

Resolution No. 25-014

Approving record of decision and the negative declaration of need for an environmental impact statement for the West End Office Park Development East of Park Place Boulevard and North of Parkdale Drive

Whereas, Hempel Real Estate (“proposer”) proposes to redevelop four parcels in St. Louis Park to construct 659 new residential units and 21,800 square feet of commercial space to create the West End Office Park Development; and

Whereas, the project crosses the threshold of a mandatory environmental assessment worksheet (“EAW”) by having a total of more than 375 attached units in a mixed residential and commercial development per Minnesota Rules, part 4410.4300, subpart 32; and

Whereas, the EAW was prepared by Kimley-Horn using the form approved by the Minnesota Environmental Quality Board (EQB) for EAWs in accordance with Minnesota Rules, part 4410.1300; and

Whereas, Short Elliot Hendrickson, Inc. provided a third-party impartial review of the EAW on behalf of the city; and

Whereas, the City of St. Louis Park submitted a copy of the EAW to all public agencies on the EAW distribution list and published EAW availability in the *EQB Monitor* on November 26, 2024, in accordance with applicable state laws, rules, and regulations; and

Whereas, the EAW comment period lasted from November 26, 2026 to December 26, 2024, and three (3) regulatory agencies and no members of the public submitted written comments during the comment period; and one comment after the public comment period from Minnesota Department of Transportation and

Whereas, the City of St. Louis Park acknowledges the comments received from the Minnesota Pollution Control Agency, Metropolitan Council, and the Minnesota Indian Affairs Council; Minnesota Department of Transportation; and

Whereas, city staff reviewed the proposed record of decision and finds it to be consistent with the evidence submitted to the city and the applicable statutes and regulations, to the best of their knowledge, and recommends the city council approve the findings of fact and record of decision dated January 21, 2025 and determine that no environmental impact statement (“EIS”) is necessary, reasonable or warranted with respect to the project under the circumstances; and

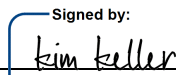
Whereas, the city council desires to make findings of fact and a record of decision that no EIS is required with respect to the project (“negative declaration”).

Now therefore be it resolved that the city council does hereby:

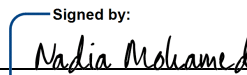
1. Adopt and approve the findings of fact and record of decision for the West End Office Park Development environmental assessment worksheet in the form which is attached hereto as Exhibit A and hereby makes the findings of fact and conclusions which are contained therein; and
2. Find and determine that, based upon the findings of fact and record of decision, no environmental impact statement is required for the project pursuant to the Minnesota Environmental Policy Act or Minnesota Rules, parts 4410.0200 to 4410.6500.

Reviewed for administration:

Adopted by the city council January 21, 2025:

Signed by:


Kim Keller, city manager

Signed by:


Nadia Mohamed, mayor

Attest:

DocuSigned by:


Melissa Kennedy, city clerk

EXHIBIT A

West End Office Park Development, St. Louis Park

Findings of Fact and Record of Decision

City of St. Louis Park

January 2025

1. Administrative background

Hempel Real Estate is proposing to redevelop an approximately 10-acre site east of Park Place Boulevard and north of Parkdale Drive in St. Louis Park, Minnesota. The project will redevelop the existing parcels into a mixed-use, residential and office development. The proposed development includes four new buildings: two 6-story mixed-use buildings containing residential and commercial uses, a 13-story office building, a 20-story residential building, and surface and garage parking within each building. In total, the development will create 659 residential units, 732,000 square feet of residential building area, 51,000 square feet of commercial space, 345,600 square feet of office building area, and 1,205 parking spaces.

The City of St. Louis Park is the Responsible Governmental Unit (RGU) for this project. An Environmental Assessment Worksheet (EAW) has been prepared in accordance with Minnesota Rules Chapter 4410. The EAW was mandatory per Minnesota Rules, part 4410.4300, subpart 32: Mixed residential and industrial-commercial projects.

The EAW was filed with the Minnesota Environmental Quality Board (EQB) and circulated for review and comment to the required distribution list. A notice of availability was published in the *EQB Monitor* on Nov. 26, 2024. A notice was also published in the Sun Sailor newspaper. This notice included a description of the project, information on where copies of the EAW were available, and invited the public to provide comments.

The EAW was made available electronically on the City of St. Louis Park's website at <https://www.stlouisparkmn.gov/government/departments-divisions/community-development/development-projects/terasa> and in hard copy at the following locations:

- St. Louis Park City Hall, 5005 Minnetonka Boulevard, St. Louis Park, MN 55416
- St. Louis Park Library, 3240 Library Lane, St. Louis Park, MN 55426

The EAW comment period extended from Nov. 26 to Dec. 26, 2024. Written comments were received from four agencies. No written comments were received from the public. All comments received were considered in determining the potential for significant environmental impacts.

Based on the information in the record, which is composed of the EAW for the proposed project, the comments submitted during the public comment period, the responses to comments, and other supporting documents, the City of St. Louis Park makes the following Findings of Fact and Conclusions.

2. Findings of Fact

2.1 Project description

Hempel Real Estate is proposing to redevelop an approximately 10-acre site east of Park Place Boulevard and north of Parkdale Drive in St. Louis Park, Minnesota. The West End Office Park Development consists of four previously developed parcels that include office space, paved parking lots, and manicured lawn. All existing buildings including four office buildings will be demolished. Construction will be conducted over three to four phases and commencement of phase 1 is anticipated to begin by fall of 2025.

The proposed development includes four new buildings: two six-story mixed-use buildings containing residential and commercial uses, a 13-story office building, a 20-story residential building, and surface and garage parking within each building. In total, the development will create 659 residential units, 732,000 square feet of residential building area, 51,000 square feet of commercial space, 345,600 square feet of office building area, and 1,205 parking spaces. The four new buildings include:

- **Six-Story Mixed Use Residential:** Located in the northwest corner of the site, this area will consist of a six-story building that includes 245 residential units, 410 parking spaces and 22,968 square feet of retail space.
- **6-Story Mixed-Use Residential:** Located in the southwest corner of the site, this area will consist of a 6-story building that includes 168 residential units, 267 parking spaces and 13,420 square feet of retail space.
- **13-Story Office Building:** Located in the northeast corner of the site, this area will consist of a 13-story office building that includes 345,600 square feet of office space, 274 parking spaces and 5,500 square feet of retail space.
- **20-Story Residential Building:** Located in the southeast corner of the site, this area will consist of a 20-story building that includes 246 residential units, 254 parking spaces and 5,500 square feet of retail space.

2.2 Corrections to the EAW or changes to the project since the EAW was published

There have been no changes to the proposed project design since the EAW was published. The following corrections are noted below per Metropolitan Council's comment to update the roadway network names per the MnDOT Functional Classification map instead of the classifications identified in the City's 2040 Comprehensive Plan:

- Park Place Boulevard is classified as a Minor Arterial (augmenter).
- Wayzata Boulevard is classified as a Minor Collector.
- 16th Street W is classified as a Minor Arterial (reliver) and a Minor Collector east of Park Place Boulevard.

- Gamble Drive is classified as a Minor Collector.
- Quentin Avenue S is classified as a Minor Arterial (Reliever).

2.3 Agency and public comments on the EAW

During the comment period, the City of St. Louis Park received no written comments from the public and three written comments from the following agencies:

- Minnesota Pollution Control Agency (MPCA)
- Metropolitan Council
- Minnesota Indian Affairs Council
- Minnesota Department of Transportation

Consistent with state environmental rules, responses have been prepared below for all substantive comments received during the comment period. Original comments in their entirety are included in Appendix A.

1) Minnesota Pollution Control Agency (MPCA), Dec. 16, 2024

Comment: “The current description of noise effects, in Section 19, does not provide enough information to determine whether the project will conform with state noise standards in Minn. R. 7030.0040.”

Response: Comment noted. The proposed buildings will be built for LEED certification, and the materials used for that certification will also contribute to noise reduction strategies for the residents. The city will review plans to ensure the proposed project complies with the local and state noise regulations.

Comment: “The RGU and any other land-use decision makers, should consider language in Minn. R. 7030.0030 that reads “[...] Any 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.”

Response: Comment noted.

Comment: “The Noise section of the EAW does not provide enough detail regarding current sound levels in the project area to determine whether an immediate violation of the state noise standards would occur if the project were approved, and the proposed residential buildings were constructed.”

Response: Comment noted. The building design will be required to comply to city and state noise standards.

Comment: “The proposer should conduct a noise study or modeling to characterize existing noise levels in the area, assess compliance with state noise standards, and potentially evaluate options to minimize or mitigate the effects of noise at the proposed residential buildings which would be located near MN-100 and I-394.”

Response: Comment noted. The proposed buildings will be built for LEED certification, and the materials used for that certification will also contribute to noise reduction strategies for the residents.

Comment: “MPCA staff are particularly concerned about night-time noise at the proposed residential buildings because sleep disturbance can result in detrimental health effects.”

Response: Comment noted. The building design will be required to comply to city and state noise standards.

2) Minnesota Indian Affairs Council, Jan. 2, 2025

Comment: “Thank you for the opportunity to comment on the above listed project. I have reviewed this project pursuant to the responsibilities given to the Minnesota Indian Affairs Council by the Private Cemeteries Act (Minn. Stat. § 307.08), and the Minnesota Field Archaeology Act (Minn. Stat. § 138.31-.42). There are no known or suspected burial sites that may be affected by this project. Please have an inadvertent discovery plan in place. If human remains are found during ground disturbing activities, immediately contact law enforcement.”

Response: Thank you for your review.

3) Metropolitan Council, Dec. 23, 2024

Comment: “The subject site is part of Transportation Analysis Zone #1376. TAZ allocations are found in the city’s 2040 Comprehensive Plan; the forecast for TAZ #1376 includes growth of +348 households, +756 population and +2,834 employment during 2018 – 2040. Council staff advise that should this redevelopment move ahead, we will adjust Met Council’s database of forecast allocations to add +300 households and +600 population in TAZ #1376 in 2040; the 2030 timepoint is unaffected. This can be offset with forecast reductions in the remainder of the city, leaving city totals unaffected. Please contact Met Council Research staff if there are any questions.”

Response: Comment noted. The city will continue to monitor growth and will coordinate with the Metropolitan Council regarding the TAZ forecasts for the area if any modifications are needed.

Comment: “Met Council staff encourages the project proposer to consider implementing a chloride management plan to mitigate the impact of the runoff generated by this development on water resources. As part of evaluating parking areas, the project proposer should consider using pervious pavers to improve stormwater infiltration and minimize the impervious surface associated with the development’s proposed surface parking.”

Response: The developer will look for methods to minimize chloride use and improve treatment of stormwater runoff to minimize potential impacts to downstream waters. The project will comply with all city, watershed district, county, and state rules for stormwater management, and chloride use will be addressed in the Stormwater Management Plan that will be reviewed by the city for compliance.

Comment: “Met Council staff encourages the project proposer to consider ways in which site design could encourage the use of nearby transit routes to reduce the VMT associated the project.”

Response: Comment noted.

Comment: “On page 29 under Existing Conditions, the EAW should update functional classifications for the described roadways to match their current classifications and not those identified in the city’s 2040 Comprehensive Plan. The most up-to-date classifications can be found here: [MnDOT Functional Classifications](#). The following roadways should be correctly described:

- Park Place Boulevard is classified as a Minor Arterial (Augmenter).
- Wayzata Boulevard is classified as a Minor Collector.
- 16th Street is classified as a Minor Arterial (Reliever) west of Park Place Blvd. and a Minor Collector east of Park Place Blvd.
- Gamble Drive is classified as a Minor Collector.
- Quentin Avenue is classified as a Minor Arterial (Reliever).”

Response: Thank you for your review. This has been noted in section 2.2 of this findings document.

Comment: “Page 33: At full buildout of the site, there will be significantly more left turning traffic on Parkdale Drive to the subject site. Under mitigation measures, the EAW recommends evaluating Parkdale Drive to better accommodate left hand turns. This analysis should consider converting one of the eastbound through lanes into a dedicated left turn lane to improve operations for safety and traffic flow. The roadway reduces to a single lane when entering TH-100, so capacity would not be materially impacted from this change.”

Response: Comment noted.

Comment: "Appendix A Site Plan:

- The developer should consider package delivery needs for the residential and office towers. This space could be considered along the proposed local streets via pullout areas nearest to the entry points of the buildings.
- The city and project developer should consider extending Duke Dr. South through the project site to Parkdale Dr. as the south end of the West End area develops into more dense residential and commercial uses, identifying and extending the street grid would improve walkability and improve conditions for future redevelopment both on the parcels to the east of the subject site, but also south of Parkdale Dr. Extending Duke Dr. would also allow for consolidation of the driveways reducing conflicts on Parkdale Dr."

Response: Comment noted.

4) Minnesota Department of Transportation, Jan. 9, 2025

Comment: "The proposed development will generate a large number of trips. MnDOT recommends that the Traffic Impact Study (TIS) include the junction with Interstate 394 to accurately assess the impacts to the trunk highway system, because a significant percentage of the site traffic is expected to use this interchange."

Response: It is not anticipated that Interstate 394 junction will be impacted during phase 1 of this project; however, the city will require an expanded traffic study to include the intersection at Intersection 394 prior to approvals related to phase 2 of the development.

Comment: "Please coordinate with Metro Transit at the following email address to address impacts to routes 9 and 645: Transit-BusOps-StreetSup-AssistManagers@metc.state.mn.us."

Response: Comment noted.

Comment: "Any work that affects MnDOT right of way will require an appropriate permit. All permits are available and must be applied at: <https://olpa.dot.state.mn.us/OLPA/>. Upload this letter when applying for permits."

Response: Comment noted.

2.4 Decision Regarding Need for an Environmental Impact Statement

The City of St. Louis Park finds that the analysis completed for the EAW and the additional information considered in this document of findings of fact and conclusions are adequate to determine whether the project has the potential for significant environmental effects based on consideration of the four criteria identified in Minnesota Rules, part 4410, subpart 7.

2.4.1 Type, Extent and Reversibility of Impacts

The City of St. Louis Park finds that the analysis completed for the EAW is adequate to determine whether the project has the potential for significant environmental effects. The EAW described the type and extent of impacts to the natural and built environment anticipated to result from the proposed project. Based on the EAW analysis and mitigation commitments, the proposed project is not anticipated to result in substantial impacts. Below is a summary of the findings regarding the potential environmental impacts of the project are as follows:

- Land Use – The project will be compatible with nearby land uses and land uses planned. The proposed development would require site re-zoning from Office to Planned Unit Development.
- Soils and Topography – A National Pollutant Discharge Elimination System (NPDES) permit is required, and a Stormwater Pollution Prevention Plan (SWPPP) will be prepared to prevent erosion during construction.
- Water Resources – There is no surface water located in the project area. The proposed project activities and planned land uses are believed to pose a low threat to bedrock aquifers that supply the city's drinking water wells.
- Wastewater - The city and regional wastewater system have the capacity to accept and treat the proposed wastewater from the project.
- Water - The city's water system can adequately serve the project.
- Stormwater Management - Stormwater management will be designed to meet the city and Minnehaha Creek Watershed District (MCWD) requirements. Stormwater discharges from the project will be cleaner than current water discharges and rates will be at or below existing discharge rates. During construction of the proposed development, best management practices of temporary stormwater management will be implemented. The developer will look for methods to minimize chloride use and improve treatment of stormwater runoff to minimize potential impacts to downstream waters.
- Contamination/Hazardous Materials - The developer will be completing a Phase II Environmental Site Assessment (ESA) due to the undocumented fill to understand any further mitigation.
- Wildlife and Habitat - Minimal impacts to rare features are anticipated due to the lack of suitable wildlife habitat within the project site. The DNR has completed a Natural Heritage Review for the proposed project.
- Historic Resources - There are no known historic or archeological resources on site. No impacts to historic or archeological resources are anticipated as part of this development.
- Visual – The project will be visually similar to buildings in the surrounding area.
- Air – Emissions will be typical of residential/commercial development.
- GHG Emissions – The development will implement the following to reduce emissions:
 - Green building certification will be required
 - Energy efficient appliances and building shells (R-21 insulated exterior walls, spray foam at rim joist, etc.)

- LEED Silver required energy efficiency items
 - Implement waste best management practices and recycle and compost appropriate material when applicable
 - Trees and additional landscaping will be planted as part of the new development
 - Provide electric vehicle-ready charging infrastructure
 - 40 KW rooftop solar panel array
- Noise – Noise levels will be typical of residential/commercial development and design plans. The proposed buildings will be built for LEED certification, and the materials used for that certification will also contribute to noise reduction strategies for the residents. The city will review plans to ensure the proposed project complies with the local and state noise regulations
- Transportation – The traffic and parking study concluded that there is expected to be minimal impact from the proposed project on the local and regional transportation system.

2.4.2 Cumulative Potential Effects of Related or Anticipated Future Projects

Cumulative effects result from the incremental impact of the proposed project when added to other past, present, and reasonably foreseeable future actions, regardless of what agency or person undertakes such other actions. No cumulative potential effects are anticipated for this project. Overall, the project fits within the existing neighborhood. Given that the site has been previously developed and provides limited wildlife habitat, impacts are limited. The project can be served by existing utilities and transportation infrastructure.

2.4.3 Extent to which the Environmental Effects are Subject to Mitigation by the Ongoing Public Regulatory Authority

The mitigation of environmental impacts will be designed and implemented in coordination with regulatory agencies and will be subject to the plan approval and permitting process. Permits and approvals that have been obtained or may be required prior to project construction are shown below:

Unit of Government	Type of Application	Status
Local		
Minnehaha Creek Watershed District (MCWD)	Stormwater Management Permit	To be applied for
City of St. Louis Park	Re-zoning (PUD)	To be applied for
	Building Permits	To be applied for
	Demolition Permits	To be applied for
	Public Right-of-Way Permit	To be applied for
	Sewer and Water Permit	To be applied for
	Erosion Control Permit	To be applied for
	Dewatering Permit	To be applied for
Regional		
Metropolitan Council	Notification of Intent to Perform a Demolition	To be applied for, if needed
	Sewer Connection Permit	To be applied for, if needed
State		
Minnesota Department of Health (MDH)	Notification of Asbestos Related Work	To be applied for, if needed
	Water Extension Permit	To be applied for, if needed
Minnesota Pollution Control Agency (MPCA)	Notification of intent to perform a demolition	To be applied for, if needed
	Construction Site Stormwater Permit	To be applied for, if needed
	National Pollutant Discharge Elimination System (NPDES) Permit	To be applied for
	401 Water Quality Certification	To be applied for, if needed
Minnesota Department of Natural Resources	Water Appropriation Permit	To be applied for, if needed

2.4.4 Extent to which Environmental Effects can be Anticipated and Controlled as a Result of Other Environmental Studies

The City of St. Louis Park has previous multi-use development experience, and similar projects have been designed and constructed throughout the county. Design and construction staff are familiar with the project area. No problems are anticipated that city staff has not encountered or successfully solved previously in similar projects in or near the project area. The city finds that the environmental effects of the project can be anticipated and controlled as a result of environmental review and experience on similar projects.

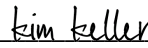
3. Conclusions

1. All requirements for environmental review of the proposed project have been met.
2. The EAW and the permit development processes related to the project have generated information that is adequate to determine whether the project has the potential for significant environmental effects.
3. Areas where potential environmental effects have been identified will be addressed during the final design of the project. Mitigation will be provided where impacts are expected to result from project construction, operation or maintenance. Mitigation measures are incorporated into project design and have been or will be coordinated with state and federal agencies during the permit process.
4. Based on the criteria in Minnesota Rules, part 4410.1700, the project does not have the potential for significant environmental effects.
5. An environmental impact statement is not required for the proposed project.

For the City of St. Louis Park:

Signed by:


Nadia Mohamed, mayor

Signed by:


Kim Keller, city manager