

From: [Steinitz, Timothy \(FTA\)](#)
To: [Simon, Marisol \(FTA\)](#)
Cc: [Brookins, Kelley \(FTA\)](#); [Wheeler, William \(FTA\)](#); [McLemore, Cyrell \(FTA\)](#)
Subject: RE: Snelling & University - Land Disposition with TOD aspects
Date: Thursday, September 03, 2015 3:06:15 PM

Interesting developments about this property in the news:

- Star Tribune, "Soccer team owners close in on stadium deal for St. Paul, sources say", <http://www.startribune.com/soccer-team-owners-close-in-on-stadium-deal-for-st-paul-sources-say/324025811/>
- Pioneer Press, "St. Paul OKs forgoing taxes on proposed soccer site", http://www.twincities.com/localnews/ci_28708149/st-paul-oks-forgoing-taxes-proposed-soccer-site

Tim
(312) 353-4315


From: Simon, Marisol (FTA)
Sent: Thursday, September 03, 2015 2:00 PM
To: Steinitz, Timothy (FTA)
Cc: Brookins, Kelley (FTA); Wheeler, William (FTA); McLemore, Cyrell (FTA)
Subject: RE: Snelling & University - Land Disposition with TOD aspects

Tim,

None of us will be in the office before the meeting with the mayor. We're all on travel. I appreciate your taking the lead.

Cyrell relates that Lucy (who is new to working with the FTA program) sent the E-mail below. When Mary Gustafson (the Met Council person we mostly work with) focused on this, she said that she and Lucy would go back to the drawing board and get back to us. That's where we left it with the grantee.

He reports that the Met Council wants to redevelop this land while retaining some control over how it is developed.

Best Regards,
Marisol R. Simón,
FTA Region 5 Administrator


From: Steinitz, Timothy (FTA)
Sent: Thursday, September 03, 2015 1:54 PM
To: Simon, Marisol (FTA)
Subject: RE: Snelling & University - Land Disposition with TOD aspects

Groovy, I will get something started for Cyrell to look at (and Bill if he is back by Tuesday).

Tim

From: Simon, Marisol (FTA)
Sent: Thursday, September 03, 2015 1:53 PM
To: Steinitz, Timothy (FTA)
Subject: FW: Snelling & University - Land Disposition with TOD aspects

Best Regards,

Marisol R. Simón,

FTA Region 5 Administrator

From: McLemore, Cyrell (FTA)
Sent: Thursday, September 03, 2015 1:50 PM
To: Simon, Marisol (FTA); Brookins, Kelley (FTA)
Subject: MC: Snelling & University - Land Disposition with TOD aspects

From: Gustafson, Mary [mailto:Mary.Gustafson@[\[REDACTED\]](#)]
Sent: Thursday, June 04, 2015 10:56 AM
To: McLemore, Cyrell (FTA)
Cc: Wheeler, William (FTA); Galbraith, Lucy
Subject: Request for Information - Land Disposition with TOD aspects

Dear Cyrell,

This e-mail is in regard to the disposition of Metropolitan Council-owned property in which there is a federal interest. As you know, the Council has disposed of land in the past and is well aware of the 5010.1D circular requirements for land disposition and for recognition of federal interest. However, this activity is a bit different from those the Council has done in the past. Therefore, based on the information below, I would like to know how and when the Council should communicate with you or other interested parties at FTA in this particular case. Your response to this is welcome either in writing or, if you would prefer, we can also have a teleconference discussion prior to any .

The property in question is a parcel at the junction of I-94 and Snelling Avenue in St. Paul. There was a bus barn at the location which was decommissioned and demolished many years ago. The land is currently being used as overflow parking for retired buses and, most recently, for a staging area for Green Line and now A-Line construction. The Council has been exploring ways to recognize more value from what is essentially an excess Council property while maintaining and enhancing transit compatibility and transit oriented development. Originally, the plan was to work on a straight TOD-type development but due to market conditions in the area, it doesn't appear that this would be the best scenario in an economic sense. So, Metropolitan Council's newly organized Transit Oriented Development

department, located within Metro Transit and headed up by Lucy Galbraith, has been exploring other disposition options and has formulated the following approach. The information comes directly from Lucy and speaks both of her extensive experience with TOD as well as her experience working with FTA in her previous position in Austin TX.

“This is a real estate transaction with conditions. We will have a scope for the RFP that includes evaluation in terms of the four (4) TOD Policy goals. [attached – Mary] We will have metrics, indicators, and internal scoring, so that we do meet the FTA standard of fair market value, but that we also meet the Council’s TOD goals. In addition, we are going to state a preference for a ground lease deal structure in order to preserve long term value as well as have the ability to enforce the commitment to create transit oriented development.

[Based on the attached....] I do not see any conflict with FTA 5010, but I do see this as a new approach to disposition for Metro Transit. Since I do not know what the regional state of the TOD practice is, I do not know how our regional FTA office wants to handle a TOD disposition. In my previous position, I did make sure that the regional office got an email at each step, and we did attach appropriate documents at each step. The final agreement needing FTA approval was thus the last in a chain of communications, with the FTA staff able to ask questions, request more information, or otherwise react at each step. Review of the final agreement was then based on familiarity.

I understand that each region is different, with different approaches to how to handle TOD, which is still a relatively new transit agency activity. [Since], the process of getting to an agreement is costly in terms of time as well as money; we want to do it right the first time.

If FTA has no concerns with a disposition that now includes TOD policy goals as well as the standard minimum value goal [and other standard disposition processes], then we don’t need to have meetings or discussions. If the FTA staff wants to see the RFP scope, or discuss the evaluation methods, or review any other aspect of this kind of disposition, then of course we want to incorporate that process into our timeline. We just want to be sure that we know what FTA expects so that we can meet those expectations.”

So, you can see from the above that Lucy and I want to establish an understanding of FTA involvement in this particular property disposition with the understanding that it may be just unique enough that the normal process needs some extra attention. Please let me know your answer or if you would be interested in discussing this further.

Thank you for your consideration and assistance.

Best regards,

Mary

Mary A. Gustafson
Grants Manager
Metropolitan Council - Metro Transit

Heywood Office
560 Sixth Avenue North
Minneapolis, MN 55411-4398