



Disposition of Chicago-Lake Transit Center

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Overview of Chicago-Lake Transit Center

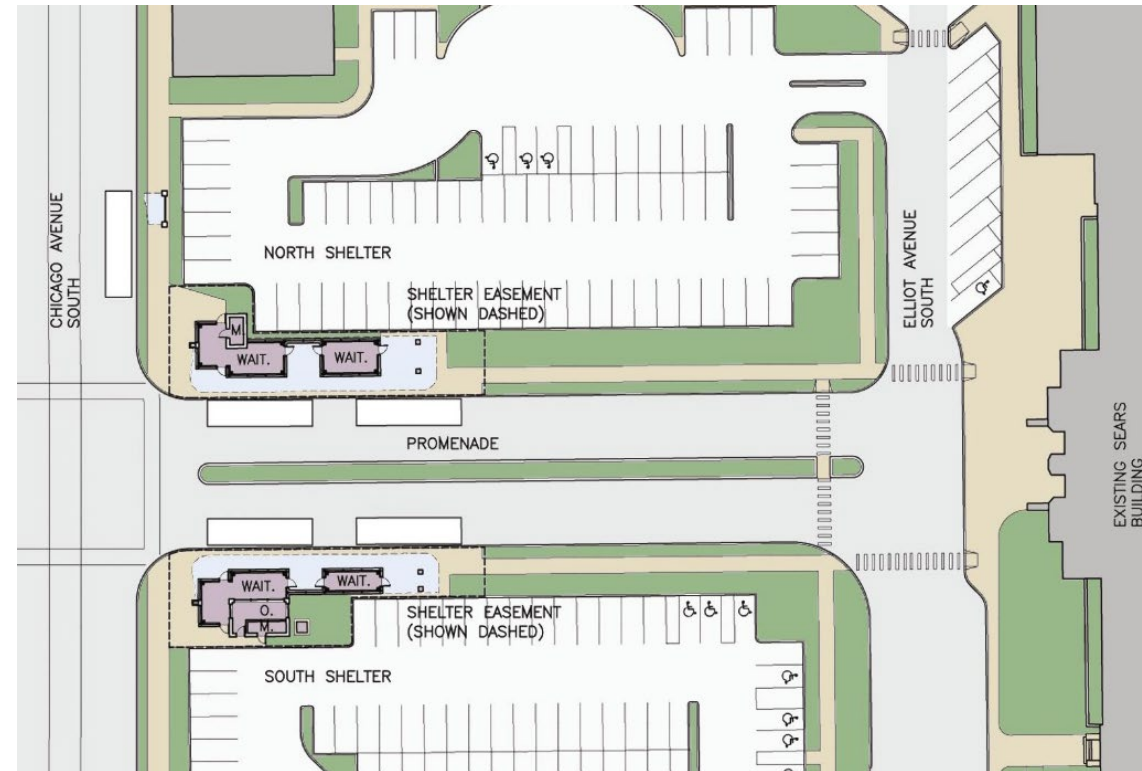
- Opened in 2006 to provide improved passenger facilities
- Bus service will permanently leave the transit center in fall 2024 and operate on street
- No layovers and no driver restroom facilities
- Supplemental security staffing since Sept. 2023
- No future transit need for facility



Photograph showing Chicago-Lake Transit Center at 2946 Chicago Ave in South Minneapolis, looking east on Grand Promenade

Transit Center Funding

- Federal funds were used to purchase the easements and construct the transit center
 - Building assets fully depreciated
 - Part of a redevelopment of the historic Midtown Exchange building, but transit center does not contribute to historic character
- Federal Transit Administration concurrence with disposition method is pending



Engineering drawing of Chicago-Lake Transit Center, 2005

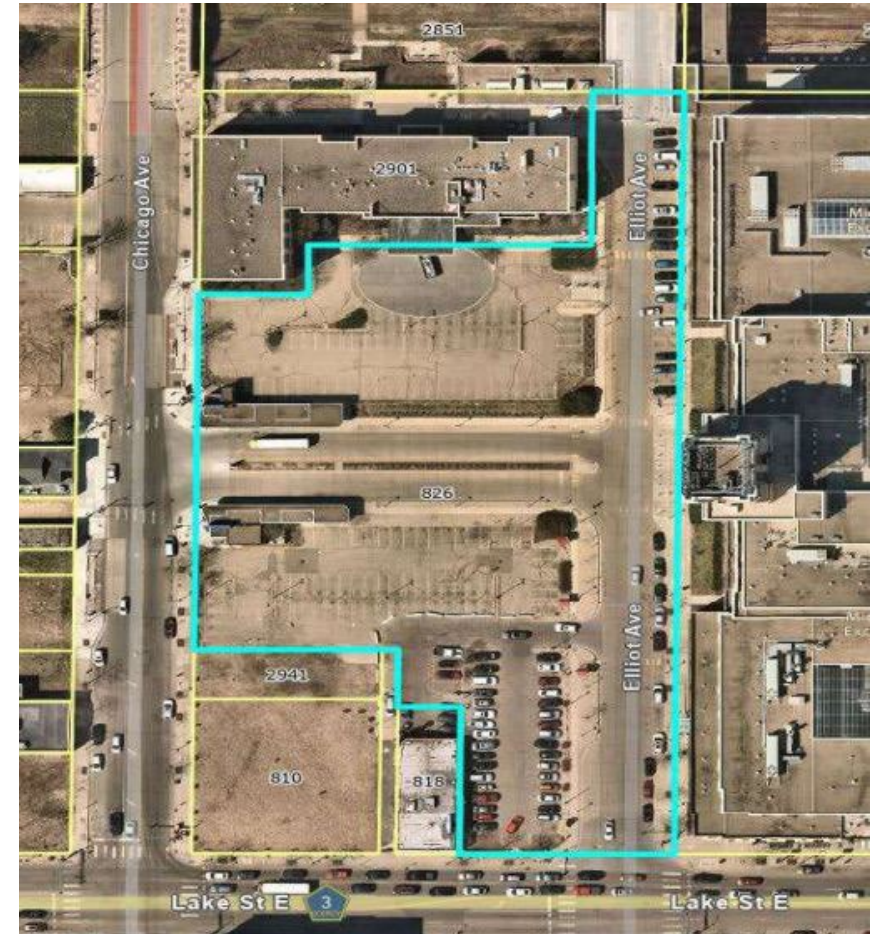
Existing Easement and Operations & Maintenance Agreements

Two agreements between Metropolitan Council and Midtown Exchange Commons LLC (MEC) guide transit operations.

- Easement agreements
 - Provide exclusive perpetual easement for the transit passenger shelter areas and a nonexclusive perpetual transit easement on shared private roadway
 - MEC owns the property
- Operations and Maintenance Agreement
 - Metropolitan Council responsible for maintaining shelter areas, while MEC responsible for roadway area
 - Based on data from last few years, average Common Area maintenance, utility and other vendor costs are about \$23,000/year
 - Excludes Metro Transit staff time

Transit Center Appraisal Valuation

- Generally, when a transit facility is no longer needed, the surplus buildings are removed or repurposed
- Met with public partners and MEC in 2022-2024 and no new use of the transit center was identified
- Easements have no resale value on open market due to narrow public transit uses permitted



Aerial image showing the parcel outline at 2946 Chicago Ave

Disposition strategy

- Real Estate Policy 9-1
 - Property no longer needed may be considered surplus
- Federal Transit Administration Circular 5010.1E
 - FTA concurrence and guidance is pending
- Recommended disposition strategy is to terminate easement agreements, release the transit interests, demolish the buildings and restore the site

Proposed Action 2024-204

That the Metropolitan Council declare the property at 2946 Chicago Ave S Minneapolis surplus for disposition, authorize the Regional Administrator to negotiate termination of the Transit Easement Agreement and Operations and Maintenance Agreement between Council and Midtown Exchange Commons LLC, and release the Council's transit interests contingent on Region 5 Federal Transit Administration concurrence.

Thank You!

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