Attachment B

Plan Commission Approval

The Developer submitted a conditional use permit (CUP) application to the City in April 2015 for additional height above the permitted 65 ft. for Building 3A in Phase III. On October 30, 2015, the Planning Commission approved a four- and five-story Building 3A and a five-story (with 6-story "pop-ups") Building 3B. The project is located within the *West Side Flats Master Plan* area and is consistent with the proposed land uses indicated in the plan. The site is currently vacant. Site plan approval will be required. No businesses will be displaced by the project, and eminent domain will not be required.

Activation of the River

The 3A market rate apartment building will include 273 parking spaces to serve the 178 marketrate apartments and 5,000 SF restaurant. Free public parking will be required to make the restaurant economically viable. HRA financial assistance will be required for the construction of the restaurant parking. The restaurant, pedestrian link to the esplanade and outdoor amenities in this area will activate the riverfront.

Passive House

The Passive House standard requires a tightly sealed building, highly insulated walls, and a heat and air exchange system that transfers heat/moisture between incoming and outgoing streams of air. The Passive House standard cuts energy use 60-80% compared to code and provides the best path for achieving a net-zero building. (1) There is a substantial reduction in harmful greenhouse gas emissions for Passive House buildings. The reduction in energy use results in lower utility bills for tenants and/or owners. Reduced energy use helps mitigate climate change and makes housing more affordable.

Passive House technology is used in many European countries and is gaining traction in the United States. Brussels has incorporated the Passive House standard into their building code. Multi-family Passive house projects have recently been built in New York, Philadelphia and

Portland. The Pennsylvania Housing Finance Authority launched a program in 2015 to award developers of Passive House projects extra points as part of the application process for affordable housing tax credits. The WSF 3A and 3B buildings will be the first Passive House multi-family buildings constructed in Minnesota. They will serve as a demonstration for other affordable and market rate multi-family projects.

1. Passive House Institute US.