

Transportation Committee

Meeting date: May 23, 2016

For the Metropolitan Council meeting of May 25, 2016

Subject: 38th 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
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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 38th 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 38th 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.

