



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

Date: February 27, 2007
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Subject: Property acquisition for the construction of Cedar Lake Trail Phase III Project

Recommendation: Authorize to acquire permanent property easements through negotiations or condemnation for the Cedar Lake Trail Phase III Project.

Previous Directives:

- Resolution 2006R-634, Authorization to enter into negotiations with abutting property owners for the acquisition of trail easements.
- 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: Dennis Morris, Right of Way Supervisor, 673-3607, Engineering Services Division
 Meseret Wolana, Project Engineer, 673-3527, Engineering Services Division

Approved by:

 Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters: Jack Yuzna, P.E., Principal Professional Engineer
 Engineering Services Division, 612.673.2415

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 local matching funds for construction.

The Cedar Lake Parkway Association, wishing to ensure the project's success, 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.

The Cedar Lake Trail Phase III was scheduled to have its design completed in September 2006. Due to the impact of the Twins Ballpark and North Star Line projects to the trail's alignment, Public Works sought and received a one year sunset extension for the original federal funding from the Metropolitan Council. Public Works is currently working with the Twins Ballpark to determine how to properly integrate the two projects. Currently, the Cedar Lake Trail Phase III is on schedule. However, acquiring the trail easements is critical to meeting our September 2007 deadline. Public Works returned to the Metropolitan Council earlier this month to update them on the integration of the trail and Ballpark. The project design is scheduled for completion this August 2007 of construction to begin in the spring of 2008.

The Public Works Department has identified several locations in the Project that will require permanent and temporary easements, private and none private properties. The private properties to be acquired consist of six tax parcels. They are currently used as surface parking lots. The acquisition will consist of a permanent easement for public right of way and a temporary construction easement to be utilized during the construction phase of the project.

In addition to the six properties, the project will require permanent and temporary easements from Burlington Northern and Santa Fe Railway Co. (BNSF), Hennepin County Regional Authority (HCRRA) and Excel Energy. These easements are not included in the condemnation proceedings of this letter.

Minnesota Statute and City Charter authorize the City of Minneapolis to obtain private property by use of eminent domain (condemnation) powers. The process begins with the City Council authorizing Engineering Service and City Attorney staff to negotiate with the property owners or initiate condemnation proceedings to secure the property. The process requires ample time for approval. If the need should occur, either by a delay or impasse in negotiations, condemnation can be immediately initiated so that the project schedule is not disrupted. Should the need for condemnation occur, the Public Works Department will request the Minneapolis City Attorneys Office to initiate the action.

Although we are confident an agreement will be reached prior to any final condemnation action, the condemnation process will take several months and needs to begin now in order to meet the project sunset date of 9/2007. The cost of easement acquisitions, including anticipated condemnation actions is included in the Project budget.

The approximate area to be acquired is 20,220 square feet. The property owners of the six subject properties are:

127 Building Partnership approximate permanent easement required is 3733 Ft. Sq.
222 2nd Street North
Minneapolis, MN 55401

Best Price Properties, Inc approximate permanent easement required is 6243 Sq. Ft.
123 3rd Street North # 204
Minneapolis, MN 55401

Mr. Bruce Stillman approximate permanent easement required is 130 Ft. Sq.
Threequarters LLC
2404 Sherwood Hill # 320
Minnetonka, MN 55305

Duddy Limited Partnership approximate permanent easement required is 4644 Sq. Ft.
500B Union Plaza
333 Washington Avenue North
Minneapolis, MN 55401

Land Partners II approximate permanent easement required is 5346 Sq. Ft
Investment Management, Inc
500B Union Plaza
333 Washington Avenue North
Minneapolis, MN 55401

C W Inc approximate permanent easement required is 122 Sq. Ft
212 3rd Avenue North # 478
Minneapolis, MN 55401

Attachment Cedar Lake Trail Phase III Proposed Layout

Cc: CM Goodman, Ward 7
 Lee Sheehy, CPED