

**Draft Minutes from the  
East Downtown Council Board of Directors Meeting  
Thursday, February 5, 2015  
First Covenant Church, 810 South 7th Street**

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Present: Jeff Anderson, Tim Briggs, John Campobasso, Daniel Gumnit, Tom Hayes, Varun Kharbanda, Brian Maupin, Paul Mellblom, Lynn Regnier, Kelly Stenzel, Carletta Sweet, Tim Tucker, Bert Winkel  
Staff: Dan Collison, Christie Rock Hantge  
Absent: Jackie Barrett, Carl Runck

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**I. Call to Order**

President Paul Mellblom called the meeting to order at 11:32 a.m.

**II. Presentations**

- **District Energy.** EDC Executive Director Dan Collison gave a condensed version of the presentation Mike Dwyer, NRG Energy Director of Sales and Marketing, gave to the small working group of the East Downtown Development Committee Task Force on January 20, 2015. When it comes to district analysis, he believes it is important to understand what is in the built environment and what NRG does is a piece of it. NRG is a member of the Minneapolis Downtown Council and as of this year a platinum sponsor of the EDC so they are investing in our work.

NRG provides steam, hot water or chilled water through a system known as district energy (DE), i.e., 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 it at a central plant then pipes it underground to individual buildings for space heating, domestic hot water heating and air conditioning. In the ecosystem of energy providers, DE is pretty substantial and it is important to know how it is coming into play in East Downtown.

The theory behind the DE system is based upon its reliability — it operates 24 hours of every day of the year. It is also environmentally sound, energy efficient, uses smart energy choices, easy to operate and maintain, comfortable and convenient, and flexible.

DE reduces vibrations and noise problems from on-site plants that annoy building occupants and frees up building space so more room is available to meet increasing tenant storage needs and for revenue producing space. Buildings using DE require no smokestacks, boilers or cooling towers, fuel lines and other support equipment, yielding greater flexibility in design. Architects can easily design or renovate buildings to be more spacious, versatile and aesthetically pleasing for both occupants and the community.

NRG is a Fortune 250 company and has been driving innovation in solar and renewable power, electric vehicle ecosystem, carbon capture technology, customer-centric energy solutions, and retail electricity provider. It is not a regulated utility but an independent power producer with power plants (whether coal, 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.

Baker Properties originally established NRG in 1926. 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 became known as the Minneapolis Energy Center to serve it and adjoining properties. Subsequently, MEC was owned by a limited partnership formed by Dain Bosworth which eventually sold it to Xcel Energy who purchased it for its Non-regulated Group that eventually went broke and filed for bankruptcy. Once out of bankruptcy, Xcel's Non-regulated Group was transformed into NRG.

NRG serves over 100 buildings in downtown Minneapolis, provides steam that heats over 43 million sq. ft. of buildings, and provides chilled water that cools over 22 million sq. ft. of buildings. Dan 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 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%.

Lastly, Dan showed images of NRG's downtown customers that include office buildings, hotels, residential,

and public buildings including the new Vikings stadium. Due to new customers, NRG will be digging up streets in East Downtown to run new lines which leads into his next presentation. For more information, visit <http://www.nrg.com>.

Kelly shared that Thrivent was on the grid when they constructed its building because of the lower costs but when the building reached about 25 years old, they conducted a study that revealed if they installed their own boilers and chillers and included it in the expected maintenance and replacement costs, at that time it was less expensive so they installed them on their roof. So yes, initially the cost of building is cheaper if you get on NRG but after having a building for 25-30 years the transition over to having your system is cheaper. Thrivent never had an issue with them and the reliability was there, but it's just easier to regulate having their own system.

- **2015 Downtown Minneapolis Road Construction Projects.** As staff for the MDC, Dan receives updates on a lot of projects and wanted to share the following particularly as it impacts the EDC district.
  - *City paving projects.* Dan displayed a color-coded map of downtown Minneapolis indicating the types of road closures (e.g., full or partial), traffic signals projects, and the various development projects (e.g., 2015 tunnel project, I-94 5th Street/7th Street ramp conversion, Mill Quarter Apartments, Ryan Companies/Wells Fargo).
  - *CenterPoint Energy downtown projects.* This green-coded map indicates several projects: replacement of 16" main on South 9th Street between Marquette and Hennepin Avenues; beltline associated work; replacement of 20" diameter steel pipe on North 4th Street between Marquette Avenue and 2nd Avenue North, and on North 1st and 2nd Streets from 3rd Avenue North to I-35W.
  - *Washington Avenue South project.* This blue-coded map indicates the Hennepin County project (<http://www.hennepin.us/residents/transportation/washington-ave-mpls>) that proposes a total street reconstruction including pavement, curb and gutter, driveways, storm drain, sidewalks and signal modifications between Hennepin Avenue and 5th Avenue South on Washington Avenue South.
  - *LaSalle Avenue project.* This red-coded map is a paving project that will include removal and replacement of the pavement, some curb and gutter and driveway aprons between South Grant Street and South 8th Street.
  - *Nicollet Mall project.* This project is included on the red-coded map above. Utility work will be conducted in preparation of the 2016 construction between South Grant Street and Washington Avenue South.
  - *City resurfacing projects.* This yellow-coded map indicates projects that will take place in April and May of this year with most resurfacing occurring on the weekends.
  - *Downtown East construction.* This is a red- (for construction) and blue- (for detours) coded map of streets impacted due to construction occurring in East Downtown.

For more information visit <http://www.minneapolismn.gov/cip/2015/index.htm>.

- **Greening Conservancy.** Dan explained that part of the discussions held in the DID expansion focus group meetings was how is the Downtown East Commons going to be serviced. Wells Fargo is advocating for the maximum amount of VIP services around its property and since the park is adjacent to it the Greening Conservancy, a nonprofit formed with a \$200,000 donation by Ryan Companies, will look at all of the parks in downtown with a specific focus on the DEC for fundraising to get it built, programmed and maintained. The goal of the GC is to have the business leaders step up and be a leader in the green spaces downtown and to collaborate with the MSFA and Pennsylvania-based SMG on the programming of the DEC.

From a design viewpoint, from the front doors of the stadium to the edge of Ryan's housing projects, this area needs to be considered as a whole and there are many entities with a piece of it: Metro Transit has to build the land bridge and queuing area and there's the LRT station; MSFA owns the block that all of this is within; architects and engineers are designing the space in front of the stadium doors; and then there's

Hargreaves Associates the City hired to design the block and three quarters of actual dedicated DEC.

### III. Consideration of Agenda

When a quorum was achieved, the agenda with an adjustment to the sequence of items to address was approved (CS/TB).

### IV. Consideration of Consent Agenda

Approved as submitted which included minutes from the January 8, 2015 board meeting; minutes from the January 12, 2015 Board Development Committee meeting; minutes from the January 20, 2015 Strategy Committee meeting; Treasurer's report for January 1-31, 2015; Executive Director's report for January 4-31, 2015; and the Executive Coordinator's report for 01-01-15 to 01-31-015 (CS/LR).

### V. Action Item

- **CPED Great Streets Grant Proposal Submission.** Dan referenced the Business District Support Program (BDS) grant proposal forwarded to the board earlier that morning; Christie is refining and copy editing it. When he met with Rebecca Parrell at CPED about it, she was enthusiastic. There are two projects covered in the proposal for which they are seeking \$25,000 each:
  - 1) *District branding.* The EDC is partnering with PadillaCRT who has put up \$25,000 in pro bono services to see this through. In the next 30 days they will conduct an intensive workshop and Tom Jollie will bring in voices from across the nation from their stable of talent. Members of the EDC who do marketing and others from the downtown community who do marketing, e.g., Michael Langley, Melvin Tennant, Lee Sheehy, will be included. However, \$25,000 is not enough to accomplish the deliverables so he has applied for a matching grant.
  - 2) *Community engagement.* As he has led the EDDCTF for the 2025 Plan, several things have surfaced: there are over 40 talented stakeholders and businesses looking at district-wide development, but there are some ways the community, particularly ENPI and DMNA, and the City and the business community could come together and encourage an holistic development process. The goal is to study it and maybe do a pilot project within a 12-month period. He's going to study St. Paul's district as well as national models for ways neighborhoods have engaged in district approval and community engagement.

Dan also explained the deliverables, work team and budget for each project. Lynn noted that volunteer hours in Minnesota are valued at \$24.31; Dan will follow up to confirm.

With the 1-year contract he has with the EDC and the MDC, the EDC still needs to figure out if some of this work would flow into a new contract for 2016, and how many hours Christie would do because this will be additional work from what she is currently contracted to perform. Dan will work with the Strategy Committee to figure this out.

### VI. Updates

- **Downtown Minneapolis Neighborhood Association.** Carletta referenced her update included in the board package and add that at the request of Dan she attended the 7th of 8th DID expansion focus group meetings the prior evening facilitated by Bradley Segal of Progressive Urban Management Associates (PUMA). They were hired by the Minneapolis DID as a part of its strategic planning process to received feedback from the community on what changes it anticipates will occur and what opportunities they foresee as a result of all the downtown development activities. This information will be synthesized and reported back to the DID to help it determine whether it should adapt/ change to this changing environment.
- **Elliot Park Neighborhood, Inc.** Lynn referenced her update included in the board package and added that the Building Land Use and Housing Committee agenda for Thursday, February 19th includes an presentation by HCMC and the April 1st closing of 5th Street between 11th and Park Avenues. Once closed, they will begin working on the contra-flow lane. The 7th Street ramp conversion work will also begin sometime this year.
- **Minneapolis Downtown Council**  
Dan reported on the following:

- *Annual meeting feedback.* Comments included MDC’s presentations are always good and so was this one. It’s informative and fun and was the largest they ever had. The real value is the whole networking aspect and sitting at a table meeting new people. It’s a great gathering of people who really care about Minneapolis. Dan said the MDC is very proprietary about its presentation.
- *Themes for upcoming seasons.* The first quarter theme is on light and outdoor programming and will include a lantern festival. The second quarter will be a series of concerts between April and June. Summer will include the activation of “The Best Days of Summer” Aquatennial July 18-26. During the fall holidays they plan to make a lot of changes to the Holidazzle Village (HV) due to the bad press received. Originally, the now defunct Holidazzle Parade was downtown’s response to competition from the Mall of America and a ton of money was put into the floats, but there came a time to reinvent themselves and once the Nicollet Mall redesign project is completed in the next couple years, they will still have the HV there but the programming will be much more enhanced. Dan is advocating for a HV East to bring more programming to the DEC.
- *2025 Plan East Downtown Development Committee Task Force.* Dan highlighted the fact that on Friday, February 13th he will be hosting a special housing forum at PadillaCRT (information was sent via email). Panelists include: George Sherman, Cathy Capone Bennett who led the EDC’s strategic planning retreat a couple year ago, Carl Runck, Elizabeth Flannery, and Jay Demma.
- *McKnight Foundation Grant.* In a couple weeks Dan and Steve Cramer will meet with Sarah Hernandez, Program Officer for Region & Communities, to discuss their report and another grant largely for the EDDCTF and maybe some of the district branding. They believe there’s a chance to win another grant because of the aspirations for development at this time.

## VII. Committee Reports

- **Board Development.** Paul referenced his notes from the January 12th Board Development Committee meeting included in the board package wherein they recommended cultivating the following candidates to serve on the EDC Board of Directors:

Carina Aleckson, Catholic Charities  
 Joshua Clark, Hyatt Place Hotel  
 Chris Fleck, North Central University  
 Jeff Hahn, Day Block Brewery  
 Hilary Hart, Guthrie Theatre  
 Alex Tittle, Minnesota Sports Facilities Authority

These candidates were chosen based upon past participation, enthusiasm, and strategic importance to the EDC. When reviewing the current composition of the board, these candidates can help fill gaps in the Board Profile Grid as well as fill the new six seats. The board was encouraged to connect with people they know who may be interested in applying for the board and, especially, to attend the business forums, the best exemplar of what the EDC does.

Elections are held in April at the annual meeting and current members were asked to let him know what their intentions are regarding service on the board. Once the new board is seated, the 1-, 2-, and 3-year terms will be decided by drawing straws.

- **Business Forum**
  - *February 19, 2015: Access and Equality.* Dan reported that they were unable to obtain Mayor Betsy Hodges; however, she has sent a missive to Council President Barbara Johnson and he is awaiting her response. In the meantime, Erick Garcia Luna, policy aide for Mayor Hodges and member of the EDDCTF, has confirmed.
  - *March 19, 2015: The Convergence of Technology and Transportation.* Thanks to John, Allan Klugman from Public Works is one of the presenters and he’ll put together the ecosystem of transportation and how people move around. Dan McLaughlin from the Commuter Connection (<http://www.commuter-connection.org/>), a downtown Minneapolis transportation management organization, focuses on

carpooling, biking, using transit and walking (Dan will give a presentation to its board in March).

Dan thinks it would be fun to have car and bike share vendors in the hallway at the 1010 Building and wondered if they should give the parking company owners a few minutes to talk about their assets and how they converge with technology to service their customers. After receiving input, Dan will reach out to the parking company owners to address questions raised to keep the forum positive.

- *April 16, 2015: Year in Review/Board Elections.* This is the annual meeting and will be held at the Normandy Inn. After the business portion of the meeting the idea is to pay for a sophisticated entertainment option heretofore the EDC never had rather than having a free featured speaker. Christie has negotiated with The Theater of Public Policy (<http://t2p2.net/>) to perform a customized comedic improvisation for \$600.

Discussion ensued as to whether to make the expenditure. Thereafter, a motion to approve the expenditure passed (CS/TH).

- *May or June 2015: Metropolitan Design Center Student Models and Presentations for Centennial Commons in Elliot Park.* Dan advised that the MDC spent a semester envisioning Centennial Commons' vision for Elliot Park; they went high density. They are wondering if there is a place in East Downtown to showcase the models. When they did it for the lid over I-35W, the MDC featured it at Crystal Court. Dan believes it would be cool to host a forum and wondered because of the size of the model where the best place would be. Suggestions included Mill City Museum, the Guthrie Theater, North Central University, someplace where there is a lot of foot traffic.
- **Membership, Marketing and Communication.** Dan reiterated they are going to do a workshop on district branding and that the new video bumper is in progress. Currently there are 61 members: 15 new, 45 renewed, and 13 un-renewed.
- **Strategy.** Paul summarized the 15 responses received from the 2015 Membership Survey sent out at the beginning of this year:
  - *Need a cohesive brand.* Good to hear because it's a lot of Dan's work with the EDDCTF and related to the grant we're pursuing with CPED.
  - *Have electric vehicle charging stations.*
  - *City not following its own construction ordinances.* May be related to dump trucks stacking up in the early morning waiting to bring materials onto the construction sites.
  - *Need for save bike lanes, and what can we do to give our part of town a distinctly different vibe than the North Loop.* These issues go back to things that are in process.
  - *Actively advocate for inclusion and equity for all people.*
  - *Safeguard more robustly remaining vacant lots from unauthorized parking.*
  - *An increase in traffic and changing traffic patterns could result in an increase in traffic accidents.*
  - *Need better connections to Elliot Park and the riverfront.*
  - *Take key elements from Mears and Rice Park in St. Paul.*
  - *Need to be thoughtful about how will game day activities affect other businesses.*

These responses made him feel good because the EDC is already actively grappling with these issues and concerns. To ensure the EDC continues to serve its constituency and reflect its values, another survey will be sent out a couple weeks before the annual meeting that will specifically address how businesses perceive the positive and negative outcomes from the growth and change in the district.

## VIII. Adjournment

The meeting adjourned at 12:56 p.m. (CS/TB).