



**Request for City Council Committee Action
from the Department of
Community Planning & Economic Development**

Date: June 20, 2006

To: Council Member Lisa Goodman, Community Development Committee
Council Member Paul Ostrow, Ways & Means/Budget Committee

Subject: Heritage Park Authorizations: Accept grant award from U.S. EPA;
Appropriate funds to the Heritage Park budget; and Amend contract
with SRF Consulting Group Inc. (14623)

Recommendation:

- 1.** Authorize City officers to accept grant funds in the amount of \$400,000 from the United States Environmental Protection Agency (EPA) to be used for pollution remediation of two sites within the Bassett Creek Valley area; amend the 2006 General Appropriation Resolution by increasing the Community Planning & Economic Development agency appropriation for Fund FGO-Federal Grants-Other (FGO0-890-8952) by \$400,000, and increasing the 2006 Revenue Budget for the Community Planning & Economic Development agency Fund FGO-Federal Grants-Other (FGO0-890-8490 Revenue Source 3210) by \$400,000.
- 2.** Amend the 2006 General Appropriation Resolution by increasing the Public Works appropriation for Heritage Park Infrastructure work (4100 970 9719) by \$217,900 and increasing the 2006 Revenue Budget for Public Works by \$217,900 for Heritage Park Revenue (4100 970 9719 Revenue Source 3225) for payment from the Minneapolis Public Housing Authority (MPHA) for public infrastructure services related to the Senior Housing Development.
- 3.** Amend the 2006 General Appropriation Resolution by increasing the appropriation for Heritage Park Infrastructure work (4100 970 9719) by \$240 and increasing the 2006 Revenue Budget by \$240 for Heritage Park Revenue (4100 970 9719 Revenue Source 3755) for payments from contractors seeking construction documents and plans.
- 4.** Authorize City officers to amend Contract Agreement 14623 dated August 28, 1999 with SRF Consulting Group, Inc by extending the termination date to December 31, 2009 and increasing the amount by \$1,500,000 for construction documentation, surveying, monitoring, inspection, completion of as-built plans, street light engineering, sewer and storm water engineering, public infrastructure maintenance manual

development, geotechnical monitoring, contamination monitoring, and contamination remediation.

Prepared by: Darrell Washington, Sr. Project Coordinator, 673-5174

Approved by: Chuck Lutz, Deputy Director CPED _____

Elizabeth Ryan, Director, Housing Policy & Development _____

Permanent Review Committee (PRC) Approval Not Applicable

Presenter in Committee: Darrell Washington, Sr. Project Coordinator

Financial Impact (Check those that apply)

___ No financial impact (If checked, go directly to Background/Supporting Information).

___ Action requires an appropriation increase to the ___ Capital Budget or ___ X Operating Budget.

x Action provides increased revenue for appropriation increase.

___ Action requires use of contingency or reserves.

___ Business Plan: X Action is within the plan. ___ Action requires a change to plan.

___ Other financial impact (Explain):

___ Request provided to department's finance contact when provided to the Committee Coordinator.

Community Impact (use any categories that apply)

Neighborhood Notification – Not Applicable

City Goals – Not Applicable

Comprehensive Plan – Not Applicable

Zoning Code – Not Applicable

Other

Background/Supporting Information

EPA Grant Award

EPA grant funding in the amount of \$400,000 was awarded to the City of Minneapolis in May 2006 for environmental remediation activities within Minneapolis' Bassett Creek Valley area. The EPA environmental remediation grant funds will enable the City to determine cleanup parameters and identify remediation strategies in preparation for construction of Van White

Memorial Boulevard as it extends through two properties – the Blanchard Warehouse site and the Minneapolis School District’s School Bus Maintenance facility.

The southern extension of the Van White Memorial Boulevard is an integral element of the Heritage Park redevelopment project. The Heritage Park project is the result from the settlement of the 1992 *Hollman vs. Cisneros* lawsuit against the City of Minneapolis and other public agencies. The lawsuit concerned alleged segregation, concentration of poverty, and isolation of four public housing developments located just north of the Bassett Creek Valley area. The construction of Van White Memorial Boulevard is one of the strategies being used to end that isolation.

The Bassett Creek Valley area is part of a buried valley that was formed by glacial meltwaters and filled over time with unstable soils, silts, clays, and organic materials. When the City of Minneapolis was first established, Bassett Creek meandered through the area proposed for remediation. The Bassett Creek Valley also included tributary streams, spring-fed ponds, marshes, floodplain forests and meadows. Over time, Bassett Creek was straightened and later channeled. In the early decades of the 20th century the creek was routed underground and the swampy areas downstream (the floodplain), including the Bassett Creek and Heritage Park development areas, were filled with undocumented soils to enable development. The cycle of filling the floodplain with debris and other unstable soils to create developable land for the operation of intense machine-based industries has left a legacy of environmental contamination in Bassett Creek Valley.

Cooperation Agreement between City and MPHA

The City of Minneapolis entered into a Cooperation Agreement with MPHA that allows MPHA to make either one payment or annual assessment payments to the City for public infrastructure activities (sewers, storm, streets, streetlights, sidewalks, sod and trees) constructed on behalf of the new 102-unit Senior Housing Development in Heritage Park. As provided for in the Cooperation Agreement, MPHA has provided the City of Minneapolis with a payment of \$217,900. MPHA also waived their right to a special assessment public hearing.

Payment Received from Contractors

The City of Minneapolis requires contractors to pay for contract documents and plans when bidding on City construction projects. The City of Minneapolis received \$240 from contractors for Heritage Park public infrastructure construction documents.

Contract Amendment

SRF Consulting Group will continue under Contract #14623 to perform the following tasks related to the Heritage Park open space and infrastructure component: construction documentation; surveying; inspection; completion of as-built plans; street light engineering; sewer and storm water engineering; public infrastructure maintenance manual development; geotechnical monitoring; contamination monitoring; and contamination remediation. Their primary focus will be completing the geotechnical services (managing unsuitable soils generated from development activities), contamination remediation, and monitoring/inspecting the ‘South Park’ and Van White Boulevard median construction operations. Smaller tasks include completing the public infrastructure maintenance manual to ensure that appropriate upkeep and repairs take place at prescribed intervals, and inspecting newly installed trees, specialty plantings (native plants), and stormwater features before handing off to the appropriate public entity (MPRB or Public Works). No additional appropriation is

necessary for approval of the contract amendment. The sources required to pay for the tasks included in the contract amendment are grants already appropriated for the Heritage Park project.