

# HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA

REPORT TO THE COMMISSIONERS

DATE: MAY 22, 2013

**REGARDING: RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF: 1) A MEMORANDUM OF UNDERSTANDING WITH THE CITY OF SAINT PAUL AND THE METROPOLITAN COUNCIL REGARDING REDEVELOPMENT OF THE CENTRAL STATION BLOCK IN DOWNTOWN SAINT PAUL; 2) AN EASEMENT AGREEMENT WITH THE METROPOLITAN COUNCIL RELATED TO BUS WAITING IMPROVEMENTS ON THE CENTRAL STATION BLOCK; AND 3) AN OPERATIONS AND MAINTENANCE AGREEMENT WITH THE CITY OF SAINT PAUL AND THE METROPOLITAN COUNCIL FOR A STAIR AND ELEVATOR TOWER ON THE CENTRAL STATION BLOCK. DISTRICT 17 WARD 2**

## **Requested Board Action**

The HRA Board is requested to approve and authorize execution of: 1) a Memorandum of Understanding with the City of Saint Paul and the Metropolitan Council regarding redevelopment of the Central Station Block in downtown Saint Paul; 2) an Easement Agreement with the Metropolitan Council related to bus waiting improvements on the Central Station Block; and 3) an Operations and Maintenance Agreement with the City of Saint Paul and the Metropolitan Council for a stair and elevator tower to be built on the Central Station Block.

## **Background**

Metro Transit and the City of Saint Paul (“City”) have been focused on the improvement of transit within Saint Paul, most notably through the development of the Light Rail Transit (LRT) Green Line. In conjunction with the construction of the Green Line, the Metropolitan Council (“Met Council”) acquired approximately 1.32 acres of real property located in the Central Station Block as depicted on Attachment B. The Saint Paul Housing and Redevelopment Authority (“HRA”) owns 0.22 acres of real property in the northeast corner of the Central Station Block (also depicted on Attachment B), a portion of which is needed for improvements to the bus waiting area (see Attachment C for a conceptual plan of the improvements). Additionally, it is proposed that a stairway and elevator be located on Met Council property adjacent to the Central Station to connect with the skyway system (“Vertical Access Tower” – see Attachment D).

Given the nexus of the HRA's and the Met Council's property interests, and both entities' interests in promoting transit oriented development, it is desired that the HRA's, City's, and Met Council's expectations are memorialized to further coordinate redevelopment efforts at the Central Station Block. The Memorandum of Understanding (MOU) will better define the shared goals and individual responsibilities of each party to advance redevelopment on the block.

In the MOU, the Met Council will agree to: 1) construct the Vertical Access Tower adjacent to the Central Station; 2) fund the capital costs associated with the construction of the Vertical Access Tower, and pay for a minimum of one-half of the ongoing operation and maintenance costs for the Vertical Access Tower; 3) make improvements to the bus waiting areas at the intersections of 5<sup>th</sup> and Minnesota Streets, 6<sup>th</sup> and Minnesota Streets, and 6<sup>th</sup> and Cedar Streets ("Bus Waiting Area Improvements"); 4) cooperate with a developer to incorporate a bus waiting area at 5<sup>th</sup> and Minnesota Streets into any design of a future redevelopment on the Central Station Block, and 5) work with the City to support the future use and design of the small triangular parcel north of the Athletic Club building.

The City will agree to: 1) facilitate and participate, to the extent City funding is available, in streetscape and pedestrian improvements such as curb extensions and landscaping within the public right-of-way related to the Bus Waiting Area Improvements; 2) share in the ongoing operation and maintenance costs for the Vertical Access Tower, with the understanding that the total combined annual share for the City and HRA will not exceed \$37,500; and 3) work with the Met Council to determine the future use and design of the small triangular parcel north of the Athletic Club building.

The HRA will agree to: 1) grant an easement to the Met Council for approximately 800 square feet of the HRA's property adjacent to 5<sup>th</sup> Street, at no cost to the Met Council, to allow for improvements to the bus waiting area on the Central Station Block; 2) actively encourage and market redevelopment opportunities on the Central Station Block; and 3) share in 50% of the ongoing operation and maintenance costs for the Vertical Access Tower, provided that the combined annual share for the City and HRA will not exceed \$37,500.

The easement agreement will provide an eight foot property easement (800 square feet), allowing for improvements to the bus waiting area at 5th Street & Minnesota Street as funded via a Federal Transit Administration Bus Livability Grant. The proposed improvements, which were developed with input from City staff, will enhance the safety and usability of this bus stop. The three parties have agreed that any future development of this block, as envisioned in the MOU, will incorporate this bus waiting area into its design.

The Operations and Maintenance Agreement will provide for shared maintenance costs of the Vertical Access Tower given the joint benefit that this facility will provide to City residents and visitors, to transit customers, and to the economic interests of downtown businesses. The City and the HRA would be responsible for 50% of the yearly costs, with the understanding that the total combined annual share would not exceed \$37,500.

The Property is located in a B4 zoning district, with all of the indicated land uses permitted. See Attachment F for a demographic profile of District 17, the Saint Paul planning district in which the Property is located. No existing businesses will be displaced or relocated as a result of this project. A portion of the Council's land acquisition took place as a result of eminent domain.

### **Budget Action**

There is no specific budget action related to this resolution.

The Met Council will pay to reinstall a surface parking lot on the HRA's property at the Central Station Block which will be owned and operated by the HRA until such time as a redevelopment occurs on the site. The HRA Executive Director will annually request during the budget process that net revenues from the lot (and only that lot), which are available for deposit into the Parking Fund, be directed towards the City/HRA share of the annual costs under the Operations and Maintenance Agreement. These are the only funds the HRA or the Department of Planning & Economic Development will contribute toward this shared obligation.

### **Future Action**

None.

**Financing Structure**

Not Applicable

**PED Credit Committee Review**

Not required

**Compliance**

Not Applicable

**Green/Sustainable Development**

Not Applicable

**Environmental Impact Disclosure**

Not Applicable

**Historic Preservation**

Not Applicable

**Public Purpose/Comprehensive Plan Conformance**

Central Corridor Development Strategy (2007)

- Establishes a pedestrian-friendly LRT zone on the Central Station block, including the four streets surrounding the block. Among other features, this area should have pedestrian amenities, including transit shelters and seating to promote pedestrian comfort.
- Calls for increased street-to-skyway connections on the Central Station block.
- Supports locating downtown's main transit stops directly adjacent to Central Station and creating an integrated transit hub around Central Station.

Downtown Saint Paul Station Area Plan (2010)

- Establishes a "mobility enhancement area" on and around the Central Station block, where improvements will be made to prioritize the movement of pedestrians and cyclists

to and from LRT, increase a sense of personal safety, and facilitate transfers between the different transit modes.

#### Downtown Development Strategy (2005)

- Strategy 6.5 Improve transit service within downtown.
- Strategy 6.5.6 Enlarge the existing Cedar and Minnesota bus stops, integrate them with potential transit-oriented development opportunities, and improve the safety and security of transit users at these locations.
- Strategy 6.7 Use LRT as an impetus to improve Cedar and Fourth streets to better accommodate pedestrians, bicyclists and transit riders.
- Strategy 6.8 Work aggressively with Metro Transit to improve policing, lighting and cleanliness at transit shelters and their environs.

#### **Recommendation:**

HRA Executive Director recommends approval of the attached Resolution, authorizing the execution of 1) a Memorandum of Understanding with the City of Saint Paul and the Metropolitan Council regarding redevelopment of the Central Station Block in downtown Saint Paul; 2) an Easement Agreement with the Metropolitan Council related to bus waiting improvements on the Central Station Block; and 3) an Operations and Maintenance Agreement with the City of Saint Paul and the Metropolitan Council for a stair and elevator tower to be built on the Central Station Block.

**Sponsored by: Commissioner Thune**

**Staff: Martin Schieckel 266-6580**

#### **Attachments**

- **Attachment A -- Resolution**
- **Attachment B – Map of Property Interests at the Central Station Block**
- **Attachment C – Concept Plan for Bus Waiting Area Improvements**
- **Attachment D – Rendering of Vertical Access Tower**
- **Attachment E – Map and Location of Central Station Block**
- **Attachment F -- Census Facts**