

**Transportation Committee**

For the Metropolitan Council meeting of May 25, 2016

**Subject:** 38<sup>th</sup> Street Transit Oriented Development

**Proposed Action**

That the Metropolitan Council authorize the Regional Administrator or his delegate to enter into exclusive negotiations for a ground lease to the Lander Group for the Council owned site located adjacent to the 38<sup>th</sup> Street Station on the Blue Line LRT, such lease to contain provisions that advance the Council’s TOD Policy, and in compliance with all applicable Federal and State laws.

**Summary of Committee Discussion/Questions**

Michael Krantz presented. Letofsky and Dorfman expressed favorable comments regarding the Lander Group and staff flexibility.

Motion by Letofsky, seconded by Munt and passed.

## Transportation Committee

Meeting date: May 23, 2016

For the Metropolitan Council meeting of May 25, 2016

**Subject:** 38<sup>th</sup> Street Transit Oriented Development

**District(s), Member(s):** Cara Letofsky

**Policy/Legal Reference:** Minn. Stat. § 473.129, Transit Oriented Development Policy

**Staff Prepared/Presented:** Brian J. Lamb, General Manager, 612-349-7510  
Lucy F. Galbraith, TOD Director, 612-349-7669  
Michael H. Krantz, TOD Development Analyst, 612-349-7392

**Division/Department:** Metro Transit/Transit Oriented Development

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator or his delegate to enter into exclusive negotiations for a ground lease to the Lander Group for the Council owned site located adjacent to the 38<sup>th</sup> Street Station on the Blue Line LRT, such lease to contain provisions that advance the Council’s TOD Policy, and in compliance with all applicable Federal and State laws.

### Background

The Council owns a site adjacent to the 38<sup>th</sup> Street Station on the Blue Line LRT. This site was acquired as part of the Blue Line LRT project, and is currently used for LRT facilities, a bus transit center and parking. A planned Bike & Ride facility has been put on hold pending exploration of the TOD opportunity.

The Lander Group is interested in leasing a portion of the site as part of a larger transit-oriented development including residential and commercial uses. The Lander Group has proposed a reconfiguration of the bus facilities that could maintain existing bus operations while freeing a portion of the site for transit-oriented development. In addition, they have committed to covering costs of the Bike & Ride project delay, and if the project goes forward, to incorporate appropriate Bike & Ride facilities into this development. The TOD Office had analyzed this site for TOD potential and had determined that it was too small (without the addition of adjacent parcels) to support both TOD and bus operations.

Council staff recommends that it is in the best interests of the Council and the public to explore this opportunity to use this site for transit purposes including TOD and Bike & Ride facilities, under the Council’s TOD Policy goals, Metro Transit operational needs, and FTA Guidance.

### Rationale

If negotiations are successful, the ground lease terms will allow the Council to exercise continuing control for transit purposes, ensure that future development and uses of the site are consistent with Council policies, and generate a stream of revenue that can be used as transit program income.

### Funding

No funding needs anticipated; income generated to be determined.

### Known Support / Opposition

Minneapolis Mayor Betsy Hodges and Council Member Andrew Johnson support this business item.





# 38<sup>th</sup> Street TOD

Transportation Committee

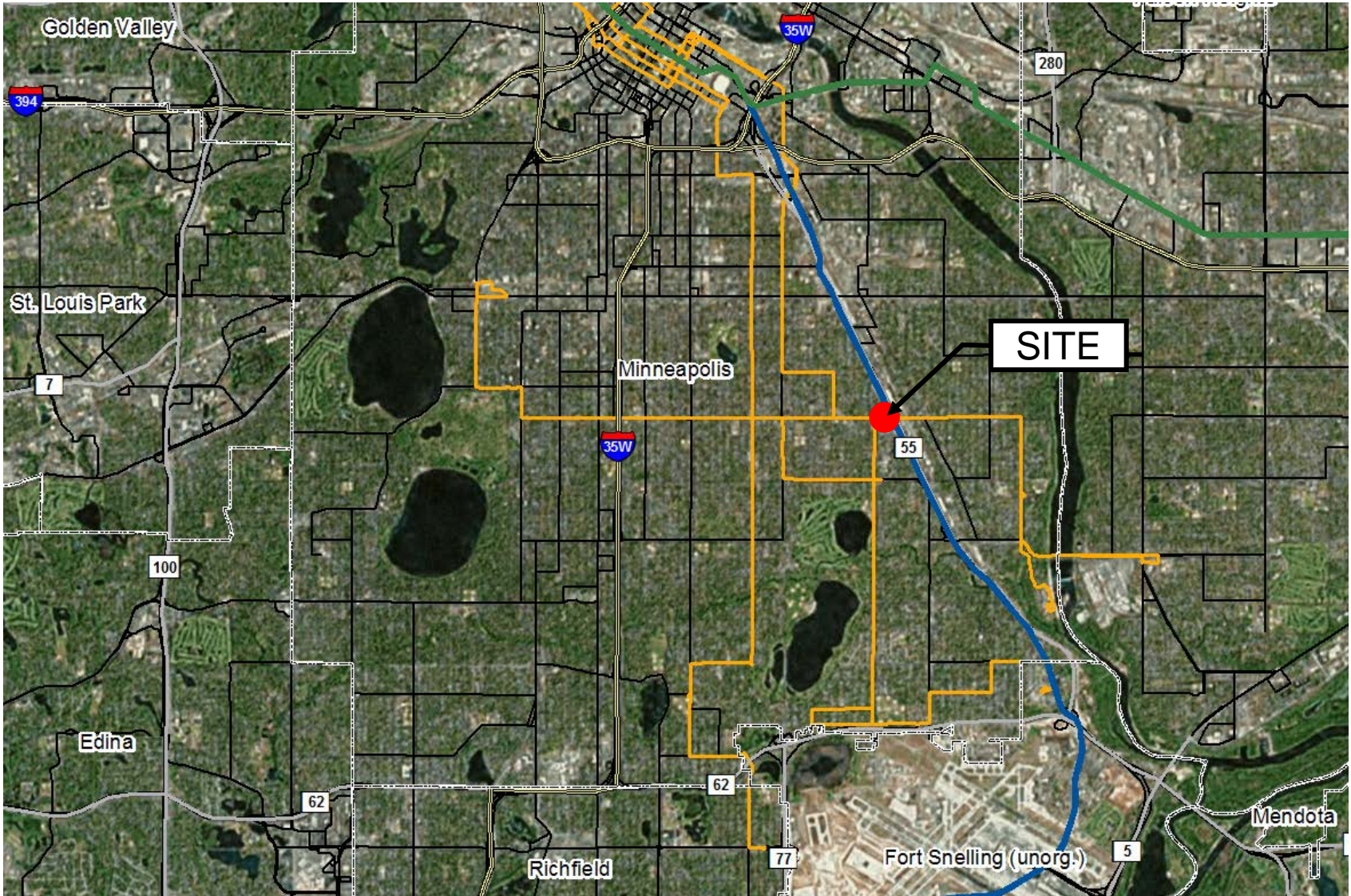
May 23, 2016

Michael Krantz, P.E., LEED AP-ND

Development Analyst, Transit Oriented Development, Metro Transit



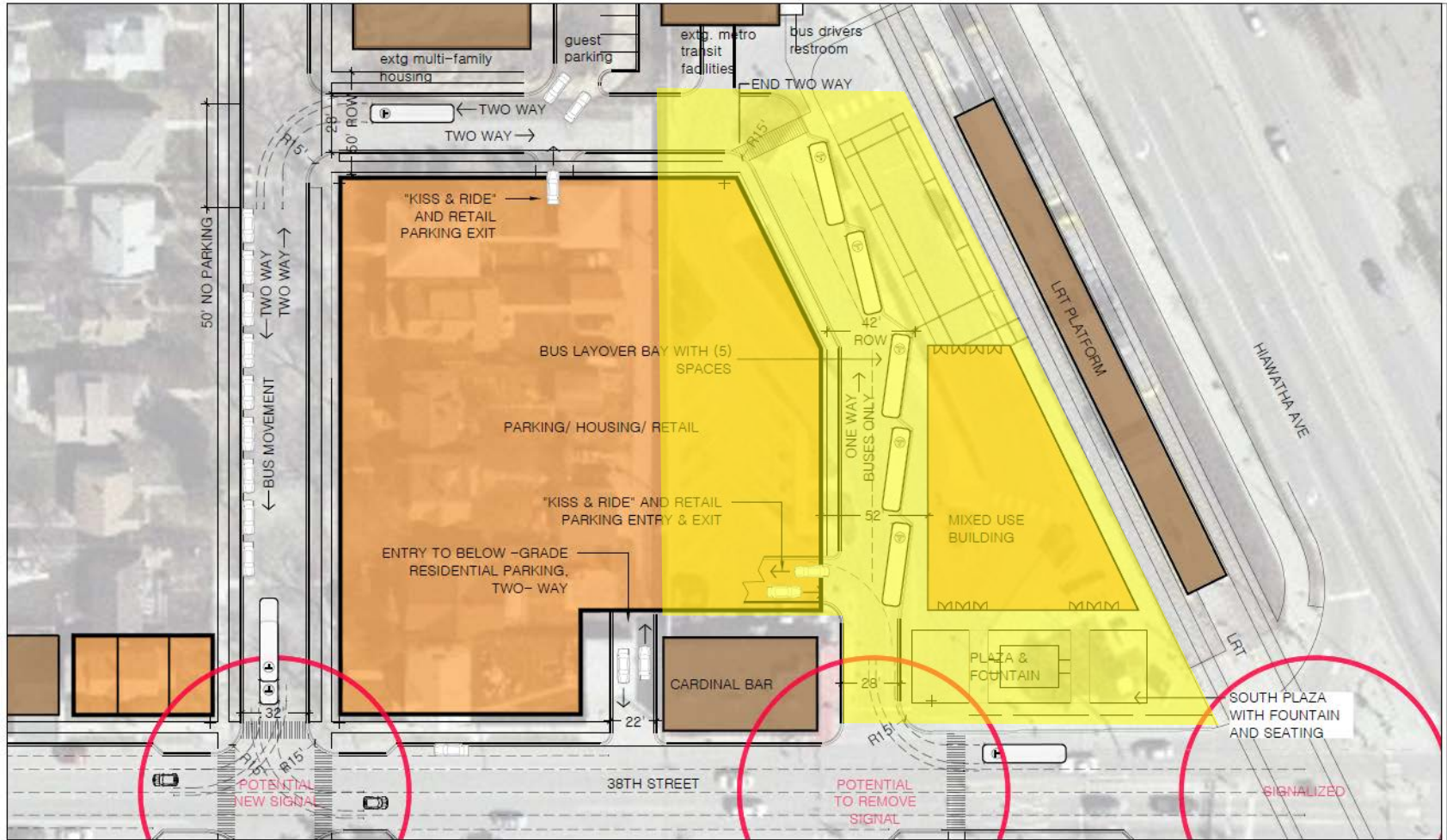
# Site Location







# TOD Proposal



CONCEPT 1- new street/ bus movements

BOBCLOSESTUDIO.COM  
 BOB CLOSE, PRINCIPAL  
 612.338.1111  
 bob@bobclose.com  
 1000 Hennepin Avenue, Suite 100, Minneapolis, MN 55402

GRAPHIC SCALE  
 1" = 20' (1 OF 3)  
 0 10 20 30 40 50 60 70 80 90 100

38th Street Corridor at Hiawatha Ave- Concept Vision  
 Minneapolis, MN  
 April 2016

- Transit Need
  - There have been three meetings with the Lander Group to discuss functional requirements for transit.
- Bike & Ride Pilot Program
  - Temporarily delayed (developer covering delay costs)
  - Plan to incorporate bike & ride with development
- Transit Oriented Development Policy
- Thrive Goals
- FTA Joint Development Approval



- Request: Council approval to exclusively negotiate with the Lander Group in order to further explore this opportunity.
  - Evaluate impact of development on transit
  - Coordinate integration of bike & ride
  - Discuss ground lease terms
- Rationale: If successful, and benefits outweigh costs, a ground lease will allow the Council to maintain the transit purpose, ensure that future development and uses of the site are consistent with Council policies, and generate a stream of revenue that can be used as transit program income.



# TOD Policy Goals



**1. Maximize the development impact of transit investments by integrating transportation, jobs and housing.**



**2. Support regional economic competitiveness by leveraging private investment.**



**3. Advance equity by improving multimodal access to opportunity for all.**



**4. Support a 21<sup>st</sup> century transportation system through increased ridership and revenues.**



# Questions?

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