ACTION ALERT: The Minneapolis Park Board will discuss leasing Mill Ruins Park to Crown Hydro at Wednesday's meeting (May 4) at 5:30 at 2117 W. River Road.

We need you there!

If you would like to speak, please sign up by calling 230.6400 before 3PM on Wednesday. Politicians understand volume...so the more people attending the meeting the better the chances they'll turn Crown Hydro down. Attached names, phone# and email for Park Board Commissioners. A note or phone call to each would be very useful before Wednesdays meeting. A simple "no Crown Hydro plant in Mills Ruins Park" will do.

Following are concerns and talking points you should know:

St. Anthony Falls is the historic origin of the city of Minneapolis, and one of its most cherished natural treasures.

It is the 11th most visited tourist site in Minnesota and over 1.42 million yearly visitors from around the world snap photos of the historic Falls that made Minneapolis the flour milling capitol of the world.

Can we afford losing it to a risky project when greener, cheaper and better alternatives exist just across the river?

The future of St. Anthony Falls is in the midst of a 12-year battle that has now reached the state legislature and sparked a debate about authority of local land use. The Bill HF 1440, and its companion SF1191, would <u>force</u> the Park Board to allow Crown Hydro to build the facility in Mills Ruins Park on Public parkland owned by the Minneapolis Park Board.

If this lease is granted, a private developer will, for the next 100 years, have the right to dry up the falls during July and August or any other dry spell.

The bill passed the House Committees and awaits a hearing before the Senate this Wednesday at 1PM. Please take the time to write an email or make a phone call asap. Names, phone # and emails attached.

Crown Hydro has been trying since the 1990s to build a hydroelectric facility on the west bank of the river, just below RiverWest Condo's and the old Fuji Ya building. But, after careful consideration the Minneapolis Park Board rejected moving forward with various versions of the project in 2004, 2007 and 2010.

However, Crown has refused to take "no" for an answer and even unsuccessfully tried to use eminent domain until FERC told them that they could seize Parkland. In 2009 Crown tried to end run the Park Board by going to the legislature but, after understanding the facts, the authors withdrew their bill. This is Crown's second attempt at end running the legislature.

Many residents and groups remain vehemently opposed to the proposed Crown Hydro project including the Minneapolis City Council, the League of Minnesota Cities, the National Park Service, the National Trust for Historic Preservation, The Minnesota Historical Society, the North Star Chapter of the Sierra Club, the State Historic Preservation Office, the Preservation Alliance of Minnesota, and Citizens for Smart Energy at St. Anthony Falls.

They join others who over the years have expressed concerns about the project including the Army Corp of Engineers, and the Minnesota Department of Natural Resources.

Our concerns remain the same as originally expressed in 2004: <u>The Crown Hydro project poses an unquantifiable risk to one of the city's most historic and scenic Venues.</u>

- *St. Anthony Falls is the only natural waterfall on the Mississippi River, and is the primary focal point of the City's redevelopment of the downtown riverfront. They believe there should be no risks taken with the existing geological formation.
- *They believe that continuous flow of water over St. Anthony Falls is the primary importance to the other uses and should assure that the first 2,000 CFS be reserved for freely flowing over St. Anthony Falls.
- *The Army Corps of Engineers has expressed concern that "any failure of the power facilities could trigger a larger failure of the Falls."
- *Excavation could damage the fragile Mill Ruins' limestone foundation.
- *A catastrophic collapse could occur in any of the 100+ year old tunnels that run beneath the new condominiums along W. River Road Parkway and the parkway itself.
- *Many of the 100+ historic structures could be disturbed or damaged.

The Best laid plans of mice and men....

Crown Hydro's lawyers, engineers and others have assured the Park Board they would be responsible for any problems caused by excavation or operations of the plant but, they wouldn't give any guarantees!

<u>Is Crown Hydro Economically viable?</u> Bill Hawks has been the primary investor in this project to date. Recently, his home has gone into foreclosure and he has filed bankruptcy. However, he says there are new investors waiting to get on board but, will not disclose their names until the PB leases the land to Crown Hydro. Now it's become an issue of trust.

Firstly, We don't know who the new owners are.

Secondly, Crown has no site plan nor any idea as to the kind of problems they'll encounter once excavation begins.

Thirdly, the excavation area is highly polluted-- will the project still remain cost effective if they're required to clean up the polluted site?

What happens If there's a long dry spell for 5 to 10 years as has happened in the past and they're unable to get the water they need to operate? Will the project go bankrupt and tax payers lose their investment?

What if there's a catastrophic failure of the falls? What kind of financial backing do these people have to repair a catastrophic failure? If repair is even possible.

In 1994 they signed an agreement with the PB they would not ask for eminent domain. Now they've pulled an end run to the Legislature after being justifiably denied by the Park Board.

Xcel Energy currently provides 25,000 households with energy from its hydroelectric power plant on the east side of the river. If additional energy is needed why hasn't Xcel updated their existing plant with current technology to produce additional power at a cheaper cost and without impacting the water flow of the falls, the historic ruins or potentially vulnerable tunnels?

<u>Is it Legal?</u> In April, 2011 Crown Hydro proposed a bill to the State Legislature that would force the Park Board to hand over the land for construction. The bill also threatens the Park Board to withhold funding if a land lease isn't signed with the company. This is probably an unconstitutional bill blackmailing a local park board for the benefit of a private developer. In addition to this being terrifically bad government, is the obvious question to any legislator of whatever party--"Would you approve of a bill which sought to overturn the city council in your town to compel the transfer of public park land to a private developer."

Bottom line: This is another boondoggle to enrich a private developer at taxpayer expense! Xcel gave Crown Hydro 5.6 million collected from its customers to build this plant and they agreed to buy energy from them. Crown still needs additional state subsidies and Federal tax credits to build the plant. This appears to be a highly subsidized enterprise financially benefiting only the private developer.

If you have any questions, please call Alex Hoag at 612.904.1485.

Thanks in advance for your help.