

## Transportation Committee

Meeting date: January 25, 2016

## Management Committee

Meeting date: January 27, 2016

For the Metropolitan Council meeting of February 10, 2016

**Subject:** Delegation of Authority Policy for Green Line Extension Light Rail Transit Project and Blue Line Extension Light Rail Transit Project of Right of Way Acquisitions

**District(s), Member(s):** All

**Policy/Legal Reference:** Council Policy – Expenditures 3-3 I. D.

**Staff Prepared/Presented:** Brian J. Lamb, General Manager, 612-349-7510  
Mark W. Fuhrmann, Deputy General Manager, 612-373-3810  
Chris Beckwith, Deputy Program Director, 612-373-3889  
Craig Lamothe, SWLRT Project Director, 612-373-3830  
Dan Soler, BLRT Project Director, 612-373-5371

**Division/Department:** Metro Transit/Green Line Extension/Blue Line Extension

### Proposed Action

That the Metropolitan Council authorize modifications to Metropolitan Council Policy 3-3 I. D. Expenditures for the Acquisition of Real Property, by inserting a category outlining the Metropolitan Council's oversight authority in relation to acquisition of right of way for the Green Line Extension Light Rail Transit and Blue Line Extension Light Rail Transit projects as set forth in the tables below. Project staff will provide regular project updates, including right of way acquisition status, approximately quarterly to the Council.

### Background

As part of the Cooperation Agreements between the Metropolitan Council and the Minnesota Department of Transportation (MnDOT), MnDOT agreed to act as Metropolitan Council's agent and acquire the right of way needed for the Green Line Extension Light Rail Transit and Blue Line Extension Light Rail Transit projects in the name of the Metropolitan Council. The Metropolitan Council may acquire certain parcels directly if desired. Per the New Starts requirements, the project offices prepared a Real Estate Acquisition Management Plan (RAMP) that has been approved by the Federal Transit Administration (FTA). The RAMP outlines the projects' adherence to federal and state laws and regulations. In addition, the RAMP states Metropolitan Council's oversight of the process for acquiring property including offers to property owners, settlements, and condemnation proceedings. The Green Line Extension Light Rail Transit Project estimates the acquisition of property rights from approximately 156 parcels. The Blue Line Extension Light Rail Transit Project estimates approximately 272 parcels. Acquisitions include items such as temporary easements, permanent easements, utility easements, fee title, and access control.

The three tables below summarize the Metropolitan Council's oversight authority in relation to the project offices' acquisition of the right of way needed for the projects and compares that to the Metropolitan Council's existing expenditure policy.

<b>Table 1 - Initial Offers</b>		
Proposed		Existing Policy
Approval Thresholds	Metropolitan Council Oversight Authority in relation the Projects' Acquisitions	3-3 I. D.
Over \$250,000	Regional Administrator approval	Metropolitan Council approval
\$150,000 to \$250,000	General Manager approval	Regional Administrator approval
\$100,000 to \$150,000	Program Director approval	Regional Administrator approval
Up to \$100,000	Project Director approval	Regional Administrator approval

<b>Table 2 - Initiating Condemnation*</b>		
Proposed		Existing Policy
Approval Thresholds	Metropolitan Council Oversight Authority in relation the Projects' Acquisitions	3-3 I. D.
Over \$1,000,000	Regional Administrator approval	Metropolitan Council approval
\$150,000 to \$1,000,000	Regional Administrator approval	Metropolitan Council approval
\$100,000 to \$150,000	General Manager approval	Regional Administrator approval
Up to \$100,000	General Manager approval	Regional Administrator approval

\* Condemnation will only be initiated after reasonable attempts to negotiate and a minimum of 30 days.

<b>Table 3 - Approving Administrative Settlements</b>		
Proposed		Existing Policy
Approval Thresholds	Metropolitan Council Oversight Authority in relation the Projects' Acquisitions	3-3 I. D.
Over \$250,000	Regional Administrator approval	Metropolitan Council approval
\$150,000 to \$250,000	General Manager approval	Regional Administrator approval
\$100,000 to \$150,000	Program Director approval	Regional Administrator approval
Up to \$100,000	Project Director approval	Regional Administrator approval

<b>Table 4 - Condemnation; Approving Commissioners' Award**</b>		
Proposed		Existing Policy
Approval Thresholds	Metropolitan Council Oversight Authority in relation the Projects' Acquisitions	3-3 I. D.
Over \$250,000	Regional Administrator approval	Metropolitan Council approval
\$150,000 to \$250,000	General Manager approval	Regional Administrator approval
\$100,000 to \$150,000	Program Director approval	Regional Administrator approval
Up to \$100,000	Project Director approval	Regional Administrator approval

\*\*The disapproval of the Commissioner's Award will require an appeal to be filed within 40 days of the award.

## **Rationale**

The process described above is designed to ensure the Metropolitan Council's oversight of the process and use of funds for acquiring property rights, while also ensure that MnDOT can make expedient and responsive offers and settlements to property owners. The attachment to this business item titled "Analysis of Proposed Approval Thresholds for Property Acquisitions" shows the relative proportions of parcels and their cost for the approval categories present in the tables above. Generally, the Regional Administrator would approve a relatively low percentage of parcels but a high percentage of the total estimated cost. Inversely, the project directors would have delegated approval authority for a high percentage of parcels but a low percentage of the total estimated cost.

## **Funding**

This item has no direct budget impact. The Metropolitan Council authorized the Regional Administrator to negotiate and execute cooperation agreements with MnDOT for right of way services for both the Green Line Extension and Blue Line Extension Light Rail Transit projects.

## **Known Support / Opposition**

MnDOT supports the process described above.

## Attachment A

### Analysis of Proposed Approval Thresholds for Property Acquisitions

<b>Green Line Extension Parcel Summary</b>				
Met Council Approval Thresholds	Estimated # of Parcels	% of Estimated Parcels	Estimated Cost (\$M)	% of Estimated Cost
Over \$1,000,000	24	15%	\$84.10	79%
\$250,000 to \$1,000,000	31	20%	\$17.11	16%
\$150,000 to \$250,000	13	8%	\$2.50	2%
\$100,000 to \$150,000	14	9%	\$1.63	1%
Up to \$100,000	74	48%	\$1.74	2%

<b>Blue Line Extension Parcel Summary</b>				
Met Council Approval Thresholds	Estimated # of Parcels	% of Estimated Parcels	Estimated Cost (\$M)	% of Estimated Cost
Over \$1,000,000	6	2%	\$22.61	63%
\$250,000 to \$1,000,000	12	5%	\$7.30	20%
\$150,000 to \$250,000	9	3%	\$1.83	5%
\$100,000 to \$150,000	13	5%	\$1.72	5%
Up to \$100,000	232	85%	\$2.56	7%