

ROSEVILLE
REQUEST FOR COUNCIL ACTION

Date: 12/21/2009
Item No.: 10.b

Department Approval

City Manager Approval



Item Description: Twin Lakes Redevelopment Update

BACKGROUND

1. Phase 1 Infrastructure Project

Land Acquisition/Condemnation Update: To construct the Phase 1 improvements in Twin Lakes, on March 9, 2009, the City Council authorized use of the quick-take condemnation process through its power of eminent domain to ensure that the City had control of these sites within Twin Lakes to complete the Phase 1 of the Twin Lakes infrastructure project. As part of this process, the City acquired property and/or temporary construction easements from four property owners—Roseville Properties, Xtra Lease, Dorso, and PIK. The City is still working with three of the four property owners to come to a settlement. The Court has appointed the three commissions it will use to determine the appropriate price for the land and/or temporary easement on the three remaining properties. It is expected that the commissioners will convene and make its decision in winter 2010.

Public Improvements: The City's contractor has completed nearly all of the Phase 1 work, including the installation of sewer, water, and storm water utilities, the construction of Twin Lakes Parkway from Cleveland Avenue to Mount Ridge Road, the construction of Mount Ridge Road from Twin Lakes Parkway to County Road C2, and the installation of the storm water management system, streetlights, and a portion of the landscaping. The remaining Phase 1 work includes the installation of the remaining trees, shrubs, and perennials, the installation of the crosswalks at Twin Lakes Parkway at the roundabout, and the final lift of asphalt on Twin Lakes Parkway. Mount Ridge Road and Twin Lakes Parkway was opened to traffic on Monday, December 14, 2009.

Project Costs: As the City has not made final settlements with three of the property owners and final work needs to be completed, staff has not prepared a final cost analysis for Phase 1. To date, the project has cost approximately \$4.4 million--\$1.8 million for land negotiation and acquisition and \$2.6 million for site preparation, roadway construction, and construction oversight. Once settlements are reached and all work completed, staff will provide the City Council with a cost summary for this phase of the project.

31 Metro Transit Park and Ride: Metro Transit has completed the construction Iona Lane
32 and a 460-stall park-and-ride facility located at the southeast corner of Iona Lane and
33 Mount Ridge Road. Metro Transit commenced service at the site on December 14, 2009.
34 Route 264 is an express bus line that originates from this site in the morning and makes
35 stops in downtown Minneapolis and with return routes in the evening. The schedule is
36 available on Metro Transit's website, which can be accessed at www.metrotransit.org.

37 **Phase 2 Infrastructure Project**

38 Phase 2 of the Public Infrastructure Improvement consists of the following work:

- 39 • Extension of Twin Lakes Parkway from the Mount Ridge roundabout east to Prior
40 Avenue
- 41 • Construction of a roundabout at Twin Lakes Parkway and Prior Avenue
- 42 • Reconstruction of Prior Avenue from Twin Lakes Parkway to County Road C
- 43 • Construction of a signal at the intersection of Prior and County Road C
- 44 • Associated utility extensions including sanitary sewer, water main and storm
45 sewer

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47 Design Update: In June 2008, the City Council approved an engineering contract with
48 WSB for the design of the public infrastructure within the Twin Lakes redevelopment
49 area. To date, WSB has completed final design and constructed the initial phase of
50 infrastructure improvements. The plans for the other two phases of construction are 60
51 percent complete. WSB will complete the full set of final design plans by February 2010.

52 Right-of-Way and Temporary Easement Acquisition: To complete the Phase 2
53 infrastructure improvements, staff anticipates that the City only needs to acquire a very
54 limited amount of permanent right of way and temporary construction easements from
55 1885-1915 County Road C, which is owned by a real estate investment trust based out of
56 Aurora, Colorado. The majority of the needed right of way was acquired last summer.

57 Environmental Update: On September 21, 2009, the City Council approved a contract
58 with Braun Intertec to enroll the Phase 2 infrastructure area into the State's Voluntary
59 Investigation and Cleanup Program and develop a Response Action Plan (RAP) for the
60 Phase 2 project. In its proposal, Braun recommended using a similar approach to cleanup
61 that was approved by the Minnesota Pollution Control Agency (PCA) for the initial phase
62 of infrastructure improvements. Braun submitted the RAP to the PCA and the PCA has
63 indicated through email correspondence that the agency needs additional information
64 regarding the extent of the contamination within the right of way prior to it approving the
65 plan. Braun has requested that the agency provide the City with a formal rejection letter
66 and to indicate what information the City needs to provide in order to receive approval of
67 the plan. Based on conversations with Braun, staff anticipates that the City will need to
68 undertake additional subsurface sampling in order to fully characterize the level and
69 extent of contamination within the right of way.

70 Cost and Funding: Staff estimates that the Phase 2 project will cost approximately \$2.9
71 million. The following table breaks out the costs based on the 60-percent design plans.

72 **Phase 2 Cost Estimate**

Item	Cost
Land acquisition*	\$800,000
Site preparation	\$53,500
Environmental cleanup	\$207,500
Sanitary sewer	\$53,700
Storm sewer	\$100,200
Water main	\$129,700
Road and sidewalk	\$1,035,300
Streetscaping	\$340,200
Construction oversight	\$192,200
Total	\$2,912,300

73 *Approximately \$770,000 of this cost has already been incurred.

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75 The City has funding in place to complete this project. Approximately \$770,000 of Phase
76 2 project costs were incurred as part of the land acquisition process undertaken for the
77 Phase 1 project, which leaves approximately \$2.13 million to fund. DEED awarded the
78 City a \$1 million grant for the this project; however, if the City wants to utilize these
79 funds, activities must be completed during the 2010 construction season as the funds will
80 expire on December 31, 2010. The City applied for and has been awarded approximately
81 \$200,000 in funding for environmental cleanup from Ramsey County, which should
82 offset the City's cost to remediate the right of way. Finally, the City has available pooled
83 tax increment to fill the remaining project gap.

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85 Timeline: Staff is proposing the following timeline for the Phase 2 project.

- 86 • February 2010: Approve plans and specifications and order the advertisement for
87 bid
- 88 • March 2010: Award bids
- 89 • May 2010: Begin construction
- 90 • September 2010: Complete construction

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92 **Other Twin Lakes Issues**

93 Update of the Cost Allocation Study: In 2007, the City Council adopted the Twin Lakes
94 Cost Allocation Study. This study determines the amount each development will
95 contribute towards the cost of the infrastructure required to implement the mitigation
96 strategy adopted in the 2007 Twin Lakes Business Park Alternative Urban Areawide
97 Review (AUAR). Over the next several weeks, staff will be updating the cost spreadsheet
98 to reflect actual costs for land acquisition, the improvements implemented during the
99 Phase 1 project, and environmental assessment and cleanup. The spreadsheet will also be
100 updated to reduce overall project costs by the grant dollars received for this project.

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103 Federal Appropriation: The City has received a \$1 million federal appropriation to
104 complete infrastructure work within the Twin Lakes area. Over the next several weeks,
105 staff will be working with Representative McCollum’s office to determine the process to
106 access the funds.

107 **POLICY OBJECTIVE**

108 Development of infrastructure within the Twin Lakes Redevelopment Area is consistent
109 with the City’s 2030 Comprehensive Plan and the Twin Lakes Business Park Master
110 Plan.

111 **BUDGET IMPLICATIONS**

112 There are no direct impacts to the City’s budget to implement the infrastructure projects
113 as it has been funded through external grants and existing TIF balances.

114 **REQUESTED COUNCIL ACTION**

115 No specific action is required at this time. Staff will be bringing forward action to initiate
116 the Phase 2 project based on the timeline above.

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Attachments: A: Depiction of Twin Lakes Infrastructure

