



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

Date: November 27, 2007

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Referral to: Honorable Paul Ostrow, Chair Ways & Means/Budget Committee

Subject: **Cedar Lake Trail, Phase III**

Recommendation:

- a. Authorize the execution of a Cooperative Agreement with Northstar Corridor Development Authority for the acquisition of a Trail Use Permit for the Cedar Lake Trail pending satisfactory review by the Department of Public Works and City Attorney's Office.
- b. Authorize the acquisition of a permanent trail easement for the Cedar Lake Trail from 127 Building Partners, LLC for the Cedar Lake Trail for the Cedar Lake Trail pending satisfactory review by the proper City Officials.

Previous Directives:

- Council Action (December 22, 2006), Authorization to negotiation the acquisition of trail easements with abutting property owners.
- Resolution 2006R-584, Appropriation Increase to PW- Fund (0600-943-9480) by \$1,800,000 & increasing the revenue source (0600-943-9480-3215) by \$1,800,000; and Increasing the appropriation in PW- Fund (4100-943-9470-BIK01) by \$1,800,000 and increasing the revenue source (4100-943-9470-3215) by \$1,800,000.
- Council Action (November 17, 2006), Authorization to execute a Metropolitan Council Grant Agreement (No. SG-2006-145) in the amount of \$1,800,000 for the Cedar Lake Trail.
- Resolution 2005R-658, 2006-2010 Five Year Capital Budget which included an appropriation of \$583,000 for the Cedar Lake Bike Phase 3 Project with the revenue source being Net Debt Bonds.
- Resolution 2005R-661, Requesting the issuance and sale of bonds including the Cedar Lake Bike Phase 3 Project.
- Resolution 2005R-075, Supporting the completion of the Cedar Lake Bike Phase to the Mississippi River.
- Resolution 2004R-580, 2005-2009 Five Year Capital Budget which included an appropriation of \$2,160,000 for the Cedar Lake Bike Phase 3 Project with the revenue source being Federal Government.
- Council Action (September 28, 2001), Authorizing the expenditure of \$40,000 from the Commuter Bike Fund System (4100-943-9470 - Project A7002990) for a temporary the Cedar Lake Trail Phase III bike lanes alignment.

- Council Action (August 24, 2001), Recommendation that the proper City officers apply for a series of federal funds (TEA-21) including \$2,160,000 for Cedar Lake Bike Trail Phase III.
- Resolution 2001R-147, Amending the 2001 Capital Improvement Appropriation Resolution which included an increase to the Cedar Lake Bike Trail of \$300,000 with the revenue source being the settlement from the Federal Reserve Bank Project Tax Increment Financing District for off-site public improvements.
- Council Action (March 2, 2001), Directing Public Works to develop a temporary bike route plan for Cedar Lake Trail Phase III due to construction delays caused by other projects in the area.
- Council Action (December 17, 1999), Authorization to enter into two easements for the Cedar Lake Bike Trail Phase III

Prepared by: Don Elwood, P.E., Director, Transportation Planning & Engineering Division, 612.673.3622
 Jack Yuzna, P.E., Principal Engineer, Transportation Planning & Engineering Division, 612.673.2415

Approved by:

 Steve Kotke, P.E., City Engineer, Director of Public Works

Presenters: Don Elwood, P.E., Director, Transportation Planning & Engineering Division

Permanent Review Committee (PRC) Approval _____ Not applicable X

Policy review Group (PRG) Approval _____ Not applicable X

Financial Impact (Check those that apply)

- X 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
- ___ Business Plan: ___ Action is within the plan. ___ Action requires a change to plan.
- ___ Other financial impact (Explain):
- ___ Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

Community Impact

- Neighborhood Notification:
- City Goals:
- Comprehensive Plan:
- Zoning Code:

Background/Supporting Information:

The Cedar Lake Trail, Phase III (from Royalston Avenue to West River Parkway) has been a gap in the trail system since the completion of Phase I and Phase II in 1995. In 2001 the City of Minneapolis secured \$2.1 million in federal TEA-21 funding to help complete the link. The City of Minneapolis programmed approximately \$1.2 million for design & construction engineering and construction local matching funds.

The original project alignment was to have the Trail follow the downtown side of the rail corridor from Royalston Avenue N to Washington Avenue N where it would connect to and cross over the Washington Avenue N Bridge. Once across the Bridge, the Trail was to return down to the rail corridor (on the Warehouse District side) to N Second St where it would come up on to the City Street grid at Fourth Ave N. The Trail would continue along Fourth Ave N to West River Parkway (see attachment Segment B1). The project memorandum was approved by Minnesota Department of Transportation's Federal Aid Office (MnDot) based on this alignment.

The Cedar Lake Trail Phase III was scheduled to have its design completed September 2006. Due to the impact of the Twins Ballpark and North Star Commuter Line projects to the Trail's alignment, Public Works sought and received a sunset extension for the original federal funding from the Metropolitan Council. The Trail's current funding sunset requires construction to begin no later than spring of 2010. With the design of the Trail is underway, Public Works intends to begin construction in spring 2009 and have the Trail open for use on or before Opening Day of the Twins Ballpark.

The Cedar Lake Park Association (CLPA) along with other Trail users felt that, given the circuitous route from Washington Avenue N to W River Parkway, an alternative route (see attachment Segment B2) maintaining the alignment along the downtown side of the rail corridor was preferable. The CLPA sought and received assistance from Congressman Sabo for additional federal funds. Their efforts were successful and in 2005 Congress allocated an additional \$3 million for the project. This additional federal funding also required a significant local match. The City requested that the state provide the project \$1.8 million for the local match as part of their 2006 Bonding Bill. The Minnesota Legislature approved this funding and it is now available.

Public Works believes this alignment is feasible. The cost of additional retaining wall for this new Segment B2 alignment is currently within the project budget. However, easement costs have risen along with other land values adjacent to the new Twins Ballpark, and construction cost estimates are based only on preliminary designs. After completing appraisals and refining the Trail design, more accurate cost estimates will be possible. In order to meet the rigorous project schedule, Public Works must proceed to acquire easements and finalize design.

Since January 2007, Public Works has been negotiating with landowners to obtain easements. The alignment in Segment 1 passes through property controlled by the Minnesota Ballpark Authority; North Star Commuter Rail project; Duddy/Land Partners II; and the Burlington Northern Santa Fe Railway Co (BNSF). The alignment in Segment 2B passes through property controlled by Hennepin County Regional Rail Authority (HCRRA); BNSF; 127 Building Partnership; Best Properties; Three Quarters LLC; and the Federal Reserve Bank.

Earlier this year it came to Public Works attention that a portion of the North Star Commuter Rail project Transportation Easement may be suitable for use as part of the Trail. Locating a portion of the Trail on the North Star's easement provides multiple benefits. It allows the North Star and Cedar Lake Trail projects to integrate their improvements reducing construction cost to both projects. It also reduces the area that the City must acquire from the adjacent landowners and maximizes their development potential.

In the Cooperative Agreement, North Star will provide the City an eleven foot trail Use Permit. (Public Works estimates that an additional twelve feet will be need from the adjacent property owners.) For the Use Permit, Public Works has agreed to assume responsibility for the restoration of the parking lot area currently to be constructed in the permitted use area by the North Star Project; reimburse the North Star Project for the redesign required to integrate the Trail into their project; grant the Metropolitan (MET) Council ingress and egress to access the

Northstar commuter rail platform and the MET Council's sewer interceptor; and shall pay a lump sum of \$43,000.00 for its costs to accommodate the Trail. Public Works has also agreed to reimburse the North Star Project for all costs associated with the installation of conduits for signal controls over Track "B" for a potential future grade crossing that would allow access by Trail users to the Northstar commuter rail platform (estimated to \$5,000).

Public Works has also obtained appraisals and made offers to the three private property owners (127 Building Partnership, Three Quarters LLC and Best Properties) in Segment B2. We have successfully negotiated a permanent bike trail easement from 127 Building Partners, LLC. They have agreed to accept our offer of \$80,000.00 for 1,150 square feet of land (\$69.55 per square foot). This price is supported by a professional real estate appraisal acquired by the City. We will continue to negotiate for additional property as authorized by the City Council and will return to the Committee when those negotiations are completed.

Attachments: Project Layout – Segments A, B1 and B2
Map of Segment A2 (North Star Property)
Map of Segment B2 Property Owners

cc: CM Goodman, Ward 7
Jon Wertjes, Public Works
Don Pflaum, Public Works

TPW Committee report:

Authorize the execution of a Cooperative Agreement with Northstar Corridor Development Authority for the acquisition of a Trail Use Permit for the Cedar Lake Trail pending satisfactory review by the Department of Public Works and City Attorney's Office and payable from the Cedar Lake Bike Trail, Phase III fund.

Authorize the acquisition of a permanent bike trail easement from 127 Building Partners, LLC for \$80,000.00, payable from the Cedar Lake Bike Trail, Phase III fund.