

T Transportation Committee

Meeting date: January 8, 2007

ADVISORY INFORMATION

Date:	January 2, 2007
Subject:	I-94 East Park-and-Ride Facility
District(s), Member(s):	Georgeanne Hilker, District 11
Policy/Legal Reference:	Minnesota Statutes Sec. 473.129 & 473.405
Staff Prepared/Presented:	Brian Lamb, General Manager, 612 349-7510 Mark Fuhrmann, Deputy General Manager, 612 349-7513 Tom Thorstenson, Director, Engineering & Construction, 612 349-7689
Division/Department:	Metro Transit Engineering and Facilities Division

Proposed Action/Motion

That the Metropolitan Council authorize the Regional Administrator to negotiate and lease property at the Guardian Angels Church in Oakdale for a park-and-ride facility.

Issue(s)

- Council authorization is required for lease commitments having a total value greater than \$250,000.

Overview and Funding

The Council-approved "Park-and-Ride Facility Site Location Plan" estimates near term (2010) need for 500 spaces at a park-and-ride facility located in the I-94 corridor east of I-494 with expansion to 900 spaces by 2030.

Over the past year, staff identified likely locations, narrowed the list to preferred sites, met with property owners along the corridor and have been in contact with Lake Elmo city officials to locate a suitable site within Lake Elmo. Unfortunately, a site has not been located that is agreeable to all the parties involved.

Church Proposed Lease: Currently, the Council has a short term lease (through 2008) for up to 200 spaces at the Guardian Angels Church in Oakdale, near the intersection of Inwood Avenue and I-94. The church indicated it would be receptive to leasing additional undeveloped property adjacent to the existing leased spaces on a long-term basis. The church has considered proposals for this property from developers, but has indicated a preference to continue their relationship with the Council.

30 year Lease: As an alternative to the purchase of property elsewhere in the corridor at this time, it is proposed to lease property at the Guardian Angels Church and construct an additional 200 to 250 spaces, yielding a park and ride of 400 to 450 spaces. Although details of such a lease are not yet negotiated, it is proposed to offer the church an initial, one time payment of about \$150,000 plus \$25,000 per year for a 30 year commitment. In this arrangement, the church would be responsible for snow plowing and routine grounds maintenance. The total unescalated value of the lease for a 30 year period is about \$900,000.

Construction Investment: Construction of the additional 200 to 250 parking spaces would involve a capital expenditure of \$750,000 to \$1 million. Should the church terminate the lease, the church would be required to pay back a residual value of the investment based on a 30-year straight line depreciation.

Leasing and developing parking spaces on this property would satisfy near term parking demands with a minimal investment.

The lease is viewed as an operating expense. Funds for an initial one-time lease payment of \$150,000 (as well as \$25,000 annual payments) have been identified in Metro Transits operating budget.