

# Business Item

Transportation Committee



Committee Meeting Date: November 27, 2023

For the Metropolitan Council: December 13, 2023

## Business Item: 2023-223

METRO Green Line Extension Amendment No. 3 to Cooperative Construction Agreement 201052 with St. Louis Park Economic Development Authority

<b>District(s), Member(s):</b>	District 3 (Carter) District 6 (Lilligren) District 8 (Cameron)
<b>Policy/Legal Reference:</b>	FM 14-2 Expenditures for the Procurement of Goods, Services, and Real Estate Policy, RF 1-6 Transit Oriented Development (TOD) Policy
<b>Staff Prepared/Presented:</b>	Lesley Kandaras, General Manager, 612-349-7513 Nick Thompson, Deputy General Manager, 612-349-7507 Jim Alexander, Project Director, 612-373-3880 Joan Hollick, Deputy Project Director, 612-373-3820
<b>Division/Department:</b>	Metro Transit / METRO Green Line Extension Project Office

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute Amendment No. 3 to Cooperative Construction Agreement 201052 with the City of St. Louis Park's Economic Development Authority (EDA) for the construction of a parking structure (Ramp) at the METRO Green Line Extension Beltline Station to increase the amount of the Agreement by \$984,167 to a total amount of \$3,484,167 to account for escalation, contingent upon the award of the Ramp construction contract.

### Background

In December 2016, the Metropolitan Council and the EDA executed a letter of intent which provides that the EDA construct a Ramp adjacent to the Beltline Boulevard Station, which will have 268 stalls dedicated for public transit use.

In February 2018, the EDA entered into a Preliminary Development Agreement with Beltline Development LLC (Developer) for the construction of a mixed-use development adjacent to the Beltline Station which includes construction of the Ramp. In December 2020, the Council and the EDA entered into a Cooperative Construction Agreement to remove construction of a parking lot from the SWLRT Project scope. The Ramp must be constructed before the METRO Green Line Extension Project revenue service date. If the Ramp is not completed by the revenue service date, the EDA must construct a parking lot (Parking Lot). The Cooperative Construction Agreement was amended to correct a trail description in the scope and was amended again to accommodate the Developer's request to relocate a Metro Transit operator restroom at the Developer's expense.

Constructing a Ramp to meet the parking need for the public transit use facilitates significant transit-oriented development in the station area, which advances the Council's TOD Policy. More

specifically, the Ramp supports the TOD Policy by integrating transportation, jobs, and housing; leveraging private investment; expanding transit-access to affordable housing and grocery stores; and increasing transit ridership and fare revenue.

Upon completion of the Ramp or Parking Lot, the Council committed \$2.5 million to the EDA, which is the amount allocated for the 268-transit stalls in the METRO Green Line Extension Project budget established in 2017. The EDA and the Developer are in the process of procuring a contractor to construct the Ramp, which is anticipated to commence by spring 2024. Staff is seeking authorization to amend the Cooperative Construction Agreement to increase the 2017 estimated amount of \$2.5 million to \$3,484,167 to account for escalation.

## Rationale

Cumulative amendments of a professional services contract exceeding 10% of the original authorized contract value require Council approval.

## Thrive Lens Analysis

Successful completion of the METRO Green Line Extension will advance the following Thrive MSP 2040 outcomes:

**Stewardship:** Transit investment provides an opportunity to reinvest and grow the capacity of our communities, with more inclusive development and intentional investment. It encourages businesses to invest in communities, which means access to resources, community amenities, jobs, and other community assets.

**Equity:** Connections to other METRO lines and countless local bus routes will bring people to jobs, education, resources and connect diverse and vibrant communities across the region.

**Livability:** The METRO Green Line Extension will add 14.5 miles to the existing Line, which connects downtown Minneapolis, downtown Saint Paul, and places in-between. This segment connects Eden Prairie, Minnetonka, Hopkins, and St. Louis Park to both downtown Minneapolis and Saint Paul, and major destinations at the University of Minnesota and the State Capitol.

**Prosperity:** The METRO Green Line Extension reflects strategic investment in regional infrastructure that will promote economic competitiveness and create prosperity for the region. Despite being under construction, the METRO Green Line Extension has already seen more than \$2 billion of existing and planned development investment within a half-mile of the line.

**Sustainability:** As many as 700,000 more people will be living, working, and moving around the Twin Cities region by 2040. As a result, a robust transportation system is needed to provide the region with choices and more mobility.

## Funding

This is a METRO Green Line Extension Project (No. 61001) eligible cost. Funds are available in the Project (No. 61001) budget and included in the Council's authorized capital budget.

## Small Business Inclusion

The Office of Equity and Equal Opportunity (OEEO) assigned a Disadvantaged Business Enterprise (DBE) goal of 15% for the construction of the Ramp.

