HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY STAFF REPORT ON FREIGHT RAIL RELOCATION

August, 2011

Introduction

This report provides a summary of the findings contained in six consultant studies conducted between 2009 and 2011 related to freight rail operations between the southern/western suburbs and St. Paul. The studies evaluated various alternative routes for freight rail service including the potential for coexistence of freight rail and light rail transit (LRT) in the Kenilworth Corridor. The reports reviewed include:

- TCWR Freight Rail Realignment Study, TKDA, 2009
- Evaluation of TCWR Routing Alternatives, Amphar Consulting, 2010
- Analysis of Freight Rail/LRT Coexistence, R L Banks, 2010
- Freight Rail and LRT Coexistence, HDR Engineering, 2009
- Freight Rail Technical Memoranda : to the City of St. Louis Park, S.E.H., 2011
- MN&S Environmental Assessment Worksheet (EAW), Minnesota Department of Transportation (MnDOT), 2011

In addition to summarizing the studies referenced above, this report also provides an assessment of the St. Louis Park City Council's conclusion that:

It has been established in Technical Memorandum #3 by SEH that there is a viable route through the Kenilworth Corridor for light rail and freight rail, with the relocation of a portion of the regional trail, acquisition of property and appropriate measures to address such items as at-grade crossings and station area impacts. (St. Louis Park City Council Resolution 11-058, adopted May 31, 2011)

This document about freight rail relocation options includes extensive discussion about the planned Southwest Light Rail Transit line. The discussion of these two projects in this document does not mean that the two projects are legally connected. As described herein, freight rail relocation has been identified as necessary since the 1990s, long before any discussion of running the Southwest LRT line through Kenilworth. Accordingly, the freight rail relocation has been and continues to be a decision that staff believes is independent of the LRT project and should proceed independent of the LRT project.

History/Background

The origin of the current freight rail issue in St. Louis Park and Minneapolis was the severing of the freight rail line in the 29th Street/Midtown Corridor in the 1990's. This action was part of the TH55/Hiawatha Avenue project funded by MnDOT and the Federal Highway Administration (FHWA). MnDOT and FHWA made the decision to sever the freight rail line rather than to construct a grade separated crossing. This decision was made due to geometrics, topography, and costs. After the decision was made to sever the rail line, an analysis was conducted to determine the preferred alignment for relocation of the freight rail service. The location preferred by the government

agencies and the private freight rail companies was the active Minneapolis, Northfield and Southern (MN&S) line through St Louis Park. Shortly before the TH55/Hiawatha Avenue project was let and the freight rail was to be severed, it was determined that the National Lead/Golden Auto site in St Louis Park where the rail connection would be made was contaminated (and listed as a federal superfund site). MnDOT had approximately two to three months to find an alternate route for the freight rail relocation or the state was at risk of losing the TH55/Hiawatha Avenue federal funds. The Cedar Lake/Kenilworth Corridor was chosen by MnDOT as the "temporary" (4 to 6 years) reroute for freight rail until such time that the National Lead/Golden Auto site was delisted or another alternative was found. To facilitate the TH 55/Hiawatha Avenue roadway project, the HCRRA agreed to the temporary rerouting of freight rail through the Kenilworth Corridor and entered into a three party agreement with the Canadian Pacific (formerly Soo Line) and Twin Cities and Western (TCW) Railroads.

Freight Rail Studies

This section summarizes the scope and findings of six freight rail studies conducted over the past three years to support a determination of the best permanent location for freight rail currently running in the Kenilworth Corridor. This is only a summary and is not meant to replace, revise, add to or subtract from the actual reports being summarized.

1. Freight Rail Realignment Study, TKDA, 2009

In 2009, the Hennepin County Regional Railroad Authority (HCRRA) in partnership with the Minnesota Department of Transportation (MnDOT), the City of St. Louis Park, and the private freight rail companies conducted an alternatives analysis to determine the preferred permanent route for the TCW freight rail traffic between the southern/western suburbs of the Twin Cities and St. Paul. The potential list of alternate routes was expanded beyond the MN&S to ensure that all potential routes were explored and the most viable identified as the preferred route.

Through this process the following six (6) potential alternatives were identified:

- 1. Kenilworth Corridor retain freight rail service in the active Kenilworth Corridor
- 2. Midtown Corridor reinstate freight rail service in the Midtown Corridor
- 3. MN&S Line relocate freight rail service to the active MN&S Line
- 4. Chaska Cut-off reinstate freight rail service via Chaska
- 5. Highway 169 reinstate freight rail service along the Highway 169 Corridor
- 6. Western Connector reroute freight rail service to the active Western Connector

The routing alternatives were then evaluated to determine which one would provide the most viable long-term permanent home for freight rail. Considerations included:

- impact to freight rail operations (short-term and long-term)
- impacts to the transportation system
- potential property acquisitions/relocations
- construction (engineering, construction, property acquisitions costs (at less than 5% engineering includes a 30% contingency for design variables and mitigation)



TKDA Evaluation Summary

Route	Benefits	Considerations	Findings		
Kenilworth	 Active freight rail line Direct route to/from St. Paul 	 Temporary route now past intended lifespan Compounds future congestion at Target Field area Limits freight rail expansion through the Transportation Interchange \$20 to \$120 million (range for acquisitions associated with coexistence) 	Not recommended due to negative impact on future freight rail operations, intended temporary use and significant housing acquisitions and cost (\$120 million) if coexistence of freight rail and LRT pursued.		
Midtown	 Former freight rail line Direct route to/from St. Paul 	 Significant reconstruction impacts (HLRT, TH 55, & Sabo bridge) Compromises significant development investment & Midtown Greenway Shared vision for corridor is streetcar with transit oriented development Requires numerous federal and state permits Requires new agreements with private freight rail companies \$136 million 	Not recommended due to significant required infrastructure construction/reconstruction, inconsistent with shared vision for corridor, required federal/state permits and new agreements between the private freight rail companies, and the relatively high estimated cost of \$136 million.		
MN&S	 Active freight rail line Track upgrades reduce noise Eliminates blocking operations Future flexibility to avoid congestion in downtown Minneapolis Removes at-grade freight rail crossings at proposed LRT stations 	 Property acquisitions for direct southern connection Closes 29th Street crossing Requires new siding to be constructed at the northern connection to BNSF \$48 million 	Recommended with appropriate mitigation for impacts. It is recommended because it is an active freight rail line, the private freight rail agreements needed exist, there are a relatively low number of permits required, it provides flexibility for future freight rail operations, and is relatively low in cost at \$48 million.		
Chaska Cut- Off	 Removes traffic from Transportation Interchange Reduces freight rail traffic in Hopkins and St. Louis Park 	 Construction of rail bridge over Minnesota River Difficult permitting process for Minnesota River bridge No access to Camden or ability to interchange with lines other than UP Negative implication for TCW operations Requires property acquisitions/displacements in Chaska \$105 million 	Not recommended due to difficult permitting process specifically for the Minnesota River crossing, new restrictions for TCW freight rail operations, significant property acquisitions in Chaska, the requirement that new private freight rail agreements be negotiated, required state and federal permits and approvals, and the relatively high cost of \$105 million.		

TKDA Evaluation Summary, continued							
Route • Benefits			Considerations	Findings			
Highway 169	• Flat grade	•	Acquisition of new housing developments and pedestrian trail Requires reconfiguration of Highway 169 and Excelsior Boulevard Creates a new at-grade freight rail crossing of Excelsior Boulevard Requires replacing the Hwy 5/ Minnetonka Blvd bridge for clearance \$120 million	Not recommended due to significant property acquisitions, the potential 4f impact associated with removing or relocation of the recreational trail, major infrastructure construction/reconstruction (Hwy. 169/Excelsior Boulevard and Hwy. 5/Minnetonka Boulevard bridge, and the relatively high cost of \$120 million.			
Western Connector	 Removes traffic from Transportation Interchange Reduces freight rail traffic in Hopkins and St. Louis Park 	•	TCW cannot connect to BNSF and CPR, competitive disadvantage Doubles the miles for TCW traffic using the Minnesota Prairie line Significant impact to operations and timing for deliveries Requires upgraded track west of Granite Falls \$60 million	Not recommended due to negative impacts to TCW freight rail operations and required investments in freight rail infrastructure investments. This route could be pursued for TCW trains carrying coal, but not other commodities.			

After analyzing the six routes, it was concluded that the most viable, and therefore preferred, route was the MN&S route through St. Louis Park.

The TCWR Freight Rail Relocation Study was published in November 2009 and contained a recommendation that MnDOT include the relocation of freight from Kenilworth in the Statewide Freight Rail Plan and that the preferred route should advance to the next stage of environmental and preliminary engineering analysis. In February 2010, the MnDOT published the Statewide Freight Rail Plan which included the MN&S freight rail relocation project.

St. Louis Park City Council Resolution

In June 2010, the St. Louis Park City Council passed Resolution 10-071, which requested that the HCRRA reanalyze the potential routes in the TCWR Freight Rail Realignment Study, 2009 in greater detail. In addition, the St. Louis Park City Council also requested that the HCRRA conduct an analysis of routing both freight rail and light rail transit (LRT) in the Kenilworth Corridor. In response to this request, the HCRRA retained Amphar Consulting to conduct the reanalysis of four of the routes contained in the TCWR Freight Rail Realignment Study, 2009, and R L Banks and Associates to conduct the analysis of routing both freight rail and light rail and light rail transit (LRT) in the Kenilworth Corridor. At the same time, the HCRRA in partnership with MnDOT, the City of St. Louis Park, and the private freight railroads began an Environmental Assessment Worksheet (EAW) on the MN&S line.

2. Evaluation of TCWR Routing Alternatives, Amphar Consulting, 2010

Amphar Consulting was retained by the HCRRA to provide additional information in direct response to the request by the St. Louis Park City Council via Resolution 10-071. The following four (4) alternative routes were evaluated:

- 1. Midtown Corridor reinstate freight rail service in the Midtown Corridor
- 2. Chaska Cut-off reinstate freight rail service via Chaska
- 3. Highway 169 reinstate freight rail service along the Highway 169 Corridor
- 4. Western Connector reroute freight rail service to the active Western Connector

The four (4) alternatives were evaluated based upon the following measures:

Sound Engineering (Grades, curves & clearances to allow for efficient railroad operation)

Freight Rail Operations (Safe, efficient, & economical connection to St. Paul) **Transportation System Impacts** (Potential impact to roads, trails, and transit) **Acquisitions/Displacements** (Number, type and estimated cost)

Estimated Costs (Engineering, construction, property acquisition and contingency for design variables and mitigation)

Environmental Risks (Potential for adverse impacts upon critical environmental resources)

Implementation Factors (Elements affecting implementation such as agreements and permits, and acceptability of the route to affected railroads)

Amphar Consulting Evaluation Summary

The Western Connector was discontinued from further analysis early during this study because it is only a viable route for the TCW trains transporting coal. A summary of the evaluation of the remaining three (3) routes is provided below.

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	Route Alternative:				
Evaluation Measures:	Chaska Cut-Off	Midtown Corridor	Hwy 169 Connector		
TCWR Operations:					
Round trip route distance	103	78	81		
Passes Target Field Station?	No	No	Yes		
Route to Savage	direct access?	St. Louis Park	St. Louis Park		
Route Characteristics:					
Miles of new construction	10.8	10.8 4.4			
No. of structures displaced	19	1	34		
No. of housing units displaced	25	0	131		
Value of properties	\$ 9.4 million	\$ 2.8 million	\$ 38.0 million		
Total no. of grade crossings	45	29	27		
No. of new public crossings	5	4	6		
No. of St. Louis Park crossings	none	2	4		
Estimated Total Cost:	\$ 129.8 million	\$ 195.6 million	\$ 121.6 million		
Principal Challenges:	Permitting issues for the Minnesota River Crossing	High cost vs. others	Value and number of housing units impacted.		
TCWR is not in favor of this alternative		Conflict with Greenway transit and development plans			

Conclusion/Recommendation

The analysis concluded that none of the four routes evaluated would be a viable permanent location for freight rail service between St. Louis Park and St. Paul due to the negative impacts on freight rail operations, relatively high capital costs, significant acquisitions/displacements, construction of significant segments of new tracks, and the difficulty in obtaining the necessary permits and agreements. This conclusion is consistent with the conclusion reached by TKDA in the TCWR Freight Rail Realignment Study, 2009.

3. Kenilworth Corridor: Analysis of Freight Rail/LRT Coexistence, RL Banks, 2010

In response to the St. Louis Park Resolution 10-071, the HCRRA retained R L Banks and Associates to conduct an in-depth analysis of the viability of coexistence of freight rail, light rail and the commuter bike trail in the Kenilworth Corridor.

To explore the universe of potential alternatives the following were evaluated:

- 1. Freight Rail, LRT, and Trail at-grade
- 2. Freight Rail and LRT at-grade with the Trail relocated
- 3. Freight Rail and LRT at-grade with the Trail elevated
- 4. Freight Rail and Trail at-grade with LRT elevated
- 5. Freight Rail and Trail at-grade with LRT in a tunnel
- 6. Freight Rail and LRT share a single track with Trail at-grade
- 7. Freight Rail, LRT (single track), and Trail at-grade

The seven (7) alternatives were evaluated based upon the following measures:

Sound Engineering (Grades, curves & clearances to allow for efficient railroad operation)

Freight Rail Operations (Safe, efficient, & economic connection to St. Paul) Light Rail Transit (LRT) Operations

Transportation System Impacts (Potential impact to roads, trails, and transit) **Acquisitions/Displacements** (Number, type and estimated cost)

Estimated Costs (engineering, construction, property acquisition and contingency for design variables and mitigation)

Environmental Risks (Potential for adverse impacts upon critical environmental resources)

Implementation Factors (Elements affecting implementation such as agreements and permits, and acceptability of the route to affected railroads)

Evaluation Measures				Alternatives			
	1	2	3	4	5	6	7
Sound Engineering	Yes	Yes	No	No	No	No	No
Freight Rail Impacts	Low	Low	Low	Low	Low	No	Low
LRT Impacts	Medium	Medium	Medium	Medium	Medium	Medium	High
Transportation Impacts	Low	High	High	Low	Low	Low	Low
Acquisition/ Displacement	35-57	117	117	0	0	0	0
Environmental Risk	High	High	High	High	High	Medium	Medium
Cost (millions)	\$51-59	\$109-120	\$71-88	\$112-139	\$203-230	\$35-43	\$31-38

RL Banks Evaluation Summary

R L Banks concluded that none of the seven alternatives evaluated was considered to be viable due to negative impacts to the transportation system including the proposed Southwest LRT project, negative community impacts, significant acquisitions/displacements, a high degree of risk that the required permits/approvals from resource agencies with jurisdiction over critical environmental resources would be difficult to obtain, and the cost. There was an error related to available right-of-way in the initial RL Banks draft that was corrected in the final RL Banks report.

4. Analysis of Co-Location of Freight Rail and LRT, TKDA and HDR, 2009

During the course of the TCWR Freight Rail Relocation Study, 2009 described previously, St. Louis Park staff requested an evaluation of the potential for freight rail and LRT coexistence in the Kenilworth Corridor. The purpose was to inform elected officials and the public of the implications. TKDA concluded¹ that coexistence of the freight rail lines would require acquisitions in excess of \$100 million and a potential additional crossing of freight rail and LRT. Based upon this analysis, TKDA concluded that it is not viable for freight rail and LRT to coexist in the Kenilworth Corridor.

In addition to the assessment by TKDA, Hennepin County also requested that HDR Engineering, Inc., who was under contract to conduct the Southwest Transitway Draft Environmental Impact Statement (DEIS), evaluate the viability of coexistence of freight rail, light rail and the commuter bike trail in the Kenilworth Corridor. HDR Engineering, Inc. concluded that due to space constraints and required property acquisitions it was not viable for freight rail, light rail and the commuter bike trail to coexist in the Kenilworth Corridor.

5. S.E.H. Analysis

The City of St. Louis Park hired S.E.H. in 2010 to assist in the review and analysis of the previous freight rail studies and to evaluate and describe the impacts for St. Louis Park. On Dec. 13, 2010, the city council directed S.E.H. to prepare a report with further analysis of the following alternatives:

- 1. Kenilworth: Co-location of freight rail, LRT, and trail (R L Banks analysis alternative 1)
- 2. Kenilworth: Co-location of freight rail and LRT with the trail moved (R L Banks analysis alternative 2)
- 3. Western Connector: Utilizing freight rate subsidies for TCW to operate on routes west of the metro
- 4. MN&S: Utilizing the MN&S route.

S.E.H. Evaluation Summary

Alternatives 1 and 2: Kenilworth Co-Location

¹ Freight Rail Realignment Study, TKDA, 2009, page 8

Alternative 1 assumed that freight rail, LRT and the commuter bike trail were co-located at-grade in the corridor. Alternative 2 assumed that freight rail and LRT were co-located at-grade in the corridor and the commuter bike trail was relocated outside of the exclusive corridor.

Alternative 1 was estimated to cost \$60 to \$65 million if only a portion of the Cedar Lake Shore Townhome development is acquired and between \$73 and \$78 million if the entire development is acquired. Alternative 2 was estimated to also require acquisition of some portion of the Cedar Lake Shore Townhome due to the closer proximity of freight rail operations to the townhomes. Alternative 2 was estimated to cost \$30 million without acquisitions and from \$35 to \$70 million with property acquisitions, dependent upon the number of required acquisitions.

Alternative 3: Western Connector

The S.E.H. analysis concluded that rerouting TCW freight rail traffic from St. Louis Park to the Western Connector (alternative #3) was not feasible because it adds substantially to the operating costs for TCW by approximately 120 miles and 2 to 3 days per train trip and limits the ability for TCW to bring grain to the port in Savage. S.E.H. also concluded that this route may be viable for the coal trains only and that should be explored.

S.E.H. also made some comparisons between MN&S and Kenilworth Corridor and found:

- Grade Change: Both routes have hills. Maximum grade change on MN&S is 1.5%. Maximum grade change on Kenilworth is .77%
- Curves: Multiple curves on both routes, generally tighter curves along MN&S
- Right-of-Way (ROW): MN&S varies from 34' to 145', much of it 66'-100'. Kenilworth varies from 44' to 200', but adjacent to the HCRRA ROW is ROW owned by other public entities, raising potentially significant issues with the City of Minneapolis and the Minneapolis Park Board.
- At-grade crossings: Both routes have significant uninterrupted stretches. MN&S crossings are more concentrated by St. Louis Park High School. Kenilworth crossings occur on higher traffic streets. For example, MN&S crossings at Dakota (4500 Average Daily Traffic) and Lake (3850 ADT) have lower traffic volumes than Kenilworth crossings at Beltine (14,100 ADT) and Wooddale (11,300 ADT).
- Housing/Land Use: there are more single family homes along MN&S and more parkland and multifamily housing along Kenilworth.
- The S.E.H. study found most significant impact of co-location was at the Wooddale and Beltline Station areas in St. Louis Park. The impacts are described in the S.E.H. study as follows: creates barrier for pedestrian, bicycle, and transit access; creates increased vehicle queues along Wooddale and Beltline Boulevard; creates design challenges for possibility of Beltline grade separation; creates a more industrial or utilitarian setting than that of an exclusive transit way, making the corridor less attractive for development; presents increased safety concerns.

S.E.H also highlighted the following issues that would need resolution prior to a final determination on the viability of locating both freight rail and LRT in the Kenilworth Corridor:

- 1. Parkland Impacts: The environmental impact on parkland property including the Cedar Lake Channel, Cedar Lake Parkway crossing, of adding freight rail in to the corridor as permanent element.
- 2. LRT Interface: Where will the LRT tracks cross the freight rail within the SW corridor?
- 3. Highway 100: How does the freight rail and LRT impact the Highway 100 bridge design?
- 4. Trail: What is the best location for the relocated trail? Right now the SW LRT plans show the regional trail is on the north side of the LRT west of Wooddale and the south side east of Wooddale.
- 5. Southwest DEIS: The impact to the draft SW LRT EIS and would it need to be amended?
- 6. Acquisitions: How much of the Cedar Lakeshore townhome development would be acquired?
- 7. LRT Stations: How does the freight rail adjacent to the LRT affect the operation, design and success of the LRT stations?
- 8. Midtown Streetcar: How would the freight rail in Kenilworth affect the opportunity for trolley service on the Midtown Greenway?

In conclusion, S.E.H. states in Tech Memo #3:

A final evaluation of the Kenilworth Corridor issues would need to be done relative to the MN&S alignment study. Understanding the impacts and costs, mitigation and actual concept plan proposed for MN&S will be needed to evaluate the relative merits for the community of each of the alternative resolutions to the TC&W freight rail question.

6. MN&S Environmental Assessment Worksheet (EAW), MnDOT, 2011

Over the past year, the Hennepin County Regional Railroad Authority (HCRRA), serving as the project proposer, and the Minnesota Department of Transportation (Mn/DOT), serving as the Responsible Governmental Unit (RGU) under the state environmental review process, have been working on the Environmental Assessment Worksheet (EAW) for the proposed MN&S Freight Rail Project in St. Louis Park and Minneapolis. An EAW was completed, signed by Mn/DOT on May 12, and published for public and agency review. The EAW provides an analysis and overview of the potential environmental impacts for the proposed project. It assists the designated RGU in determining if there are significant impacts that require the preparation of an Environmental Impact Statement. An open house was held on June 8 at the St. Louis Park Recreation Center to provide the public with information about the EAW.

EAW Summary and Conclusions

In making the determination on the significance of the impacts under the proposed action, Mn/DOT, as the RGU, considered the following:

- **Type, Extent and Reversibility of Impacts.** Mn/DOT concluded that no significant environmental effects were identified that could not be mitigated through measures committed to in Table 5.1 of the Findings of Fact Document.
- Cumulative Potential Effects of Related or Anticipated Future Projects. Mn/DOT concluded that potential impacts to resources identified can be avoided or minimized through existing regulatory controls. No potential significant cumulative impacts to the resources affected by the Proposed Action have been identified.
- Extent to Which the Environmental Effects are Subject to Mitigation by Ongoing Public Regulatory Authority. Mn/DOT indicated that the mitigation of environmental impacts will be designed and implemented in coordination with regulatory agencies, and will be subject to appropriate permitting processes.
- Extent to Which Environmental Effects can be Anticipated and Controlled as a Result of Other Environmental Studies. Mn/DOT finds that the environmental effects of the project can be anticipated and controlled as a result of environmental review and experience on both similar projects and work in the study area.

The EAW describes the type and extent of impacts to the natural and human environment anticipated to result from the Proposed Action. The proposed design for the project includes features that avoid, minimize and mitigate for the identified impacts. Relative to the state environmental review process, there are essentially three areas that mitigation measures can fall under. The mitigation "areas" are derived from the criteria Mn/DOT, as the RGU, used to determine if the project has the potential for significant environmental effects.

- Area "A" measures are those were there is a regulatory mandate or requirement by law to do the mitigation (e.g. the Proposed Action required a future permit or approval).
- Area "B" includes commitments made for the project that Mn/DOT took into consideration when making the environmental determination. These commitments are not required by law or regulatory mandate, but are actions that are committed for inclusion under the Proposed Action.
- Area "C" includes actions that are not required but were raised during the EAW process and should continue to be discussed by the City and the County. The Findings document stated the following relative to Area C mitigation:

In addition to the Area A and B mitigation committed to in the EAW and this Findings of Fact Document, HCRRA acknowledges that additional mitigation measures have been suggested by the City of St. Louis Park and stakeholders. The HCRRA will work with the City of St. Louis Park and project stakeholders to review and evaluate feasible and prudent mitigation measures defined in Area C that go beyond the mitigation measures committed to under Areas A and B in this EAW and environmental findings document.

Several of the key Area A and B mitigation measures defined in the EAW and Findings Document include:

- Quiet Zone design at remaining at-grade crossings -- includes pedestrian gates
- Fencing will be included at all quiet zone grade crossings to control pedestrian movements at/around crossing signal gates
- Additional fencing locations will be considered/evaluated with the City of St. Louis Park and the railroads
- Continuously Welded Rail design
- Commitment to engage in further discussion with the City of St. Louis Park, St. Louis Park School Board, railroads and other stakeholders regarding additional feasible and effective safety mitigation in the vicinity of the St. Louis Park High School
- Track signalization to allow for through train movement on MN&S
- Conduct more detailed vibration analysis at one site (apartment above business on Library Lane)
- Wetland mitigation
- Floodplain mitigation
- Temporary disruption of trail use, required to construct the North Cedar Lake Trail overpass, would be limited in duration. Alternative crossing locations will be signed for users during construction. The new crossing would be constructed to match the character and pavement type of the existing trail
- Best Management Practices for Stormwater and Erosion Control (permits)
- Emergency Response and Containment Plan
- Coordination with the community and the railroads would continue to investigate ways to mitigate visual impacts including landscaping at selected locations and retaining wall design elements
- Commitment to continue to work with CP Railway regarding potential future removal of the wye in the Skunk Hollow area
- Ongoing coordination with the City's Fire Department regarding the emergency response plan
- Acquisition and relocation procedures in compliance with the Uniform Relocation Assistance and Real Property Acquisition Policy Act
- Ongoing coordination with the owners of two residential properties to determine the most feasible mitigation measure to address their unique safety concerns, given the location of their homes relative to the railroad right of way. Mitigation could include the acquisition and relocation of these properties.

On June 30, 2011, "Mn/DOT determined that the proposed action does not have the potential for significant environmental impact. Mn/DOT concluded that an Environmental Impact Statement is not required, and has issued a Negative Declaration Order for the project. This decision and determination is supported by the full administrative record of the project, including the Findings of Fact and Conclusions."

HCRRA Staff Analysis and Conclusions

Hennepin County Regional Railroad Authority staff reviewed the six studies conducted between 2009 and 2011 on the alternative freight rail routes as well as the potential for freight rail and LRT to coexist in the Kenilworth Corridor. Based on the consultants' findings and the issues raised in their reports, **HCRRA staff concludes that the most viable and therefore preferred route for freight rail is the MN&S line in St. Louis Park and the preferred location for LRT is in the Kenilworth Corridor along with the Kenilworth Commuter Bike Trail and without freight rail**.

These conclusions are reached based on a preponderance of considerations rather than reliance on one or two factors such as engineering or cost. HCRRA staff conclusions are based on four areas of consideration: (1) freight rail operations and neighborhood improvements, (2) transportation system benefits and impacts, (3) economic development and transit oriented development (TOD) impacts, and (4) potential risks and implications for the Southwest LRT project. Staff considerations in each of these areas are described below.

As discussed previously, the decision to relocate freight rail out of the Kenilworth Corridor was made in the 1990s, long before any discussion of running the Southwest LRT line through Kenilworth. Thus HCRRA staff has consistently believed that freight rail relocation is independent of Southwest LRT decisions. Accordingly, the disclosed scope of the Southwest LRT project during the Draft Environmental Impact Statement and LPA selection process did not assume retention of freight rail service in the Kenilworth Corridor. Our analysis here confirms the validity of those prior conclusions. While Southwest LRT should not now be ignored as one factor to be considered in any discussion of the relative merits of one freight rail alignment over another, <u>even without consideration of Southwest LRT</u> our analysis concludes that (1) freight rail should be relocated from the Kenilworth Corridor, as has been assumed and recommended since the 1990s; (2) leaving freight rail in Kenilworth is the least preferred option; and (3) moving freight rail to the MN&S line is the most preferred option. The analysis below should be considered with those conclusions in mind.

Freight Rail Operations and Neighborhood Improvements

Moving TCW operations to the MN&S line will improve freight rail operations through consolidation of freight rail operations and infrastructure improvements. Providing the required infrastructure improvements and new connections will provide TCW with additional routing options for service between St. Louis Park and St. Paul and will allow TCW to bypass the Transportation Interchange area, which will become more congested as the region and the state realize plans for additional passenger rail service to Minneapolis. This represents an expansion of the available freight rail network for the region and the state. For St. Louis Park as a whole the level of freight rail service will not change, but it will redistribute that traffic to the MN&S line.

We recognize there are adverse community impacts associated with such relocation and these issues and concerns should be given full consideration as important components of the relocation project. The EAW document provides required mitigation and options that will significantly diminish the adverse impacts of freight rail relocation to MN&S. Further, the Finding of Fact document recommends that HCRRA work with the City of St. Louis Park to review Area C mitigation measures that go beyond those committed to or required in the EAW document.

Transportation System Impacts/Benefits

A shared goal of the MnDOT, the Met Council and Hennepin County is the safe and efficient movement of people and goods throughout the region and the state. This goal includes freight rail movement within the region and the state. The rerouting of freight rail service to the MN&S line is consistent with the preferred routing at the time the 29th Street/Midtown line was severed, the original intent of the HCRRA when purchasing the Kenilworth Corridor and multiple state and local transportation plans including MnDOT's State Rail Plan, the Metropolitan Council's Transportation Policy Plan (TPP), the Hennepin County Transportation Plan, and Access Minneapolis Plan.

Moving freight rail service to the MN&S line will reduce roadway conflicts between freight rail and autos, buses, bikes and pedestrians at the Wooddale Avenue and Beltline Boulevard intersections in St. Louis Park as well as the West Lake Street, Cedar Lake Parkway and 21st Street intersections in Minneapolis and other at-grade intersections. Current freight rail service through these areas causes delays at the at-grade intersections and introduces safety concerns for other modes of transportation including autos, buses, bikes and pedestrians.

Moving freight rail service to the MN&S line will also remove the at-grade crossing of freight rail and the Southwest LRT Commuter bike trail between Beltline Boulevard and West Lake Street. Removal of this at-grade crossing will improve the safety and connectivity of the Southwest LRT Commuter bike trail. In addition, the removal of freight rail operations from the Wooddale Avenue, Beltline Boulevard, West Lake Street, Cedar Lake Parkway, and 21st Street intersections will also improve safety for bicyclist and pedestrian using the trail for commuting as well as for recreation. Improving the safety and connectivity of the integrated system of commuter bicycle trails through this area is a shared goal of the MnDOT, Met Council, Hennepin County, St. Louis Park, Minneapolis, the Three Rivers Park District and the Minneapolis Parks and Recreation Board (MPRB).

Removing freight rail service from the West Lake Street station will also preserve the opportunity for a direct connection between the proposed Southwest LRT line and the proposed Midtown Streetcar line to link Southwest and Hiawatha LRT lines. The expansion of the transit system including the Southwest LRT line and the Midtown Streetcar line is included in the adopted regional transportation plan, the Met Council's Transportation Policy Plan (TPP). Preserving opportunities to optimize the expansion of

the transit system is a shared goal of the MnDOT, the Met Council, and Hennepin County.

In addition, removing freight rail service from the at-grade intersections between Wooddale Avenue and Penn Avenue will benefit the bus transit system by eliminating delays caused by freight rail operations. It will also improve the on-time performance and reliability of the transit system, which is a critical element for retention and expansion of ridership.

Moving freight rail service to the MN&S line will also provide the freight rail companies with a route to bypass congestion and delays which are likely to occur as the region and the state realize plans for expansion of the commuter rail and passenger rail system. The proposed system of future commuter and passenger rail lines will converge at the proposed Transportation Interchange near Target Field in downtown Minneapolis. It will be critical to the success of the commuter and passenger rail system that trains arrive and depart on-time. This typically means that freight rail service through the area is suspended or significantly contracted to ensure that passenger and commuter rail trains maintain their schedule. Providing the freight rail companies with an alternate route to bypass this potentially congested area in the future is a benefit for the efficient movement of goods through the region and the state.

Economic Development/Transit Oriented Development (TOD)

The removal of freight rail service from the Wooddale Avenue and Beltline Boulevard areas of St. Louis Park and the West Lake Street area of Minneapolis will make these areas more attractive for development/redevelopment, especially for housing. In addition, the proposed introduction of light rail transit (LRT) to these areas will provide for economic benefits to the communities served. A key objective of the Corridors of Opportunity and the Southwest LRT Community Works initiatives is to maximize the economic development potential of the Southwest LRT project. Removing freight rail from the Southwest LRT stations, wherever possible, will provide greater opportunities for housing and economic development/redevelopment.

Southwest LRT Project

As discussed previously, the decision to relocate freight rail out of the Kenilworth Corridor was made in the 1990s, long before any discussion of running the Southwest LRT line through Kenilworth. Thus HCRRA staff has consistently believed that freight rail relocation is independent of Southwest LRT decisions. Accordingly, the disclosed scope of the Southwest LRT project during the Draft Environmental Impact Statement and LPA selection process did not assume retention of freight rail service in the Kenilworth Corridor.

Moving freight rail service to the MN&S line will help to optimize the design and operations of the Southwest LRT project through improving safety and reducing conflicts along the line for autos, buses, bikes and pedestrians; reducing noise and vibration from the area caused by the freight operations; reducing the required permits, agreements,

and approvals necessary to implement the project, minimizing impacts to parklands and other critical resources; and enhancing opportunities for development/redevelopment along the line. A shared goal of the Southwest LRT project is to provide a mode of transportation that is cost-effective and efficient while also minimizing impacts to the environment and supporting economic development.

Finally, retention of freight rail service in the Kenilworth Corridor, coexisting with the Southwest LRT line, would constitute a significant and substantial change from the disclosed scope of the LRT project during the DEIS process and the LPA selection process. From the start of DEIS scoping, and throughout the 2 year DEIS process, involving dozens of public meetings and open house events, the Kenilworth corridor LRT option (3A) has been represented as LRT only. The scope was defined this way to reflect almost 20 years of understanding that freight rail would be removed from the Kenilworth corridor regardless of LRT or any other project. Thus from strictly a process standpoint, one would need to consider the wisdom of redefining the project in a way that it has never been previously defined, for the purpose of including as part of the project scope an element that has been understood to be an independent "given" for almost two decades. The wisdom of such a process change at this juncture must also be considered in light of the expectation that we are poised to receive federal authorization to enter into the Preliminary Engineering phase of the LRT project.