



Legislation Text

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City Council Meeting Date: June 12, 2018

To: Mayor and City Council
City Administrator

From: David E. Bennett, Public Works Director/City Engineer

Update on the Depot Project and Discussion of Hiawathaland Transit Grant Application for Transit Hub Project.

Action Requested:

The Northfield City Council receives an update on the Depot Project and Transit Hub.

Summary Report:

At the September 19, 2017 City Council meeting staff provided an update the site work improvement plans that have been completed for the project. At that time, the preliminary design costs were estimated to be around \$250,000 for the site work. The site work improvements currently include the following costs: preliminary design, construction design, access road, curbing, and conduit for future lighting.

The City set aside \$150,000 in funding from TIF 4 to fund the improvements. Understanding a funding gap existed, staff reached out to Hiawathaland Transit in the fall to inquire if there are additional options. Hiawathaland indicated they could apply for a grant from MnDOT for the transit building and transit share of the site improvements. This would allow the ability to leverage the local match dollars from TIF 4.

Fast forward, Hiawathaland Transit Director Amy Repinski recently resigned her position and they are currently in the process of filling the position. They have begun to prepare the grant submittal to MnDOT but it is currently not completed. Staff will be working to assist them on getting this application completed.

It is anticipated that the grant will be applied for this summer. If awarded, the spring of 2019 would be the soonest construction could commence. Staff is recommending to bring a council support resolution to a future council meeting to commit its intent to support the local funding match to supplement with the grant application. This is tentatively scheduled for July 17, 2018.

Additionally, the Northfield Economic Development Authority Strategic Plan (2018-2020) “Workforce” *Strategic Priority* has a *Key Outcome Indicator* of “Mass transit options connecting businesses in & out of Northfield” and *Target* goals of “increased transit stops and connections.” These appear to apply to this project.

Representatives of the Save the Northfield Depot will be at the meeting to provide an update.

Alternative Options:

A. Staff has not included any ancillary parking (see attachment for additional parking options in area) that

could be included in the grant application. Three parcels in the area are owned by the City and could be explored for added parking. Staff has not completed a cost estimate for this option.

Adding parking would be an asset to the transit hub. Additionally, the Economic Development Authority Strategic Plan (2018-2020) “Redevelopment” *Strategic Priority* has identified a *Desired Outcome* of “Expanded downtown/riverfront” with “parking;#cars/bikes” as a *Key Outcome Indicator* and *Target* goals of “increasing car parking by 20 and increase bike parking by 20.”

Staff would welcome councilor’s thoughts on this alternative to explore an expanded parking area in conjunction with a grant application.

- B. Council could by motion explore funding options for staff to move forward with plans to build the access road at a cost of \$250,000 without pursuing grant funding. This would add cost to the road access and if a transit hub building were pursued at a cost of \$100,000. The project cost in total would be \$350,000 compared to the \$125,000 cost with the potential grant opportunity. Staff would need to explore funding options for this option. Staff is not recommending this option as the grant funding opportunity is significant and could be a reality.

The Depot has indicated an intent to provide occupancy for the facility in the Fall. According to our building inspections department, there could be a temporary certificate of occupancy issued with a gravel parking lot assuming all other requirements are met for a temporary certificate of occupancy.

Financial Impacts:

Staff is currently reviewing the remaining funds of the \$150,000 of the TIF4 funds that were allocated for the project. Staff intends to have this as additional information for the meeting.

Tentative Timelines:

A few things to keep in mind as the project moves forward related to development planning items that would also need to be addressed:

1. Subdivision of the Land.
2. Variance through Zoning Board of Appeals for building setback/orientation, two story height, and possible windows. The variances most likely requested at this time will be the setback/orientation and two-story height.
3. Update development agreement on Depot Project will need to be reviewed and revisions anticipated to be necessary.