



U.S. Department
of Transportation
**Federal Transit
Administration**

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Michigan, Minnesota,
Ohio, Wisconsin

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April 4, 2016

Brian Lamb
General Manager
Metro Transit
560 Sixth Avenue, North
Minneapolis, MN 55411

**Re: FTA Approval of Joint Development Application for 400 Snelling Avenue N, St.
Paul, Minnesota**

Dear Mr. Lamb:

The Federal Transit Administration (FTA) is in receipt of the Metropolitan Council's (MC) March 8, 2016 formal Joint Development Project Request Form, Certifications of Compliance and Joint Development Agreement (in the form of a ground lease) for the above referenced Joint Development Project (JDP).

The FTA encourages project sponsors to undertake joint development, and promotes the project sponsor's ability to work with the private sector and others to pursue JDPs that can raise revenue for their transit system and enhance ridership.

Project sponsors may pursue JDPs through new grants or with property previously acquired with FTA assistance. In approving the use of real property, the FTA relies on the project sponsor to determine the appropriate use of real property for JD, provided that the project sponsor maintains satisfactory continuing control of the real property to ensure that it remains available for its originally authorized grant purpose. The MC has proposed to lease 9.9 acres of real property previously acquired with federal assistance to the City of St. Paul for the construction and operation of a publicly-owned Major League Soccer stadium.

The FTA reviewed the MC's Joint Development Project Request Form, Certifications of Compliance, Joint Development Agreement (in the form of a ground lease), and other pertinent documents submitted for the proposed project.

The MC's Joint Development Project Request Form identified pertinent information about the proposed JDP demonstrating that the eligibility criteria detailed in FTA Circular 7050.1 will be satisfied. The project will both enhance economic development and incorporate private investment, satisfying the economic benefit criterion. The project will enhance the effectiveness and relate physically to a public transportation project, which provides a public transportation benefit. Lastly, the MC has demonstrated that it will receive a fair share of the revenue generated

by the JDP over the term of the ground lease. The fourth criterion does not apply to this JDP because the JDP does not provide space within an FTA-assisted transit facility.

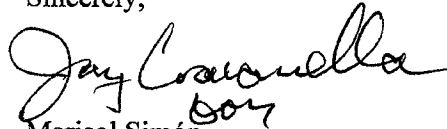
Further, the MC has submitted Certifications of Compliance certifying that the proposed JDP conforms to the criteria of 49 U.S.C. § 5302(a)(1)(G), and that determinations relative to the value of the federally assisted project property used for the JD, along with the baseline market analysis, have been made with due diligence. The Certifications also state that the JDP conforms to the requirements of 49 C.F.R. Part 18.

Lastly, the ground lease demonstrates that the MC will retain ownership of the site, and maintain satisfactory continuing control of the property through specific clauses in the lease. While the site was originally acquired in part with FTA funds, there are no additional FTA funds being requested as part of this proposal; all costs for the JDP are expected to be paid with private or local public funds.

The MC developed its Joint Development Project Request Form, Certifications of Compliance and Joint Development Agreement (in the form of a ground lease) in accordance with FTA Circular 7050.1. Per our review, the proposed transaction achieves a fair return for the use of the federally assisted parcel; the MC will have satisfactory continuing control and access to those improvements for transit purposes; and the implementation of this JDP will encourage transit ridership.

Therefore, the FTA approves the MC's joint development application. If you have any questions, please do not hesitate to contact me or Kathryn Loster at [REDACTED].

Sincerely,

A handwritten signature in cursive script that reads "Jay Coucella".

Marisol Simón
Regional Administrator

cc: Lucy Galbraith- Director