

Memorandum

TO: LHENA Zoning & Planning Committee

COPY: Brandt Stiles, Marina Malomud - Local Ventures; Mike Krych, Jonathon Delcambre – BKV Group, Carol Lansing – Faegre Drinker

FROM: Chris Palkowitsch, AIA

DATE: 7/6/20

RE: New Uptown Development Project at 1301 W Lake Street & 1409 W Lake Street

Committee Members,

We are pleased to share our initial concepts for a new construction project for the site at 1301 W Lake Street & 1409 W Lake Street. This site is the 20+ year surface parking lot on Lake Street adjacent to the formerly “Calhoun Square” parking garage. The project is located in the South Uptown neighborhood and also borders LHENA. We are in the early stages of the development process and will be meeting with both neighborhood groups for feedback. At this very early stage we are looking for comments focused on the site plan, floor plans, massing, and height. We are developing the project one step at a time and have not yet started the site plan details or exterior elevations.

After receiving and incorporating input we intend to develop the project further and return for additional input. We also intend to meet with the Planning Commission – Committee of the Whole in late July or August. As the unit count exceeds 375 units, an EAW (Environmental Work Sheet) process will need to be completed prior to the land use submission. A land use submittal is likely in fall of 2020. Construction is estimated to commence spring of 2021. The project is expected to be completed Spring of 2023.

Project Information

The development is envisioned to be a 15-story mixed-use building. The building will likely be constructed with post tension concrete. The building will feature 452 units and 11,000+ SF of retail space. The units and robust resident amenities will be designed to attract young professionals. The unit mix leans toward more efficient units with some co-living (35% Studios, 26% 1-Bedroom, 36% 2-Bedroom, and 3% 4-Bedroom), with the goal of delivering quality housing at a variety of price points. The project will also include affordable units in accordance with the inclusionary housing policy. The ground level of the building will be active and vibrant on the street facing sides with retail and the housing lobby. The Girard connection to the site will feature enhanced landscaping to continue the concept of the “Girard Meander” from the small area plan. Parking is incorporated into the building and wrapped with active uses on levels 1-5. The project will maintain the 2 curb cuts on Fremont Street. The existing alley that connects to Fremont Street will remain and its function is not changing. One curb cut on Lake Street will be removed.

LOCAL Ventures:

Headquartered in St. Louis, Missouri, LOCAL Ventures is a full-service real estate development company that builds urban communities for young professionals across the country. LOCAL was created to fill a gap in the housing market that its founders recognized over years of developing student housing as the principals of

Subtext, a national off-campus student housing development company. To date, Subtext has developed housing for over 4,300 residents and counting.

LOCAL's foundation rests on a win-win-win mentality built on fairness, consistent collaboration and repeated, programmatic partnerships with cities, communities and institutional investors.

Site & Zoning:

Site: 1301 W Lake Street & 1409 W Lake Street

Site Zoning: C3A

Overlays: Pedestrian Overlay - Hennepin, Lyndale, Lagoon, Lake Area

Height: 4 Stories/56'

FAR: 4.05 (Base FAR in C3A – 2.7, 25% bonus for enclosed parking (+.675) and mixed use (+.675))

2040 Comprehensive Plan: Land Use – Destination Mixed Use, Built Form – Transit 10, Requests to

exceed 10 stories will be evaluated on the basis of whether or not a taller building is a reasonable means for further achieving Comprehensive Plan goals.

Proposed Concept:

Site Area: 44,712 SF, 1.03 Acres

Gross Floor Area Housing: 363,500 SF

Gross Floor Area Parking: 116,000 SF

Gross Floor Area Total: 479,500 SF

Height: 15 Stories + a Roof Deck

FAR: 8.13

Units: 452

Retail: 11,400 SF

Parking: 307 Provided, 226 Required

Draft Applications:

Applications are being reviewed with the City of Minneapolis as we proceed. We will update the committee with specific applications when we return.

Project Benefits for the City and Neighborhood:

1. High quality new construction with activated street fronts.
2. Building construction to be concrete.
3. Removes 20+ year surface parking lot.
4. Removes 1 curb cut mid-block at Lake Street.
5. New retail space will further enhance the walkability of Uptown.
6. All of the building parking is enclosed and not visible from the street.
7. Affordable Housing – As required by inclusionary housing code, adds affordable housing in an area of need.
8. Existing Calhoun Square parking structure will no longer be visible from a major city artery, Lake Street.
9. Robust bicycle parking within the building.

Potential Negative Impacts:

1. Additional traffic – traffic study and Travel Demand Management Plan to be completed.
2. 22-24 Month Construction Period.

LHENA Questions

Addressing Needs

- What type of residential units or commercial space will be offered by the project? The project includes a mix of studio, one-bedroom, two-bedroom and four-bedroom units. Approximately 11,400 SF of commercial space is proposed along Lake Street (uses to be determined).
- If rental property, what is the anticipated price range, generally? What, if any percentage of the property will be affordable housing? Market-rate rents are anticipated to range from the low \$1000's for studios to the \$3000's for four-bedroom units. The percentage of affordable units and level of affordability will be finalized as the project proceeds through development. Rents for affordable housing units will be set in accordance with income-restriction guidelines.
- If rental property, what unit sizes are you offering? How many units in total? The building will include 452 units, with a unit mix that leans toward more efficient units designed with the goal of delivering quality housing at a variety of price points. Studio sizes range from 350 to 450 SF, one-bedroom units range from 487 to 578 SF, two-bedroom units range from 750 to 835 SF and four-bedroom units are 1300 SF.
- If rental property, what is the current occupancy rate of comparable buildings in the area? How does the project fill a need within the neighborhood and city? The current occupancy rate is around 94%, down from an average occupancy over 95%+ due to the impacts from COVID. The project's more efficient units fill a gap in the housing market for high-quality housing at a more attainable price point, in addition to providing income-restricted units in accordance with inclusionary housing policy. The ground level retail and lobby along Lake Street will activate the streetscape and further contribute to the walkability of the neighborhood.

Land Use and Zoning

- Is the project in compliance with the City of Minneapolis zoning code, or will it require rezoning, a variance, conditional use permit, or other land use application approval? Applications are being reviewed with the City of Minneapolis as we proceed. We will update the committee with specific applications when we return.
- Will you be seeking approval from the Committee? We are asking for support from the Committee.

Design and Quality

- How does it fit contextually into the neighborhood? From a usage standpoint the building will fit in with other recent mixed-use developments. It will have an active street front and conceal parking within the building. The building will be taller than other adjacent structures. The architecture will be designed in a way to compliment the neighborhood and its context.
- What type of exterior materials will be used? We are very early in the design process and are meeting with this group prior to having a defined exterior design.
- How will the project enhance the public realm and pedestrian environment? The ground level of the building will be active and vibrant on the street facing sides with retail and the housing lobby. The Girard connection to the site will feature enhanced landscaping to continue the concept of the "Girard Meander" from the small area plan. Parking is incorporated into the building and wrapped with active uses on levels 1-5. The project will maintain the 2 curb cuts on Fremont Street. The existing alley that

connects to Fremont Street will remain and its function is not changing. One curb cut on Lake Street will be removed.

Environmental Impact

- How does the project incorporate best management practices for green building design (e.g., energy conservation, water conservation and stormwater management, mitigation of light and noise pollution, etc.)? LOCAL Ventures projects are developed around smart-growth principles and sustainable design. As we proceed through the development process, we will continue to explore opportunities to exceed current standards, incorporate best management practices and improve building performance.
- What long-term environmentally sustainable opportunities are you considering for this building? (From material choices, offering organics composting, a green roof, garden space, native plants, mature boulevard trees, etc.) We are early in the development process and are exploring opportunities to incorporate long-term environmentally sustainable design and management into the project.
- Are you considering doing a shade study (if the building is changing in height)? A shade study has been completed.

Transportation Impact

- How does the project contribute to active transportation (walking, biking, transit) in the neighborhood? How could the project support car-free living in Minneapolis? The project site is located in the center of a walkable, bikeable community with robust transit options, including bus service directly in front of the site, as well as adjacency to vibrant retail and commercial spaces. The project will build on the existing infrastructure by prioritizing bike amenities within the building, including extensive bike storage, a bicycle repair station and bike-share. The project lobby will also feature a video display with nearby transit options and current wait times to encourage and support use of public transit.
- Do you anticipate the project impacting traffic operations? If so, what mitigation strategies will the project employ? A traffic study and Travel Demand Management Plan will be completed as part of the Environmental Assessment Worksheet process.
- How will the project address loading and delivery zones (if applicable)? Two small loading spaces, 10' x 25' are provided. They are located on site within the structure. All turning and backups will take place within the building.
- How many parking spaces will be on the property? 307 spaces are provided (226 required).

Economic Impact

- What is the estimated municipal property tax revenue associated with the project? A tax analysis will be completed.
- How many estimated jobs will be created/supported by the project in the short and long term? An estimated 600-650 new construction jobs will be created in the short term and an estimated 80+ new jobs on site will be created in the long term with more jobs supported off-site by the 11,400 SF of ground level retail.

- Do you have a best practices policy when hiring contractors/subcontractors? How will you ensure hiring and treatment will follow the law? [LOCAL Ventures is committed to fair hiring practices and will require contractors to ensure that subcontractors follow fair labor standards.](#)

Respectfully Submitted,



Chris Palkowitsch, AIA
Partner, Architect