter, Joe G (DNR)
Subject: Gateway Mixed Use EAW - DNR comments

Dear Hilary Dvorak,

The Minnesota Department of Natural Resources (DNR) has reviewed the Environmental Assessment Worksheet (EAW) for the Gateway Mixed Use development. We offer the following comments on information provided in the EAW.

We appreciate that the EAW acknowledges the possible need for a DNR Water Appropriation Permit. As a reminder, construction dewatering for the placing of footings for the proposed structure, and for constructing utilities to the proposed structure, that exceed 10,000 gallons per day, or one million gallons per year, will need to be approved by a DNR Water Appropriation Permit. Groundwater levels have been high in downtown Minneapolis and underground garages have been constructed that have been flooded by groundwater. The design and construction of the underground parking will need to take into account the level of ground water in this area, ~~and in partnership with the City of Minneapolis.~~ Permanent dewatering of the underground parking facilities in volumes that exceed 10,000 gallons per day, or one million gallons per year, will need to be approved under a DNR Water Appropriation Permit. Due to pollution, it may be necessary to discharge water that is appropriated for construction dewatering to the sanitary sewer. We recommend using stormwater for irrigating any landscaping on site, as well as utilizing native species for landscaping to limit watering and maintenance requirements.

We appreciate that bird safe treatments have been incorporated into the design of the building. [Audubon Minnesota](#) and the [American Bird Conservancy](#) have developed guidelines that could be useful in incorporating additional bird safe elements into the building design.

Thank you,

Becky

Rebecca Horton

Region Environmental Assessment Ecologist | Ecological and Water Resources

Minnesota Department of Natural Resources

1200 Warner Road
St. Paul, MN 55404
Phone: 651-259-5755
Fax: 651-772-7977
Email: becky.horton@state.mn.us
mndnr.gov

 **DEPARTMENT OF
NATURAL RESOURCES**



August 8, 2018

Hilary Dvorak, Principal City Planner
City of Minneapolis
250 S. 4th Street
Minneapolis, MN 55415-1385

**RE: City of Minneapolis Environmental Assessment Worksheet (EAW) –
Gateway Mixed-Use Development**
Metropolitan Council Review No. 22000-1
Metropolitan Council District No. 7

Dear Ms. Dvorak:

The Metropolitan Council received the EAW for the Gateway Mixed-Use Development project on June 29, 2018. The proposed project occupies 1.7 acres on a full block in Downtown Minneapolis bounded by Hennepin Avenue, Nicollet Mall, Washington Avenue, and 3rd Street. The EAW evaluated two scenarios consisting of a mix of office, hotel, and residential uses.

The staff review finds that the EAW is complete and accurate with respect to regional concerns and does not raise major issues of consistency with Council policies. An EIS is not necessary for regional purposes.

We offer the following comments for your consideration.

Item 18 – Transportation (*Steve Mahowald, 612-349-7775*)

The configuration of the site plan in the proposed development has potential negative impacts on the effectiveness and efficiency of Metro Transit operations along 3rd Street. The stop on 3rd Street is currently used by nine different express routes bound for I-94. There are over 300 passengers boarding with most occurring during the evening peak period. From 4:15pm to 5:14pm, there are 70 express trips with as many as four buses stopping at a time.

It is critical that at least 250 feet of the block face be retained as a bus stop. There are two curb cuts shown along 3rd Street, one of which serves a loading dock. The presence of these curb cuts raises concerns on how transit can effectively serve this location. Page 8 of the Travel Demand Management Plan (TDMP) notes that vehicles will not be allowed to use the loading dock during peak hours given the large volume of buses. We support this restriction, but do not believe that it is sufficient to address the potential negative impact on transit operations.

The EAW and TDMP should acknowledge that during the PM peak hour, Metro Transit estimates that transit along 3rd Street at this location carries 60% of the person trips on 5% of the vehicles.

While not significant, please note that Figure 3-2 of the TDMP shows bus stops that are no longer active along the Hennepin Ave block face as well as at Washington Avenue & Nicollet Mall.

This concludes the Council's review of the EAW. The Council will not take formal action on the EAW. If you have any questions or need further information, please contact Michael Larson, Principal Reviewer, at 651-602-1407.

Sincerely,

A handwritten signature in blue ink, appearing to read "LisaBeth Barajas". The signature is fluid and cursive, with a large loop at the end.

LisaBeth Barajas, Director
Community Development Division

CC: Tod Sherman, Development Reviews Coordinator, MnDOT - Metro Division
Gary Cunningham, Metropolitan Council District 7
Michael Larson, AICP, Sector Representative / Principal Reviewer
Raya Esmaeili, Reviews Coordinator

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