

# Business Item

Transportation Committee



Committee Meeting Date: June 24, 2024

For the Metropolitan Council: July 10, 2024

## Business Item: 2024-155

Release of Restrictive Covenant and Quit Claim Deed for Apple Valley Gaslight Station

<b>District(s), Member(s):</b>	District 15, Tenzin Dolkar
<b>Policy/Legal Reference:</b>	Minnesota Statutes § 473.39, subd. 1c
<b>Staff Prepared/Presented:</b>	Heather Giesel, Director, CD/MTS Finance & Admin (651) 602-1715 Darcy Erickson, Associate General Counsel (651) 602-1108
<b>Division/Department:</b>	Metropolitan Transportation Services, CD/MTS Finance & Administration

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute a Release of Restrictive Covenant and Quit Claim Deed for the Apple Valley Gaslight Station and its associated real property.

### Background

The 1996 Minnesota Legislative session authorized the Council to issue bonds in an amount not exceeding \$20,500,000 for capital expenditures as prescribed in the Council's Transit Capital Improvement Program. In April 1996, the Council announced a solicitation to award these Regional Transit Capital (RTC) funds to transit providers and local units of government via a competitive process. The City of Apple Valley was awarded \$920,000 for Phase I development of the Apple Valley Transit Station, including purchasing land for a park and ride facility. The grant agreement required that the City of Apple Valley execute and record an Agreement and Restrictive Covenant for each parcel of property acquired and for each parcel of property in which an interest is acquired in whole or in part from grant proceeds. Following construction of the facility, the Apple Valley Economic Development Authority entered into a lease agreement with Minnesota Valley Transit Authority (MVTA) for the transit facility.

Council staff were contacted by MVTA and the City of Apple Valley in early 2024 with a proposal for an early termination of the lease between the two parties so the City of Apple Valley could sell the property to a developer to construct workforce housing. Before the City can move forward with the sale, the Council must authorize a Release of the Restrictive Covenant.. All bond requirements associated with the RTC funding have been satisfied and no further action is required related to the source of funding.

### Rationale

The requested action will allow the Regional Administrator to execute a Release of Restrictive Covenant and Quit Claim Deed on behalf of the Metropolitan Council so the City of Apple Valley can proceed with the sale of the property. These documents must be executed prior to the City marketing the property for sale.

### **Thrive Lens Analysis**

This action promotes stewardship, equity, sustainability, and livability by furthering access to transit and affordable housing in the region.

### **Funding**

There is no fiscal impact resulting from this action. The RTC funding associated with the original grant agreement has been fully expended and all requirements of the original grant agreement have been satisfied.

### **Small Business Inclusion**

There are no direct impacts to small business with this action.

