

ADVISORY INFORMATION

Date December 10, 2012
Prepared:
Subject: Authorization to Purchase Property – Public Facilities Maintenance Building

Proposed Action:

That the Metropolitan Council authorize the Regional Administrator to negotiate and purchase the property at 677 Transfer Road for the purpose of a new location for the Public Facilities Maintenance Group. This authorization would be for an amount up to the appraised value.

Summary of Committee Discussion / Questions:

Staff provided a short presentation on the proposed action. Committee Member Brimeyer asked if the owner is a willing seller. Ms. Nordin answered in the affirmative. Committee Member Duininck asked if the project was in the capital plan. Mr. Lamb indicated that it was in the plan, but is being pulled forward due to the system growth and this specific opportunity which is a good business decision. Chair Elkins commented that this location is very accessible. Committee Member Munt asked if St. Paul City Staff is in support of this acquisition. Ms. Nordin stated she has talked to the zoning department and it meets the ordinance for I-2 zoning, and the covenant on the property doesn't restrict us from this use.

Motion by Committee Member Duininck, seconded by Committee Member Munt and the motion passed.

Additional information: Staff is investigating the potential for relocation expenses associated with the existing tenant in the building. If necessary, a separate business item will be brought forward to this committee.

Transportation Committee

Meeting date: December 10, 2012

For the Council Meeting of December 12, 2012

ADVISORY INFORMATION

Date: December 12, 2012
Subject: Authorization to Purchase Property – Public Facilities Maintenance Building
District(s), Member(s): 14; Jon Commers
Policy/Legal Reference: Minnesota Statutes MN Statutes 473.129, 473.405, 117.025 and 117.042
Staff Prepared/Presented: Brian Lamb, General Manager, 612-349-7510
Marilyn Porter, Director Engineering & Facilities, 612-349-7689
Pat Jones, Asst. Director Facilities Engineering, 612-349-7339
Joe Edwards, Manager, Project Lead, 612-349-7676
Cathy Nordin, Sr. Project Coordinator, 612-349-7638
Division/Department: Engineering & Facilities

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and purchase the property at 677 Transfer Road for the purpose of a new location for the Public Facilities Maintenance Group. This authorization would be for an amount up to the appraised value.

Background

Metro Transit's Public Facilities Maintenance Group maintains over 900 facilities utilized by the public; bus shelters, transit stations, light rail and commuter rail stations, park-n-rides etc. In February of 2009, Public Facilities moved to their current location, which is a leased building in NE Minneapolis between 35W and Hwy 280. With the continued growth of the transit network, Public Facilities has outgrown this leased facility. Additionally, the lease expires in November of 2013.

This past summer, Engineering and Facilities initiated a real estate search to identify property options and hired Colliers International to assist in the effort. The property search located nine potential sites in the search area. Five sites were short listed for additional cost analysis and design concept planning. The costs for land acquisition and development of these five properties ranged from \$6 million to \$10.3 million. 677 Transfer Road in St. Paul stood out as the best value to the Council.

Metro Transit performed due diligence studies on this property including an independent appraisal and a building condition assessment. The owner provided a current Phase I environmental assessment. The review of these reports concludes no significant issues with the property.

The property is currently on the market with a willing seller. Condemnation is not anticipated.

Rationale

The ability to purchase land requires Council approval.

Funding

Regional Transit Capital (RTC) funds, approved by Council November 28, 2012, are available from Project 64216: Public Facilities Maintenance Building.

Known Support / Opposition

There is no known opposition to this action.

Figure 1 – Map of Proposed Purchase

