

## **BOARD RESOLUTION NO. 26-980**

Pertaining to a Temporary Construction Easement (“Easement Agreement”) with the Port Authority of the City of Saint Paul (“SPPA”) to allow for construction and maintenance of stormwater best management practices (BMPs) associated with The Heights redevelopment project.

### **Background:**

The Heights is a major redevelopment project led by the Port Authority of the City of Saint Paul in partnership with Habitat for Humanity and other community stakeholders. The 112-acre site, formerly the Hillcrest Golf Course, is being redeveloped into a mixed-use community featuring affordable and market-rate housing, commercial and industrial space, and new public infrastructure designed to meet storm water management and other sustainability requirements.

Outlot E, located immediately north of the Board’s Hoyt Avenue property (PID 232922120007), is intended to accommodate some stormwater management facilities required for the development. The Board’s existing 20-inch water transmission main—located along the eastern edge of Outlot E—limits the area available for large BMPs. After evaluating alternatives, the design team determined that relocating this main was not desirable due to cost, right-of-way limitations, and potential risk to the public water supply system.

To meet Ramsey-Washington Metro Watershed District requirements, the Port Authority and its consultants redesigned the stormwater system to extend a portion of the proposed stormwater ponding area south onto the Board’s property. A permanent drainage and utility easement is to be recorded on Outlot E to provide for continued access to the existing 20-inch main in place.

### **Property Overview:**

The Hoyt Avenue property is home to the Hillcrest Reservoir, a 10-million-gallon underground finished-water reservoir constructed in 1960. The reservoir serves the High Service pressure zone in Saint Paul and a large portion of the City of Maplewood.

The property totals approximately 5.5 acres, with the reservoir occupying over three acres. The remaining 2.2 acres are vacant and have not been actively used by SPRWS operations. The proposed Easement Area is located within this vacant portion. SPRWS staff determined that granting use of a portion of this area for stormwater management would not interfere with current or future utility operations, provided that approximately one and one-half acres remain available for future construction staging in the event the reservoir requires reconstruction.

The open space was formerly leased to the City of Saint Paul Parks and Recreation Department, but that lease was terminated by the Board at its July 15, 2025 meeting under Resolution No. 25-1099.

### **Easement Details:**

Under the proposed Easement Agreement:

- SPRWS (Grantor) will grant SPPA (Grantee) a temporary construction easement over a portion of the Hoyt Avenue parcel to enable construction of stormwater improvements related to The Heights development.
- The easement will remain in effect until such time as a permanent easement for care and maintenance is executed in favor of the City of Saint Paul.
- The SPPA will be responsible for constructing, maintaining, and restoring the Easement Area in accordance with all applicable laws and permits.
- Upon completion and City acceptance, ownership and responsibility for the stormwater facilities will transfer to the City of Saint Paul.
- SPPA will pay the Board fair market compensation of \$7.00 per square foot for the final permanent easement area, based on the total square footage determined by the City.
- A temporary easement fee in the amount of \$500.00 will also be paid to SPRWS to compensate for temporary use and occupation during construction.

**Rationale and Staff Recommendation:**

Staff have reviewed the proposed use and determined that:

- The stormwater expansion is necessary to meet watershed management requirements for *The Heights* development.
- Retaining the 20-inch transmission main in its current location avoids significant operational risk.
- The proposed BMP improvements will not adversely affect the Hillcrest Reservoir or restrict SPRWS's future operational flexibility.
- The arrangement provides fair market compensation for both temporary and permanent use of SPRWS property.

Accordingly, **staff recommend approval** of the Temporary Construction Easement Agreement with the Port Authority of the City of Saint Paul.

**Attachments:**

- Draft Temporary Construction Easement Agreement
- Exhibit A – Parcel Report for 2115 Hoyt Property
- Exhibit B – Legal Description and Map of Easement Area
- Exhibit C – Proposed BMP Plan and Cross Sections