

SOUTHWEST

Green Line LRT Extension



# Corridor Management Committee

December 4, 2013



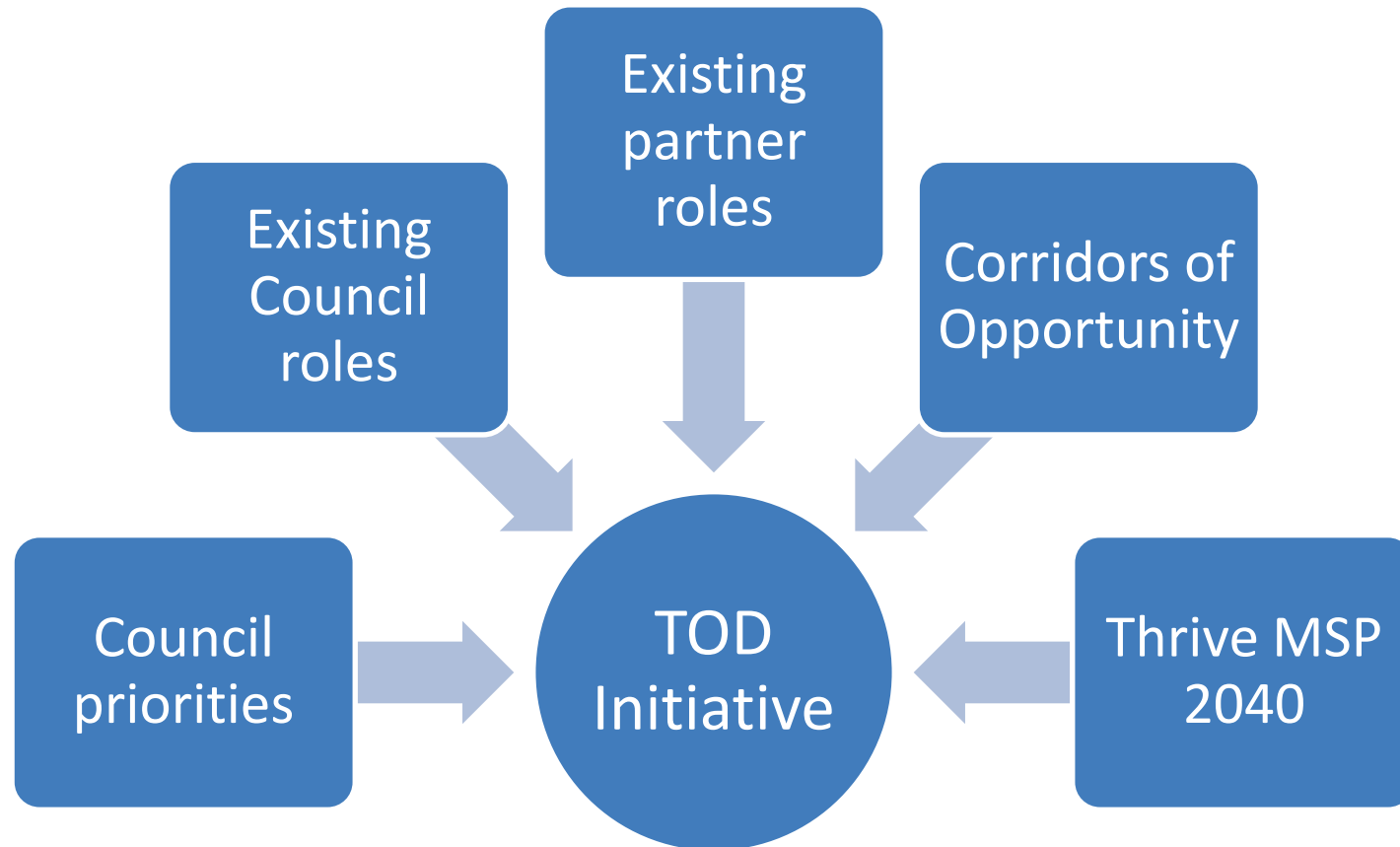
# Today's Topics

- Transit Oriented Development (TOD) and Joint Development (JD)
- Project Update
  - Freight Relocation Analysis
  - Water Resources Evaluation
  - Landscaping / Greenscaping Analysis
- Public Involvement Plan



# Metropolitan Council TOD Strategic Plan Update

# Origins of the Council's TOD Initiative



# Definition of TOD

“Walkable, moderate to high density development served by frequent transit with a mix of housing, retail, and employment choices designed to allow people to live and work without need of a personal automobile.”

# TOD Strategic Action Plan: Immediate Steps

Adopt a TOD Policy (Complete)

Establish a TOD Office (Complete)

Create an Internal Working Group (Complete)

Create External Advisory Group (In-process)

# Metropolitan Council TOD Policy

- Adopted November 13<sup>th</sup>, 2013
- 5 Key Strategies:
  - Prioritize resources
  - Focus on implementation
  - Communicate effectively
  - Collaborate with partners
  - Coordinate internally
- Strong priority on partnering and coordinating with communities, many of whom have or are developing their own TOD programs, policies and goals

# TOD Goals



**1. Maximize the development impact of transit investments by integrating transportation, jobs and housing.**



**2. Support regional economic competitiveness by leveraging private investment.**



**3. Advance equity by improving multimodal access to opportunity for all.**

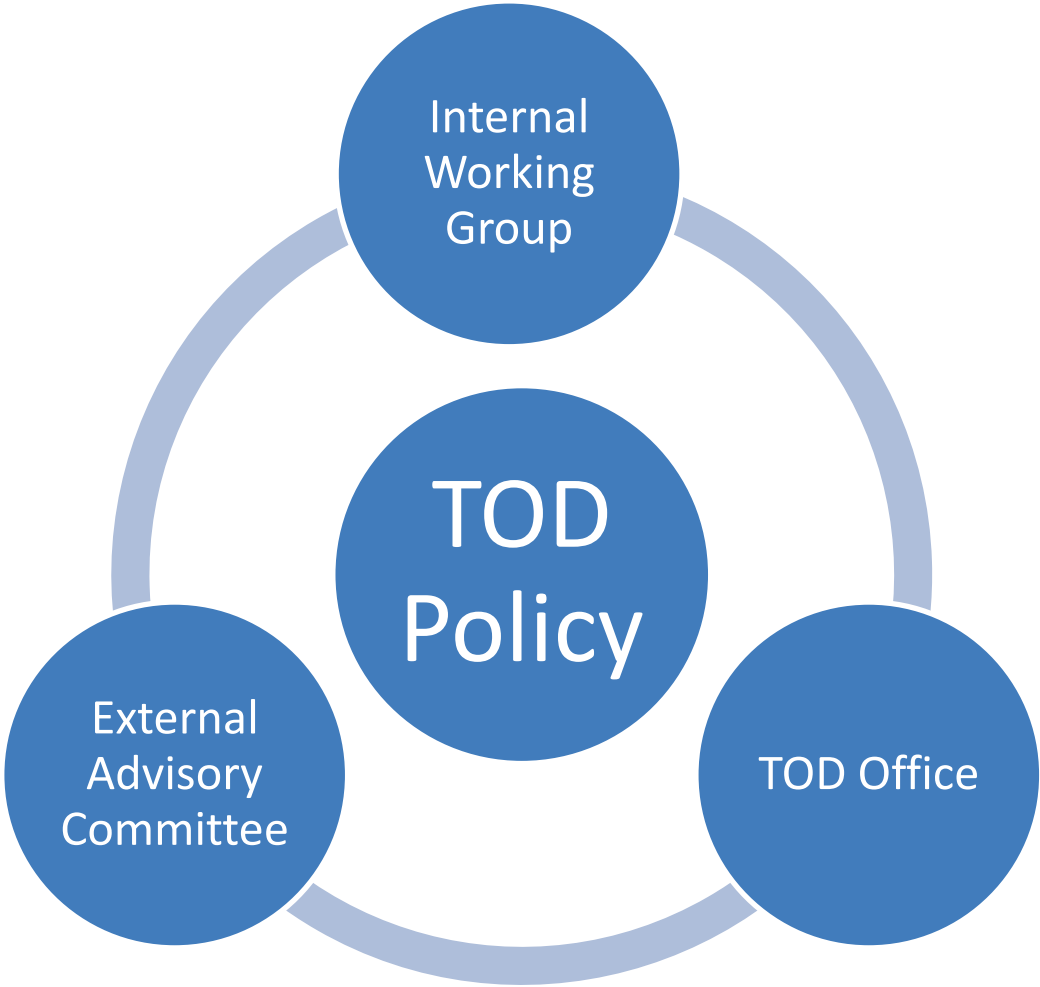


**4. Support a 21<sup>st</sup> century transportation system through increased ridership and revenues.**



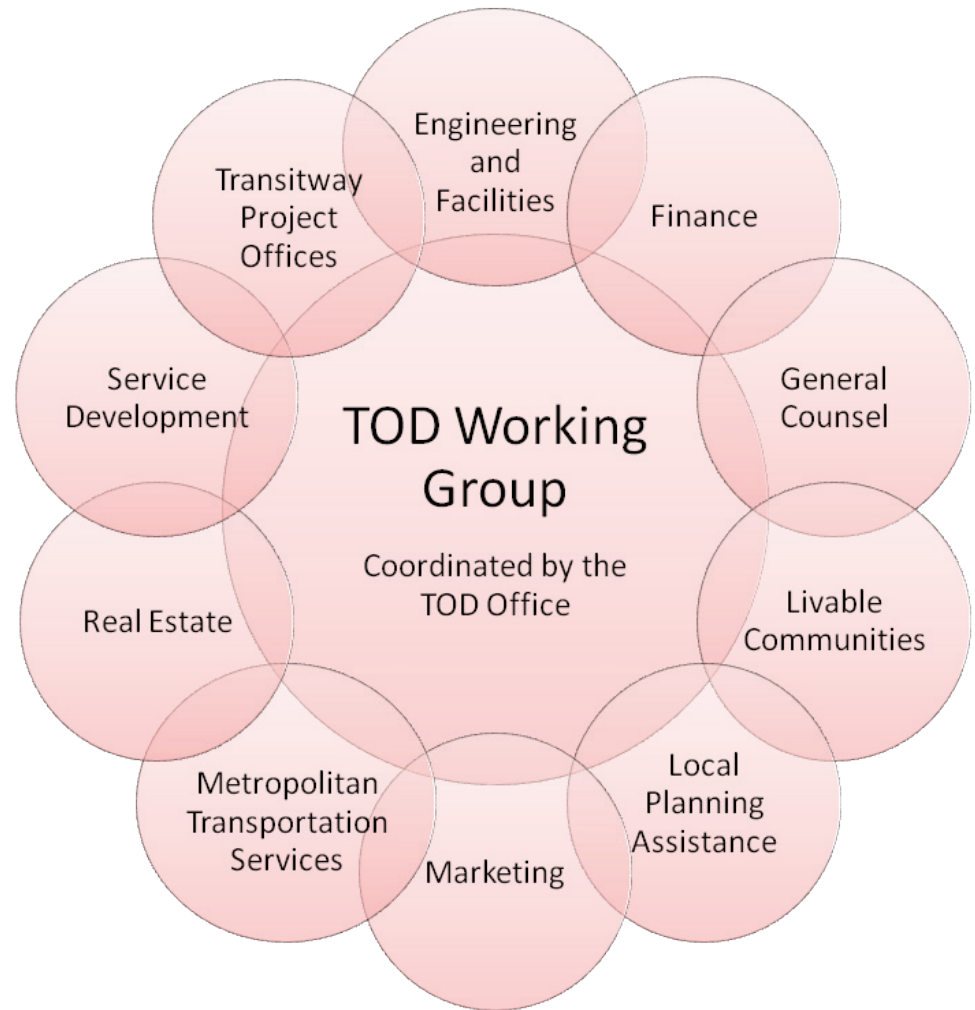


# Collaborative Approach to Implement TOD Policy



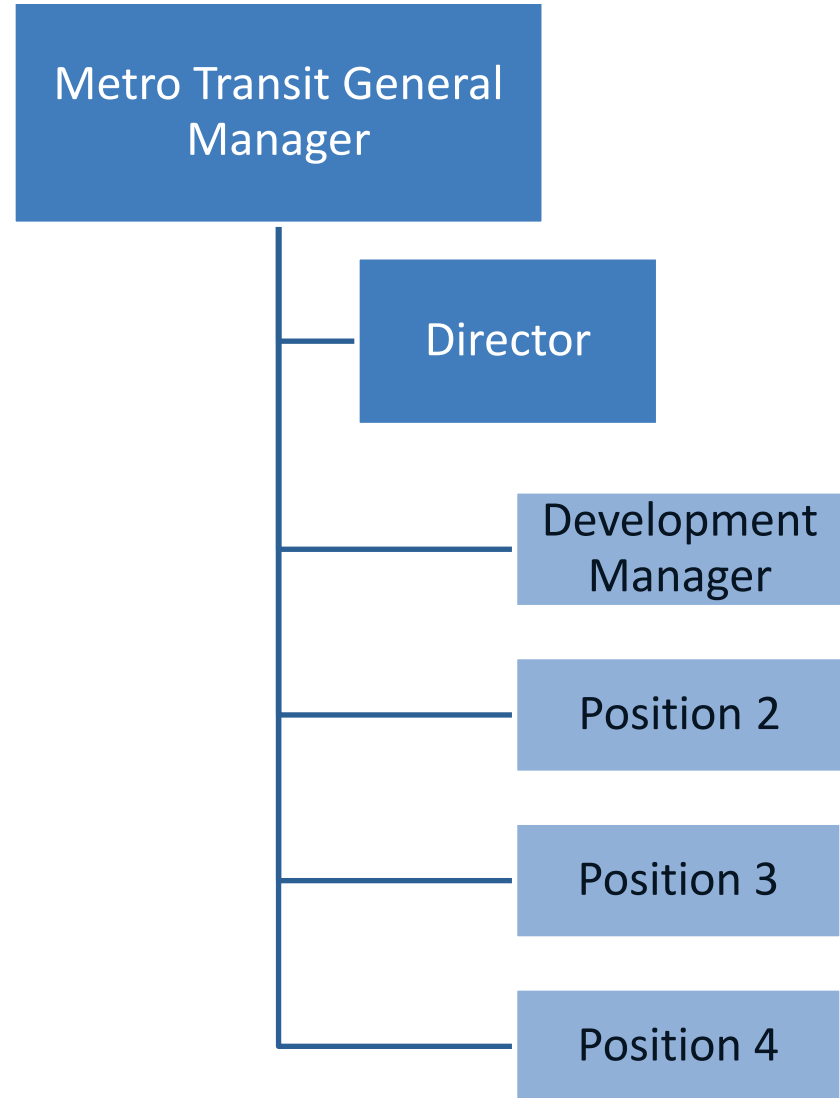
# Internal TOD Working Group

- Implement the TOD Policy
- Ensure consistency across TOD-related activities
- Share information and resources about TOD-related activities across the organization
- Align efforts to achieve Council TOD goals



# TOD Office

- Serve as first contact for TOD
- Identify TOD opportunities and challenges
- Facilitate problem-solving across the organization
- Bring resources and real estate expertise to support projects
- Focus and prioritize efforts
- Coordinate and “hand-off” to other departments

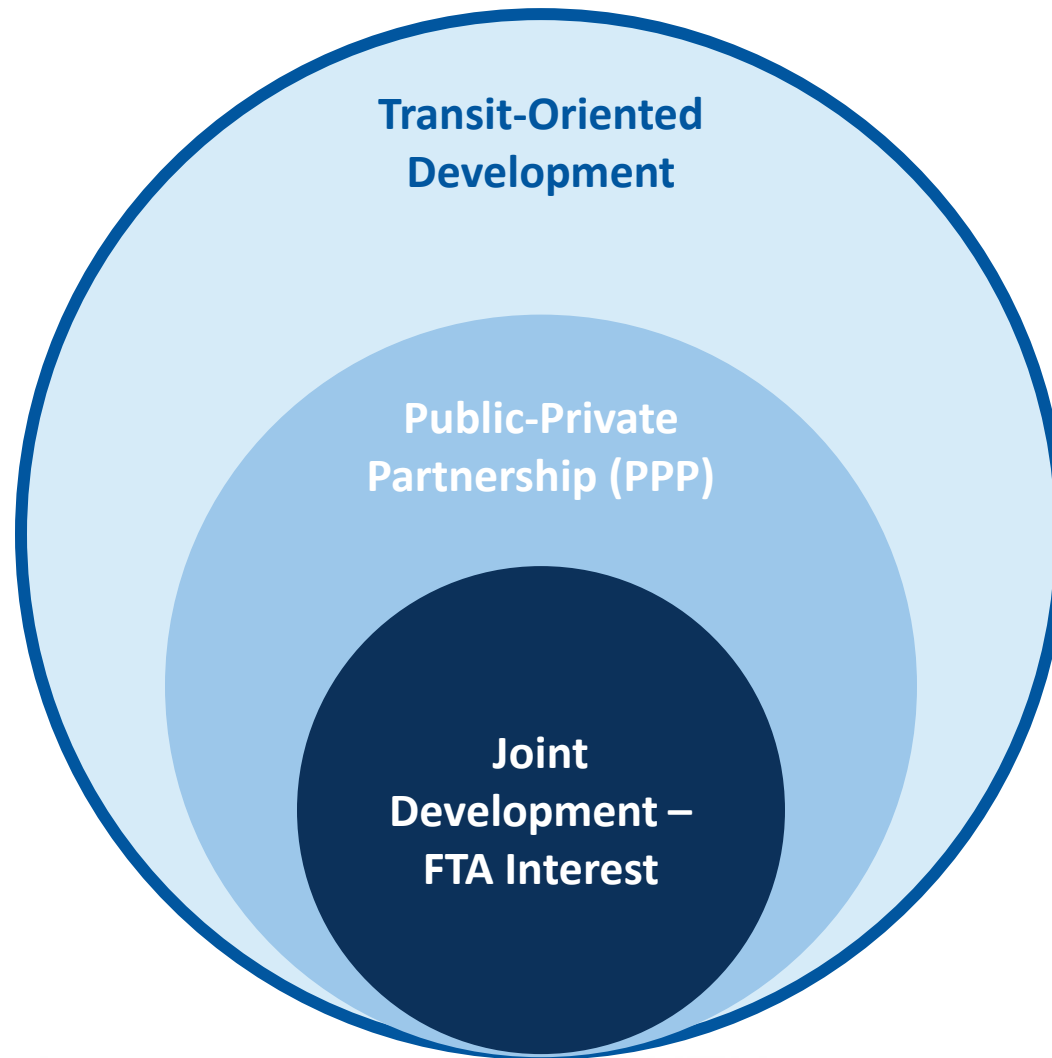


# Southwest LRT and Joint Development

# Southwest LRT Project Office TOD

- Established a TOD and Land Use section
- Set a goal for 2013 to identify 5 joint development opportunity sites
- City Public Works and **Community Development Staff** participation in Issue Resolution Team (IRT) Process and Technical Project Advisory Committee (TPAC)
- Support Hennepin County led Southwest LRT Community Works Transitional Station Area Action Plan (TSAAP) Process

# Joint Development is a Subset of TOD



# Joint Development Project Eligibility

- I Creates an economic benefit
- II Enhances public transportation
- III Provides a fair share of revenue for public transportation
- IV Requires JD tenants to pay a fair share of costs of occupied facility

# Joint Development: Defined by FTA



A transit project



Integrally related to commercial, residential or mixed-use development



May include public, private or non-profit development associated with transit capital investments



FTA financial assistance = "a federal interest"





# Joint Development : One Tool in the TOD Tool Box



Metro  
Council  
TOD Office



Minnesota DEED  
Transit  
Improvement Area  
Loan Program



Joint Development - FTA



Public - Private Partnerships (PPP)



Hennepin County  
TOD Program and  
Community Works

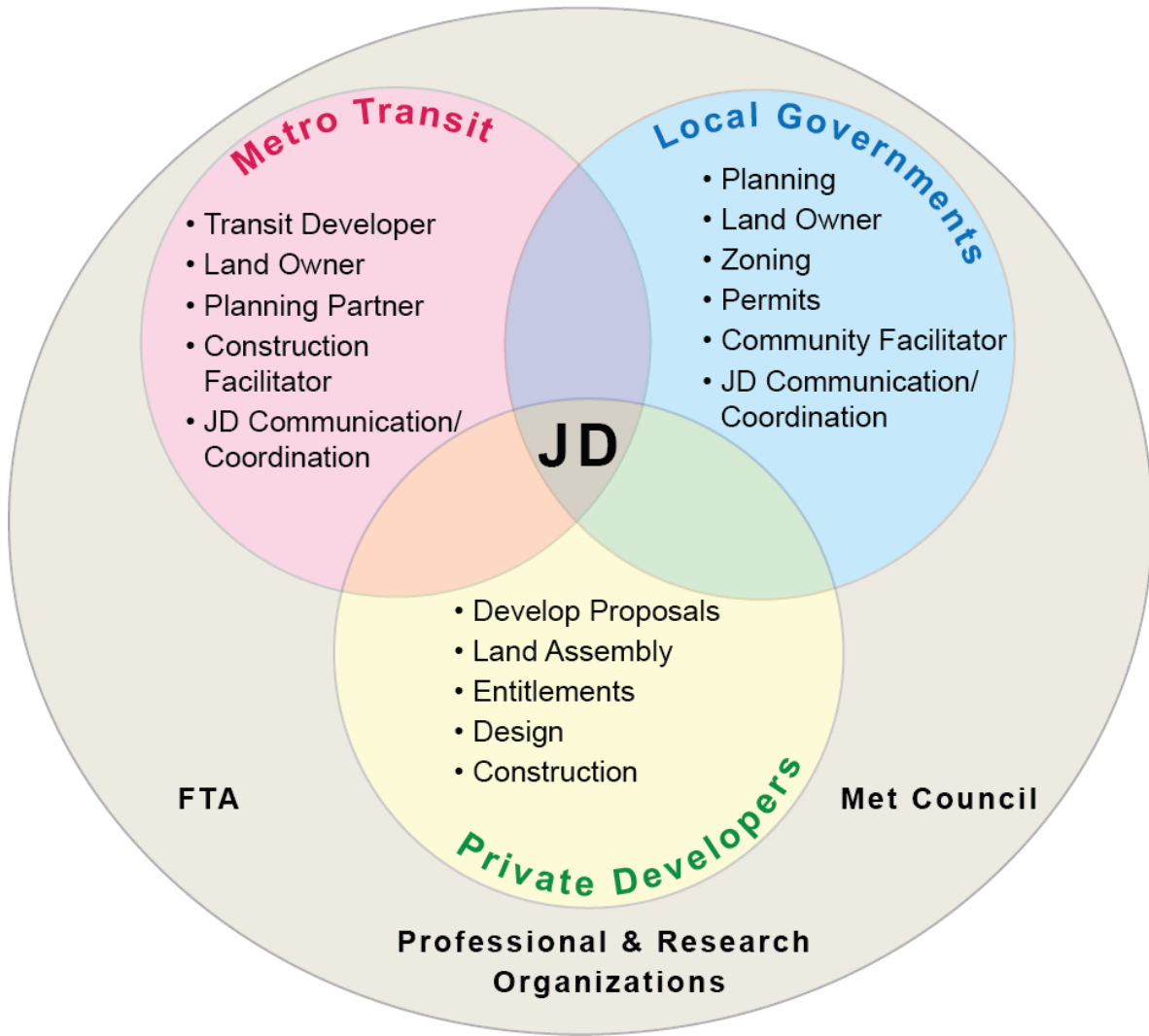


Met Council Livable Communities Act (LCA) TOD Grants

# FTA Eligible Joint Development Activities

- Land acquisition and relocation costs
- Demolition of existing structures
- Site preparation, including environmental work
- Utilities, roadways and other infrastructure including building foundations
- Pedestrian and bicycle access
- Site amenities (streetscape, plazas, etc.)
- Project development activities including design, engineering, and real estate packaging
- Construction of exterior commercial space
- Station master planning

# Joint Development = Collaborative Process



# Why Do Joint Development?

- Joint Development Benefits Transit and Land Use
  - Increases transit ridership
  - Fosters economic development (i.e. initiate, enhance)
  - Improves passenger experience (safety, connectivity, amenities, etc.)
  - Can increase local tax base
- Joint Development Leverages Federal Funds
  - All revenue stays local
  - Can reduce the need for TIF
  - Operating revenue to transit agency reduces O&M costs
  - Local TOD funds can be used for additional projects
  - New Starts Application Advantages: establishing JD Program is key to obtaining a high rating in economic development category

# Challenges of Joint Development

- More partners
- “Federalizes” project
  - NEPA
  - procurement and contract regulations
  - “satisfactory continuing control”
  - required FTA approval of legal structure and financial returns
- May limit flexibility of traditional local funding streams

# Regional Joint Development Examples

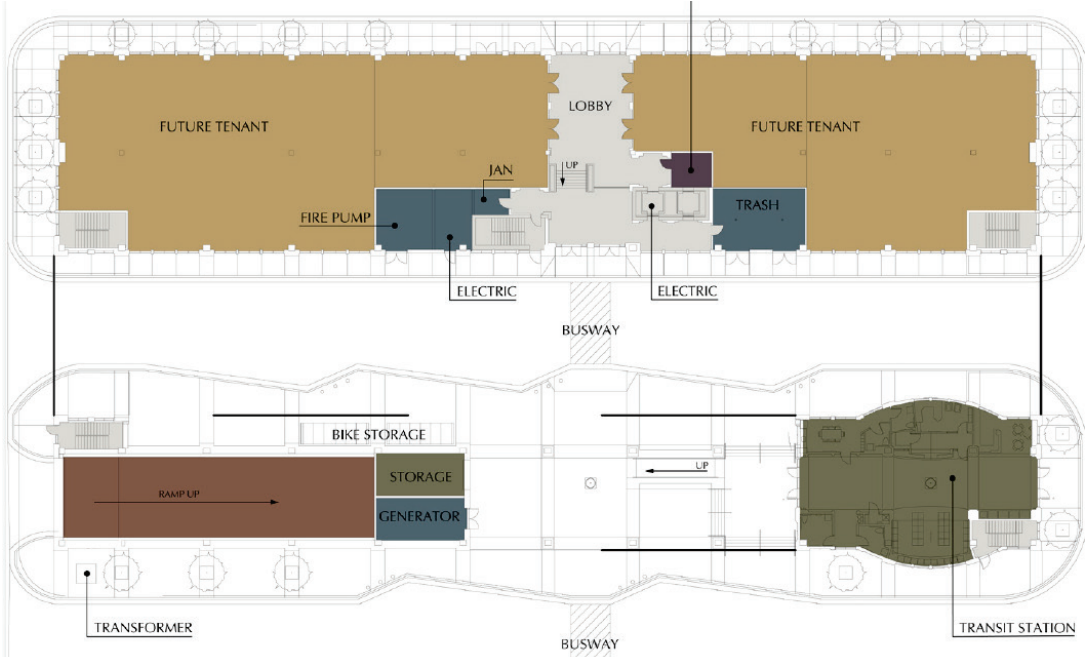
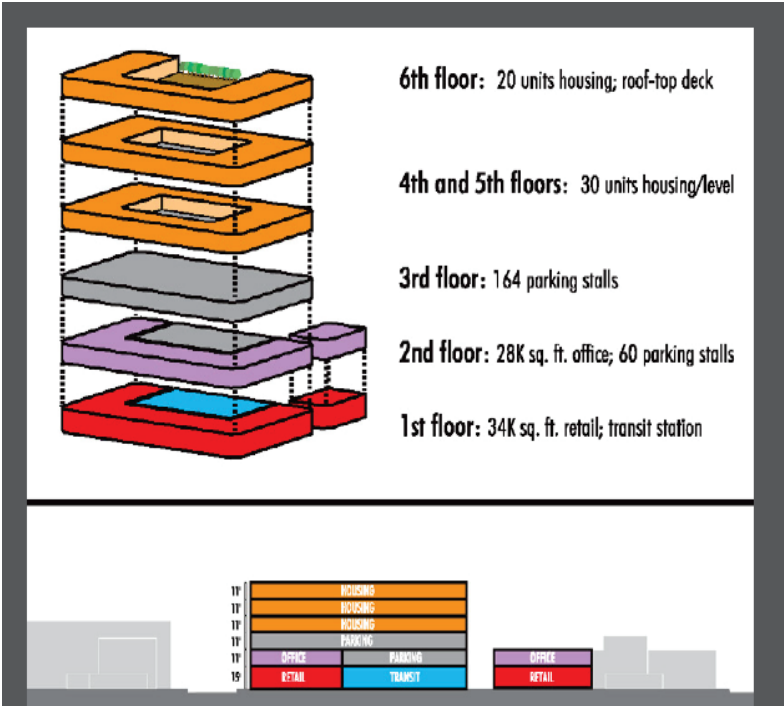
# Grand River Station (La Crosse, WI): Vertically Integrated Mixed-Use



# Grand River Station

## Details

- Passenger terminal
- 8 bus-transfer bays
- Parking facility
- Retail space
- 70 rental units (upper 3 levels)





# Grand River Station

## Uses

	<u>Local</u>	<u>Federal</u>	<u>Total</u>
Transit Center	\$ 1, 320,000	\$5,270,000	\$ 6.6 M
Retail/Parking	\$ 670,000	\$2,660,000	3.3 M
Land	\$ 290,000	\$1,160,000	1.5 M
Housing	\$21,600,000		<u>21.6 M</u>
<b>Total Uses</b>			<b>\$33 M</b>

## Sources

FTA Grants			\$ 9.1 M
Local Matching Funds			2.3 M
WHEDA 9% LIHTC			6.7 M
City Gap Loan			3.3 M
Tax Increment			6 M
Developer Contribution			<u>5.5 M</u>
<b>Total Sources</b>			<b>\$33 M</b>

# Eagan Transit Station



## Details:

- 679-stall, 3-level parking facility
- 3,300 s.f. passenger terminal
- 30,000 s.f. busway
- 15,000 s.f. retail space
- 5.65 acre site

# SouthWest Village

8-acre site includes:

- Transit center
- 33 owner-occupied townhomes
- 18,000 s.f. commercial development

Transit center includes:

- 1,400 s.f. passenger area
- 511-stall, 3-level parking facility



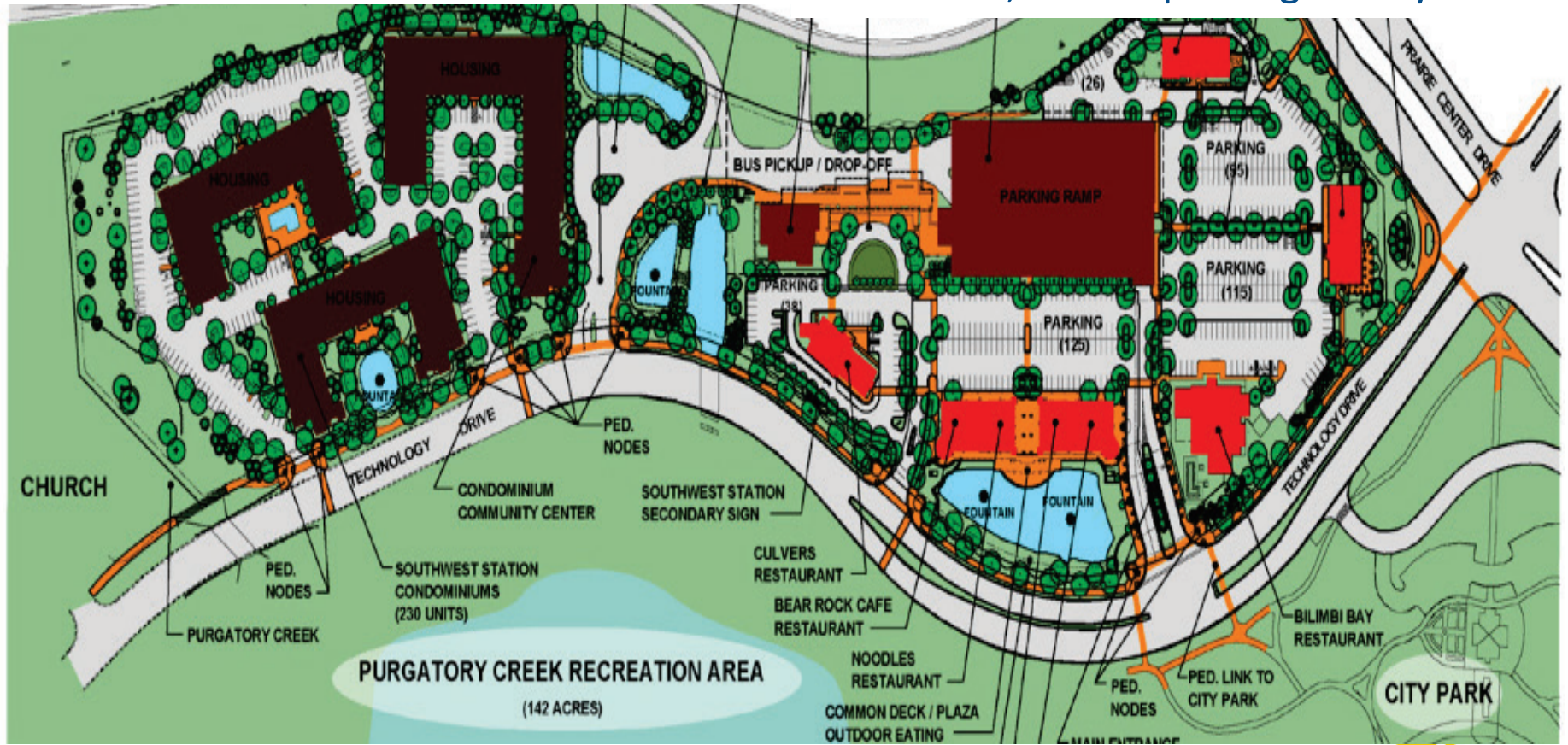
# SouthWest Station

20-acre site includes:

- Transit center
- Restaurants, retail/commercial space
- Housing

Transit center includes:

- 9,000 s.f. transit station
- 6-bay articulated bus platform
- 924-stall, 4-level parking facility



# SWLRT Joint Development Opportunities

# SPO Joint Development Opportunity Identification and Screening Process

- Convened a series of 4 meetings with each city and county staff
- Discussed and evaluated the prospects for Joint Development at each of the stations
- Assigned each station to one of three tiers using a set of criteria/characteristics
- Tier Classifications reflect Joint Development opportunities only and do not reflect TOD or Public-Private Partnership opportunities at stations

# Partner Agency Meeting Series Recap

- Round 1
  - Introduction to FTA and regional Joint Development examples
- Round 2
  - Joint Development opportunities at each station discussed: stations considered reduced to 9
- Round 3
  - Example development scenarios explored at stations still under consideration
- Round 4
  - Preliminary financial analysis performed; stations categorized into tiers

# Tier Classifications

- Tier 1 Station Characteristics: 4 Stations
  - Transit element
  - Joint Development opportunity consistent with TSAAP/City plans
  - City support for Joint Development opportunity
  - Market support for timing of development in sync with construction and opening of SWLRT
  - Joint Development opportunity not competing with other PPP, Private, or Public TOD plans
  - Preliminary financial analysis shows opportunity for revenue generation and increased tax base potential



# Tier Classifications (con't.)

- Tier 2: 6 Stations
  - Joint Development opportunity identified but one of the Tier 1 characteristics not present
  - TOD Office will assist in seeking funding and support development of Tier 2 opportunities in partnership with cities and county
  - Stations: Eden Prairie Town Center, Golden Triangle, Shady Oak, Louisiana, Wooddale, Penn

# Tier Classifications (con't.)

- Tier 3: 7 Stations
  - Joint Development opportunity not identified at this time
  - If Joint Development opportunity identified in future, TOD Office will assist in seeking funding and support development of Tier 2 opportunities in partnership with cities and county
  - Stations: Mitchell, Southwest, City West, Opus, Downtown Hopkins, 21<sup>st</sup> Street, Van White

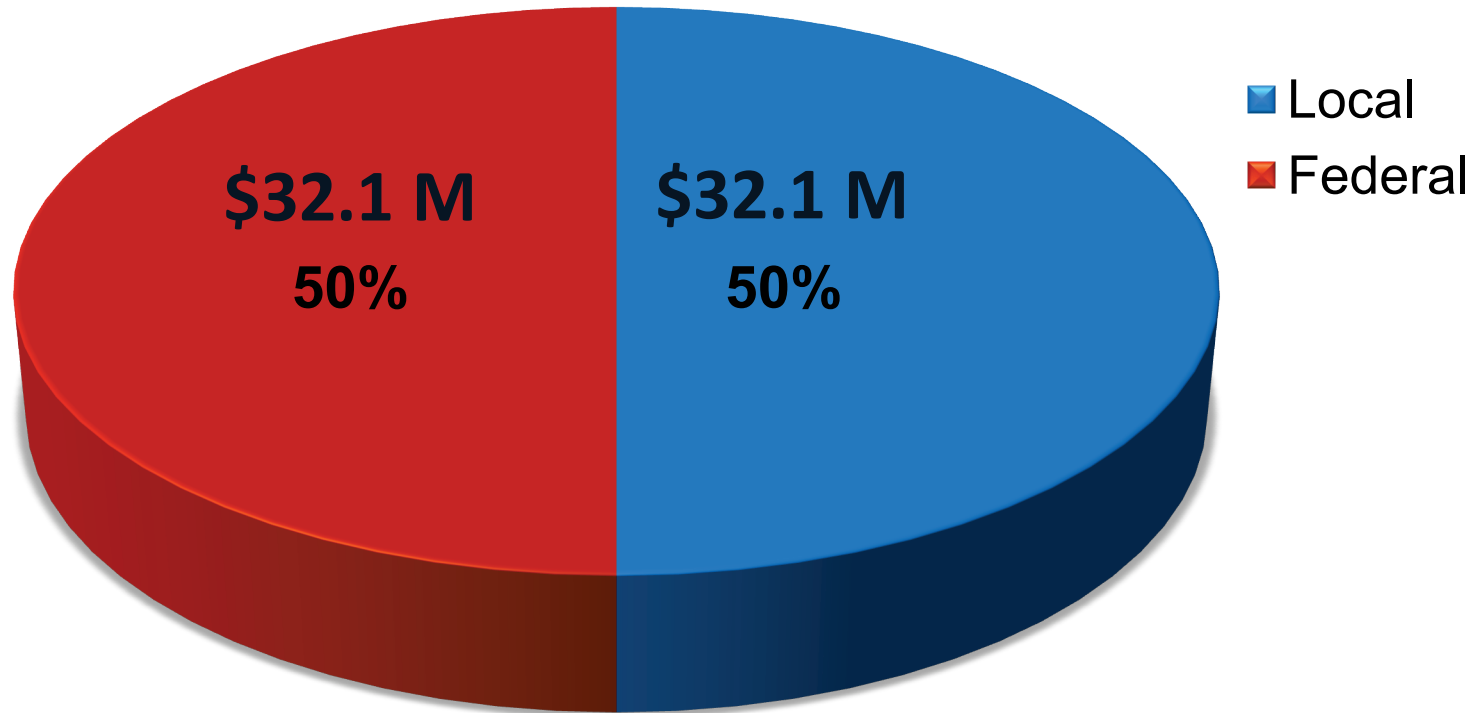
# Preliminary Joint Development Tier 1 Opportunities

- Results from 4 rounds of meetings with city and county staff
- Identifies:
  - Potential development scenarios
  - Anticipated costs
  - Estimated potential revenue
- Plans will continue to evolve through Joint Development phases of implementation
  - Example: project details (i.e. architectural elevations, landscaping) not until last phase, currently anticipated at the end of 2015

# Tier 1 Joint Development Opportunities

- Joint Development opportunities with the potential to be completed as part of SWLRT Project Scope
  - Royalston: City of Minneapolis
  - West Lake: City of Minneapolis
  - Beltline: City of Saint Louis Park
  - Blake Road: City of Hopkins

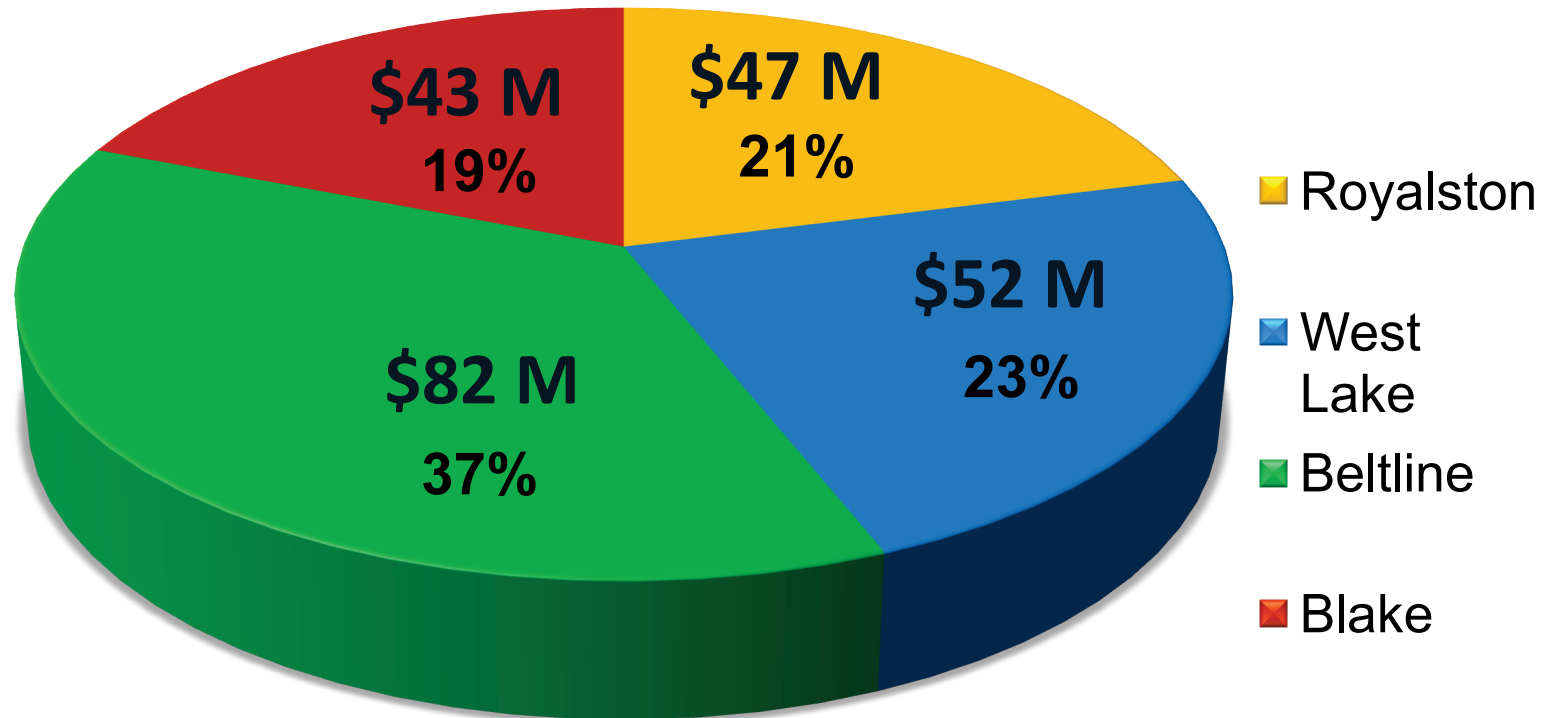
# Total Estimated Capital Costs for Tier 1 Joint Development Opportunities



**\$64.2 Million\***

\*Base Year 2013 Costs

# Private Investment Expected with Tier 1 Joint Development Opportunities

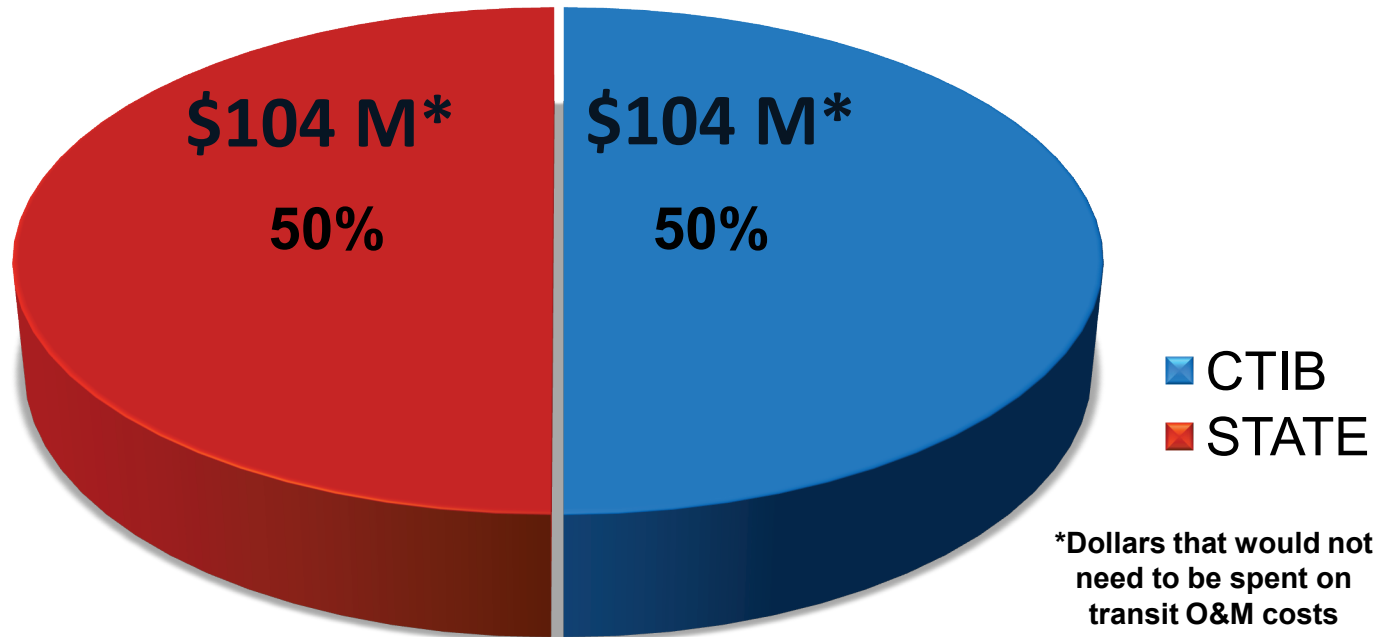


**\$224 Million\***

\*2013 dollars

# Total Estimated Revenue for Tier 1 Joint Development Opportunities

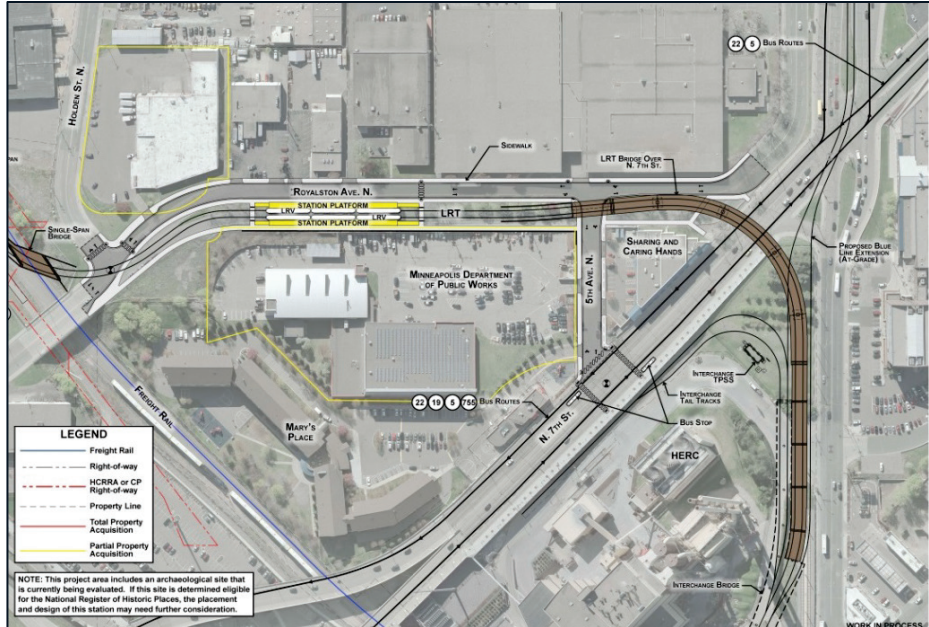
**Estimated Total Revenue: \$208 M\***  
(\$2013 dollars, based on 99 year lease)



**Estimated Annual Revenue: \$1.8 M to \$2.1 M\***  
\*\$2013 dollars)

# Royalston Station: Minneapolis

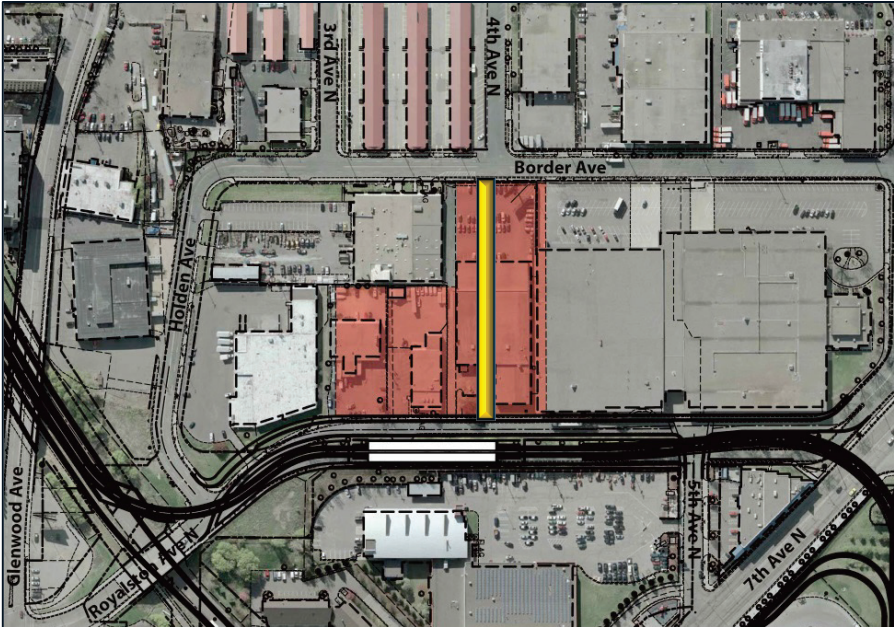
## BASE PROJECT IMPROVEMENTS



- Station (platform, landscaping allowance)
- Removals (pavement)
- Site (pavement, sidewalk, curb & gutter, retaining walls)
- New traffic signals (5<sup>th</sup> & 7<sup>th</sup>, Holden & Royalston)

**BASE PROJECT COST: \$9.3 million**

## JOINT DEVELOPMENT IMPROVEMENTS



- Acquisition of land
- Pedestrian connection canopy to Farmers Market (500 LF)
- Farmers Market shell (27,500 SF)
- Pad preparation
- Building demolition

**JOINT DEVELOPMENT COST: Approximately \$16 million**

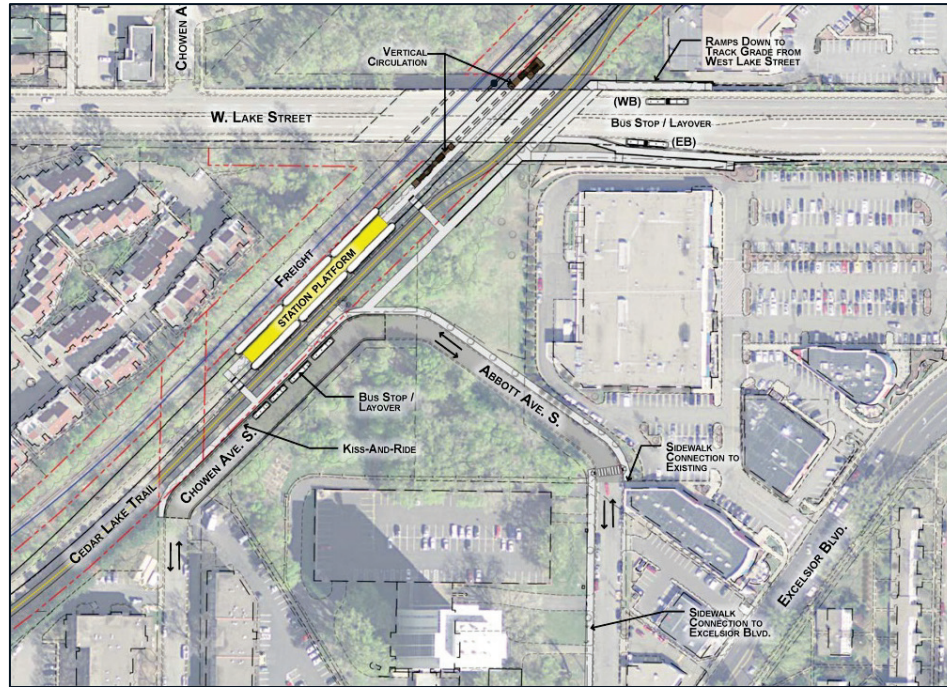


# Royalston Joint Development Preliminary Development Scenario

- Private Sector Development Opportunities:
  - 80-90 units of affordable housing/artist studios
  - 150-200 market rate housing units
  - Preliminary financial analysis identified private development investment ranges from **\$37- \$47 million**
- Joint Development Revenue Sources
  - Ground lease/air rights for housing
  - Ground lease for indoor Farmers Market
  - Lease payments for stalls in the indoor Farmers Market
  - Estimated annual revenue: **\$682,000 - \$771,000**

# West Lake Station: Minneapolis

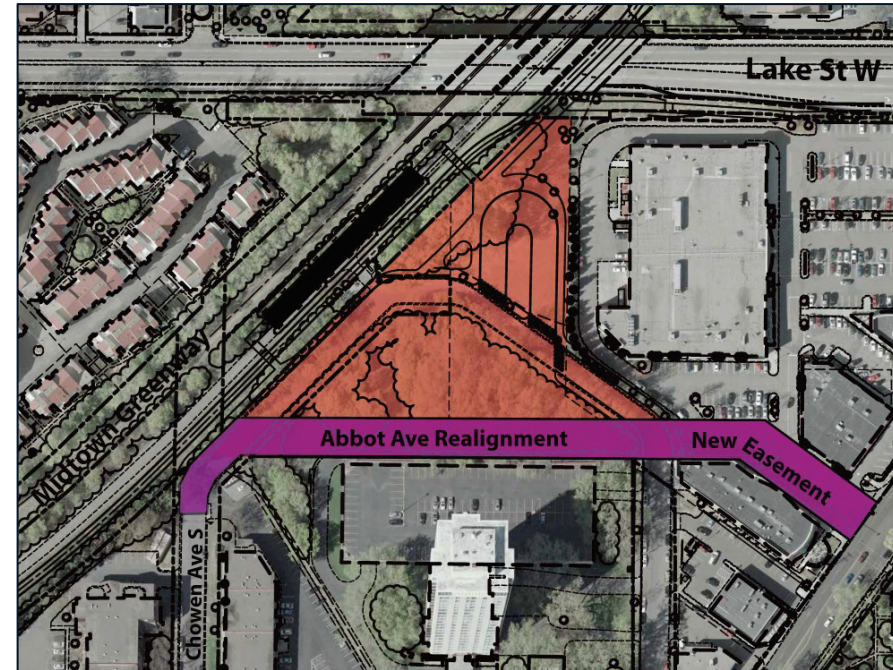
## BASE PROJECT IMPROVEMENTS



- Station (platform, landscaping allowance)
- Removals (pavement)
- Site (pavement, sidewalk, curb & gutter, fence, retaining walls)
- Vertical circulation
- Bus stop/layover and kiss-and-ride

**BASE PROJECT COST: \$12.6 million**

## JOINT DEVELOPMENT IMPROVEMENTS



- Acquisition of land from private property and Hennepin County – 2.95 acres
- Relocate Abbott Avenue S. and secure a new permanent road easement from Excelsior Road
  - 150 district parking stalls
  - Road and utilities
  - Pad preparation
  - Environmental remediation

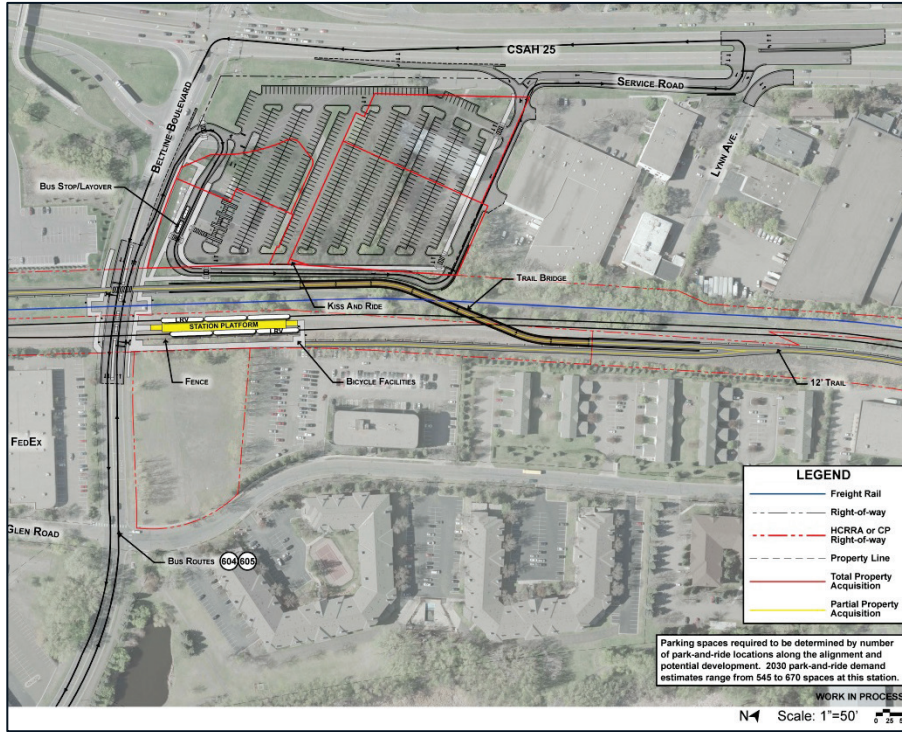
**JOINT DEVELOPMENT COST: Approximately \$ 18.7 million**

# West Lake Joint Development Preliminary Development Scenario

- Private Sector Development Opportunities:
  - 100-120 units of high rise housing
  - 20,000 – 25,000 SF of retail/entertainment uses
  - Preliminary financial analysis identified private development investment ranges from **\$43 - \$52 million**
- Joint Development Revenue Sources
  - Ground lease/air rights for housing
  - Ground lease/air rights for retail/entertainment uses
  - District parking lease payments
  - Estimated annual revenue: **\$255,000 - \$300,000**

# Beltline Station: St. Louis Park

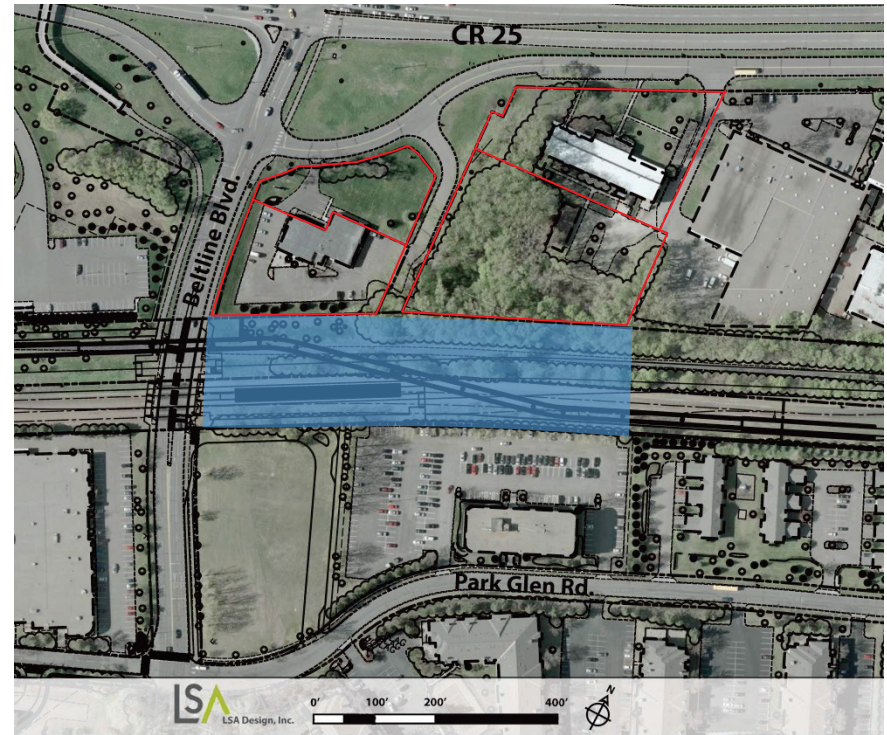
## BASE PROJECT IMPROVEMENTS



- Station (platform, landscaping allowance)
- Removals (pavement)
- Site (pavement, sidewalk, curb & gutter, median, fence, retaining walls)
- Park & ride surface lot (565 stalls)
- New traffic signal (Lynn & CSAH 25)
- Trail bridge over LRT and freight
- Bus stop/layover and kiss-and-ride

**BASE PROJECT COST: \$20.8 million**

## JOINT DEVELOPMENT IMPROVEMENTS



- Park & ride structured (565 stalls) over LRT/freight ROW
  - Additional district parking structured (200 stalls)
- Base project land acquisition

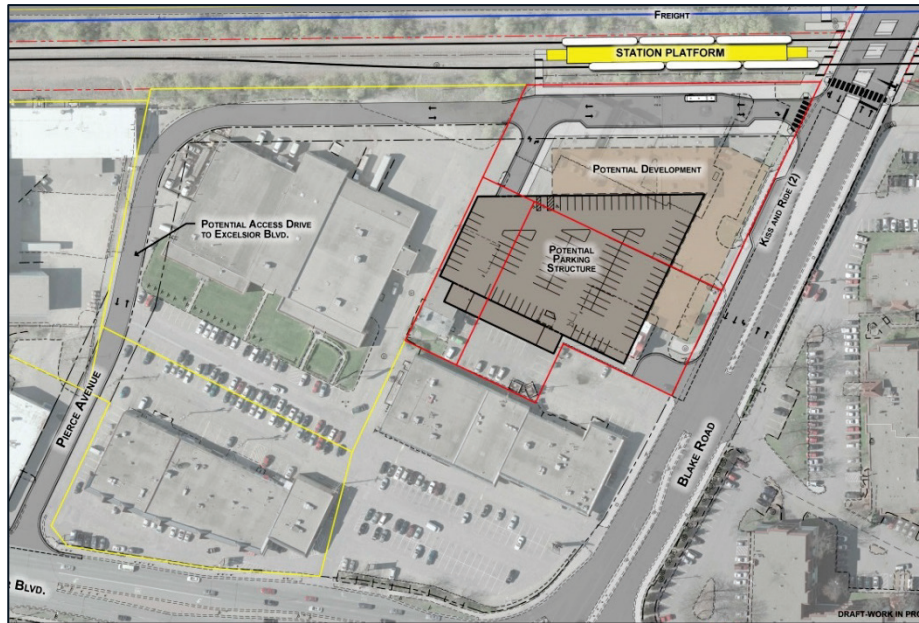
**JOINT DEVELOPMENT COST: Approximately \$17.4 million**

# Beltline Joint Development Preliminary Development Scenario

- Private Sector Development Opportunities:
  - 240-280 units of market rate housing
  - 80,000 – 150,000 SF of commercial/entertainment/office
  - Preliminary financial analysis identified private development investment ranges from **\$58 - \$82 million**
- Joint Development Revenue Sources
  - Ground lease/air rights for housing
  - Ground lease/air rights for commercial/entertainment/office
  - District parking lease payments
  - Shared parking using park-and-ride stalls
  - Estimated annual revenue: **\$435,000 - \$553,000**

# Blake Station: Hopkins

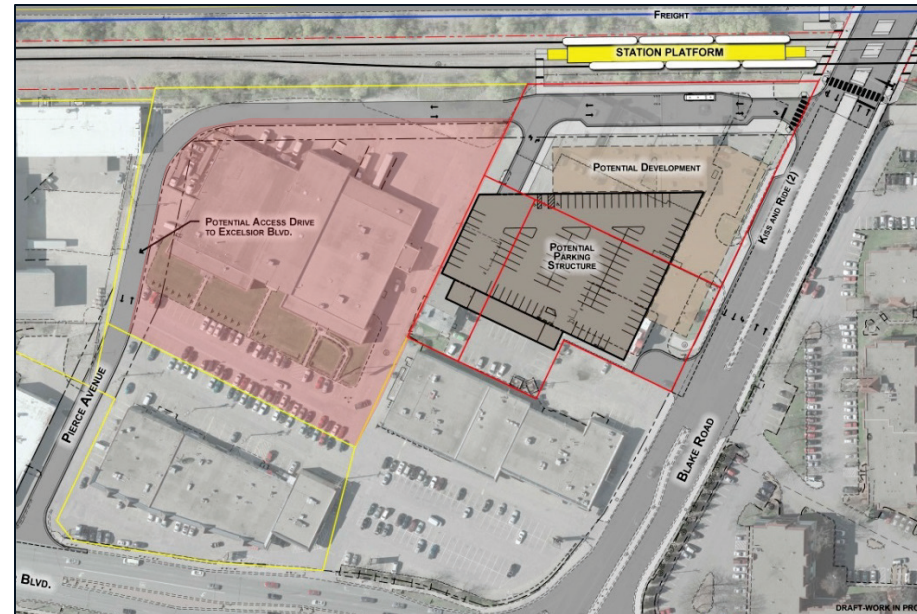
## BASE PROJECT IMPROVEMENTS



- Station (platform, landscaping allowance)
- Removals (buildings, pavement)
- Site (pavement, sidewalk, curb & gutter, median, fence)
- Park & ride Structure (445 stalls)
- New traffic signal (Pierce & Excelsior)
- Bus stop/layover and kiss-and-ride
- New Pierce Avenue and access easement

**BASE PROJECT COST: \$35.8 million**

## JOINT DEVELOPMENT IMPROVEMENTS



- Joint development land acquisition
  - District parking structure (200 stalls)
  - Road and utilities
  - Pad preparation
  - Building demolition

□ Base project land acquisition

**JOINT DEVELOPMENT COST: Approximately \$12.1 million**

# Blake Joint Development Preliminary Development Scenario

- Private Sector Development Opportunities:
  - 180-220 units of market rate housing
  - 20,000 – 30,000 SF of retail/entertainment
  - Preliminary financial analysis identified private development investment ranges from **\$34 - \$43 million**
- Joint Development Revenue Sources
  - Ground lease/air rights for housing
  - Ground lease/air rights for retail/entertainment
  - District parking lease payments
  - Shared parking using park-and-ride stalls
  - Estimated annual revenue: **\$390,000 - \$480,000**

# Tier 1 Joint Development Opportunity Implementation Phasing

- Phase 1: October 2013 – Spring 2014
  - Refine development program and financial analysis
  - Develop and execute agreements with public partners
  - Seek approval and support from FTA and local funding partners
  - Include in request to enter Engineering Phase New Starts submittal in Spring 2014



# Tier 1 Joint Development Opportunity Implementation Phases (con't.)

- Phase 2: Summer 2014 – Spring 2015
  - Develop detailed master plan that contemplates uses, phasing, financing, procurement process (Independent Real Estate Development Consultant Concept)
  - Seek community input
- Phase 3: Summer 2015 – 2018
  - Select master developer according to process agreed to in Phase 2
  - Obtain Federal, State and local construction approvals
  - Design and construct Joint Development project(s)

# Next Steps

- Seek input from Advisory and Management Committees and Agency Boards:
  - 10/30 BAC JD Part 1 - Complete
  - 11/7 CAC JD Part 1 - Complete
  - 11/27 BAC JD Part 2 - Complete
  - **12/4 CMC JD Parts 1 and 2**
  - 12/5 CAC JD Part 2
  - 12/11 Metropolitan Council JD Parts 1 and 2
- Prepare and Submit “pre-qualification” packages to FTA for review and approval: Winter 2013/2014

# Freight Rail Relocation Analysis Scope

# Freight Rail Relocation Analysis Scope

- Purpose: Review existing studies/designs; assess viability of options considered; and identify any new options
- Activities:
  - Coordinate with cities and County on analysis
  - Review DEIS freight rail relocation design and comments
  - Review previous freight rail relocation studies
  - Review SPO relocation designs
  - Interview freight railroads
  - Identify any new viable options
  - Present results to joint BAC/CAC, CMC

# Freight Rail Relocation Analysis Scope

- Reviewed scope with Minneapolis, St. Louis Park and Hennepin County staff on 10/25 & 10/28
- Reviewed proposal with Minneapolis, St. Louis Park and Hennepin County staff on 11/19
- Reviewed scope with MnDOT Office of Freight staff on 11/20

# Freight Rail Relocation Analysis Study

- Contract award to TranSystems
- Issued Notice to Proceed Nov. 27

# Water Resources Evaluation Scope

# Water Resources Evaluation Scope

- Purpose: Conduct an independent assessment of water resource impacts with the Kenilworth Shallow LRT Tunnels
- Activities:
  - Coordinate with city, county, park board, watershed district
  - Review all previous reports and documents
    - SPO draft Basis of Design
    - SPO draft Water Monitoring Plan for construction and ongoing operations
    - Minnehaha Creek Watershed District/Wenck technical memo
  - Present results to joint BAC/CAC, CMC



# Water Resources Evaluation Scope

- Reviewed scope with Minneapolis, Minnehaha Creek Watershed District, Minneapolis Park and Recreation Board and Hennepin County staff on 10/25 & 10/29
- Reviewed proposal with Minneapolis and Hennepin County staff on 11/19

# Water Resources Evaluation Study

- Contract award to Burns & McDonnell
- Issued Notice to Proceed Dec. 2

# Kenilworth Corridor Landscaping/Greenscaping Analysis

# Landscaping/Greenscaping Analysis

- Purpose: Systematically identify existing vegetation and identify re-vegetation opportunities with the Kenilworth Shallow LRT Tunnels
- SPO Activities:
  - Coordinate with city, county, park board, watershed district
  - Review previous studies
  - Inventory trees, understory vegetation and groundcover
  - Identify re-vegetation opportunities
  - Develop a public involvement plan and charrette process

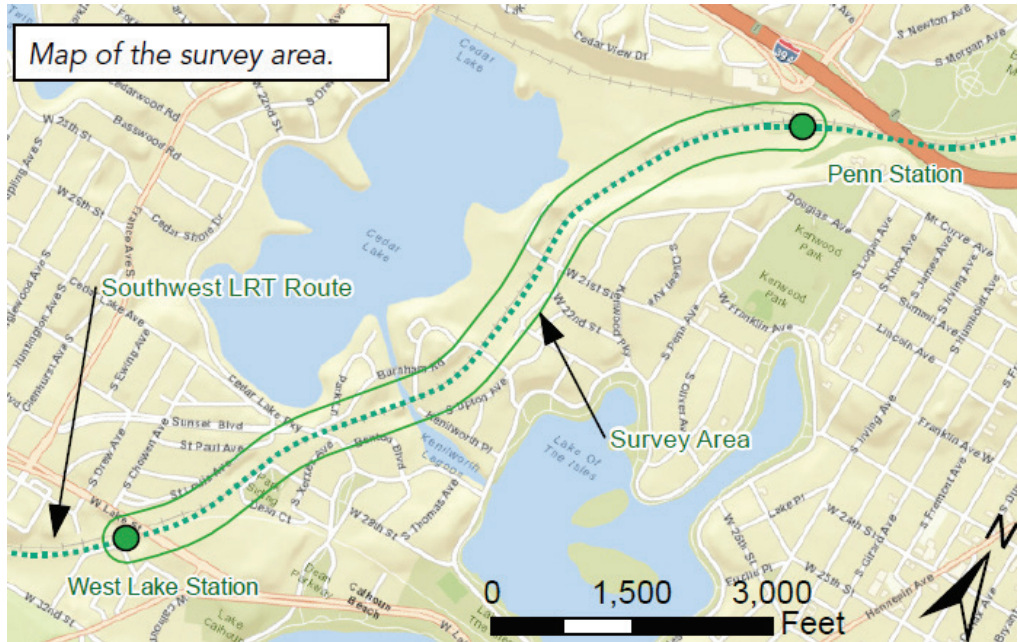
# Landscaping/Greenscaping Analysis

- Reviewed scope with Minneapolis, Minnehaha Creed Watershed District, Minneapolis Park and Recreation Board and Hennepin County staff on 10/25 & 10/29
- Initiated tree and vegetation inventory on Nov. 13

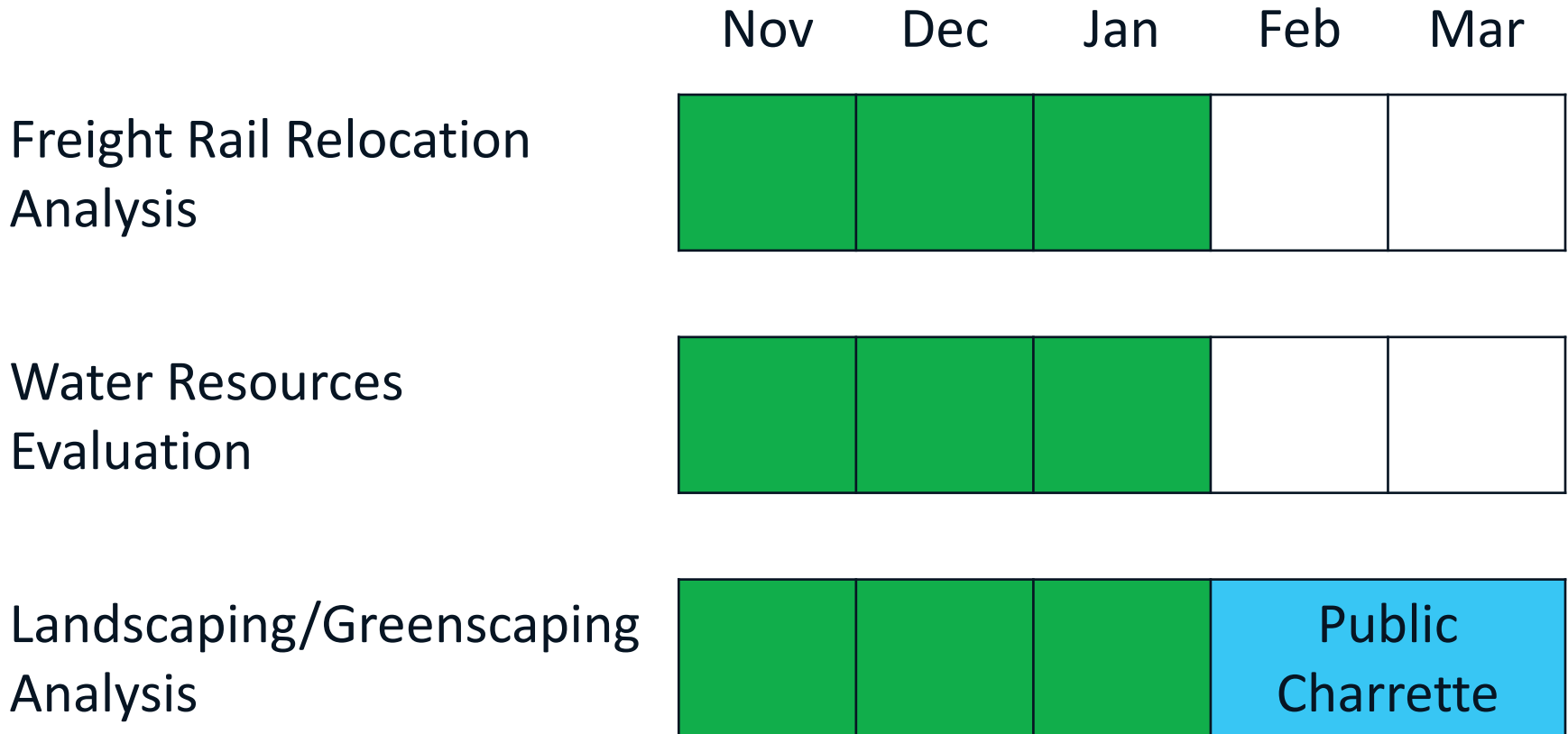
# Kenilworth Corridor Tree and Vegetation Survey



Recording size, species and condition of trees in the study area.



# Timeline for Completing 3 Additional Studies



# Stakeholder Involvement



# Stakeholder Involvement: December 2013

- Freight Rail Relocation Analysis
  - Hold kick-off meeting
  - Review initial screening of alternatives
- Water Resources Evaluation
  - Hold kick-off meeting
- Landscaping/Greenscaping Analysis
  - Review tree and vegetation inventory

# Stakeholder Involvement: Mid January 2014

- Present draft reports and seek input:
  - Technical staff with the cities, county, park board and watershed district
  - Joint SWLRT Business & Community Advisory Committees
  - SW Corridor Management Committee
    - Public testimony opportunity
  - Metropolitan Council
    - Public testimony opportunity

# Stakeholder Involvement: Late January 2014

- Present final reports and approve project scope and budget:
  - Technical staff with the cities, county, park board and watershed district
  - SW Corridor Management Committee
  - Metropolitan Council
- Met Council authorizes distribution of municipal consent plans

# Access and Distribution of Information

- Presentations to CMC, BAC, CAC Committees
- Public testimony at CMC and Council meetings
- Draft and final reports posted on [swlrt.org](http://swlrt.org)
- Community/neighborhood presentations
- Project newsletter
- Press releases
- Twitter

# Potential Additional Outreach Activities

- SWLRT “Mobile Office”
- Direct mail campaign
- Met Council “listening sessions”
- Elected official town hall open houses/community meetings

# More Information

Online:

[www.SWLRT.org](http://www.SWLRT.org)

Email:

[SWLRT@metrotransit.org](mailto:SWLRT@metrotransit.org)

Twitter:

[www.twitter.com/southwestlrt](http://www.twitter.com/southwestlrt)





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November 21, 2013

Mark Fuhrmann  
Central Corridor Project Office  
540 Fairview Avenue North  
St. Paul, Minnesota 55104

Subject: Joint Development along Southwest Corridor

Thank you for the opportunity to discuss the Southwest Project Office's (SPO's) goal of identifying four joint development opportunities along the Southwest Corridor during our meeting on Friday, November 15. Hennepin County supports efforts to leverage transit investments for transit oriented development. Over the last ten years the County has invested over \$50 million along transit corridors, leveraging \$960 million, assisting over 2,000 units of housing, and creating/retaining over 6,100 jobs. We have created and continue to invest in the County's TOD, Affordable Housing and Environmental Response Funds. In addition, we have authorized and funded over 15 Community Works projects, many of which are along major transit corridors.

Per Federal Transit Administration's (FTA's) Joint Development Guidance, "joint development is any income-producing activity with a transit nexus related to a real estate asset in which FTA has an interest."

We appreciate the rationale for pursuing joint development, which includes:

- potential positive impacts to the New Starts application score,
- potential federal match of 50% for joint development project costs, and
- future revenue stream from the joint development project that would assist in covering LRT operations and maintenance costs.

We also understand the challenges to joint development, which includes:

- federalization of development projects, requiring compliance with federal environmental, procurement, contracting, regulations, and maintenance of "satisfactory continuing control",
- limitations on use of state bond funds,
- potentially complicated partnership structures, and
- increasing the overall project budget.

Based on an SPO-led assessment, four stations were identified as Tier 1, having strong joint development potential. These stations include Royalston and West Lake in Minneapolis, Beltline in St Louis Park and Blake in Hopkins. Identification of joint development sites where partnerships can be established and executed to coincide with

the construction and opening of the SWLRT is a driving consideration. It is anticipated that, the partnerships would engage public sector partners (SPO/Metropolitan Council (MC), Counties Transit Improvement Board (CTIB), Hennepin County, and local governments) and the private sector.

Based on our discussion on November 15, it is our understanding the joint development sites would be preliminarily shared with the FTA for concurrence and if deemed eligible would be advanced to the FTA as part of the SWLRT New Starts application. While the cost of joint development may be removed from the cost effectiveness calculation for the purposes of the New Starts application, they do add to the overall project cost.

If eligible, the FTA may participate in up to 50% of the cost of each joint development project. The balance of joint development costs, as proposed by SPO, comes by way of local match and is presumed to be 30% CTIB, 10% Hennepin County Regional Railroad Authority (HCRRA), and 10% State of Minnesota. Additionally, SPO documents suggest the contribution of two discrete parcels at West Lake and Beltline stations, owned by the HCRRA. The conveyance of these two parcels to the SPO for joint development is in question as more details are needed as well as a formal request from the SPO to the HCRRA Board. To date the SPO has not engaged the County in any discussion regarding land conveyance, partnership roles and responsibilities, or alternative methods for joint development. Nor has there been any significant notice or discussion with the Counties Transit Improvement Board.

Based on the information shared at the November 15 meeting, it appears the SPO is seeking County agreement to:

1. prioritize the stations for joint development,
2. pursue specific joint development sites along the SWLRT corridor;
3. submit these sites for consideration by the FTA under the New Starts program and for financing;
4. engage as both a development and financing partner (although specific roles between Hennepin County and SPO have not yet been defined);
5. convey HCRRA land to SPO for joint development and provide funds to cover a portion of the local match;
6. have project related revenues dedicated to offset operation and maintenance costs of the SWLRT; and
7. have CTIB be a major financing partner.

This conversation raises a number of concerns that are fundamental to what is being asked of the County and CTIB. Until clarity is provided regarding the following questions, it is tenuous at best to approach the Hennepin County Board and related authorities (i.e. Hennepin County Regional Rail Authority (HCRRA) and Hennepin County Housing and Redevelopment Authority (HCHRA)) with the aforementioned requests. The following preliminary questions remain for further dialogue and discussion with your team:

1. How will joint development impact the FTA New Starts application score? How much joint development is appropriate?



2. What is the expectation for Hennepin County financially and otherwise? What role and authority does Hennepin County have for these joint development project decisions?
3. What are the expectations, financial and otherwise, for the Metropolitan Council, State, CTIB and cities along the corridor? Who and how will these expectations be set?
4. Has consideration been given to the current funding splits to determine if these are appropriate to fund potential joint development opportunities? Is the remaining 50% to be split 10% by the state, 10% by HCRRA and 30% by CTIB appropriate for this activity?
5. Are the local partners in agreement with this approach for joint development? Have there been any conversations with local communities who will benefit to also help fund these joint development opportunities?
6. Are the projected financial returns sufficient for all partners to support the level of financial commitment being requested of them?
7. Is the proposed joint development schedule feasible and realistic?
8. What is the rationale and business case for conveyance of HCRRA land to the project?
9. Do local funding partners, such as CTIB, agree with pursuing joint development given that it results in an overall increase in the project cost and budget?
10. In light of its role to date and broad statutory authority was Hennepin Community Work's Southwest Project considered as an alternative mechanism for leading the non-federal activities associated with this effort?

At the present time, our direction is guided by the Hennepin County White Paper on the Use and Disposal of HCRRA assets and Board discussions with all the County Commissioners. What is being asked of Hennepin County by the SPO would represent a change in direction of the County and would require board approval.

Please let us know if you have any questions regarding items raised in the letter. I think it would be beneficial to discuss these questions in the near future, especially in light of your proposal to provide this information to the FTA for consideration in December, 2013. I and others from our Hennepin County team are available to discuss this at your convenience.

Sincerely,



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Director

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