



Request for City Council Committee Action From the Department of Public Works

Date: June 27, 2002

To: Transportation and Public Works Committee

Referral to: Ways and Means/Budget Committee

Subject: Walker Art Center Parking Facility Appropriation

Recommendation: Accept the terms of the development and ground lease agreement between the City and Walker Art Center, and request expenditure and revenue budget appropriation increases for the Walker Art Center Parking Ramp Project in Fund 7500-943-9464 for \$25 million to be reimbursed by bond proceeds and increase the revenue budget in Fund 7500-943-9464-3910 by \$25 million.

Approve the City's intent to reimburse expenditures incurred with proceeds from tax-exempt bonds.

Request Board of Estimate and Taxation to issue assessment bonds with a bonding resolution.

Previous Directives: Authorized the issuance of up to \$25 million in principal amount of general obligation bonds to finance the costs of a parking facility located at the Walker Art Center, subject to entry into a final agreement between the City and the Walker Art Center on December 14, 2001. A final agreement has now been executed.

Prepared or Submitted by: Michael W. Sachi, Project Engineer, 612-673-2159

Approved: David J. Sonnenberg, P. E., City Engineer, Director of Public Works

By: Gregory A. Finstad _____

Presenters in Committee: Gregory A. Finstad

Financial Impact (Check those that apply)

No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)

- Action requires an appropriation increase to the Capital Budget
 Action requires an appropriation increase to the Operating Budget
 Action provides increased revenue for appropriation increase
 Action requires use of contingency or reserves
 Other financial impact (Explain):

Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact

Neighborhood Group Notification: The project was presented to the Lowry Hill Neighborhood land use committee, and the Citizen's Participation Committee Group representing Bryn Mawr, Kenwood, Lowry, and Loring Park neighborhoods, and both groups have placed their support behind the project.

Background/Supporting Information Attached

The Walker Art Center has purchased the Allianz Life Insurance Company property and is constructing a 130,000 square foot facility which will double its size. This expansion will also include a restaurant and 350 seat auditorium. The expanded event schedule, larger gallery space and enhanced programs will increase Walker attendance, thereby increasing the demand for parking in the area. The results of a parking demand analysis completed in January 2001 indicate a need for at least 650 parking spaces to be built to accommodate the Walker expansion and other public parking generated in the community. The City's Parking Review Committee has reviewed the financial and physical feasibility of constructing a parking facility in conjunction with the Walker expansion and has approved the project as currently designed.

As part of the terms of the redevelopment agreement, the City will finance construction of a public parking facility of approximately 675 stalls immediately under and adjacent to the Walker Art Center expansion. The City will lease the ground under the parking facility from the Walker Art Center, but will own the actual parking facility.