## City Council Agenda Item #10B Meeting of March 4, 2013

**Brief Description:** Resolution authorizing acquisition of 5937 Co Rd No 101

**Recommended Action:** Adopt the resolution

#### Introduction

Hennepin County and city staff have been meeting with property owners who may have potential major impacts from the county's reconstruction of County Road 101, from CR 62 to Hutchins Drive, scheduled for construction in 2015.

The county and city have identified one impacted parcel, 5937 CR 101, where it makes sense to acquire the entire parcel, versus a portion of it. The property owner has furthermore indicated that they would rather sell the entire property than live with the project impacts from a partial acquisition. The county will be starting with most of the land acquisition in 2014; however, an early acquisition of this parcel would be beneficial for the property owner as well as the city and county. Hennepin County has indicated that they would prefer the city taking the lead on acquiring this parcel due to the current timing of their acquisition process for the entire project.

# **Background**

The property in question is 2.31 acres in size and is located at the northeast corner of County Road 101 and Covington Terrace. It is developed with a single family home and is still owned by the original property owner.

One of the road concepts being considered involves the realignment of Covington Terrace to align with Red Cherry Lane. See attachments. The realignment is necessary to improve traffic safety in this stretch of the corridor, but would unfortunately go right through the home on this property. As part of this realignment concept, a storm water pond would also be constructed in the current location of Covington Terrace. This realignment concept was presented at the last public informational meeting and has been reviewed with the Citizens Advisory Committee.

Engineering staff and a county representative met with the property owner of 5937 CR 101 on January 23<sup>rd</sup> to review the concept layout, and review options for partial and full acquisition of their property. The property owner subsequently contacted staff and indicated they would prefer the city purchase their entire property versus a portion of it. They also indicated that due to personal reasons they would prefer the sale be completed this summer. County and city staff later determined that in order to meet the property owner's desire of a quick sale, the city should take the lead on the acquisition

Subject: Resolution authorizing acquisition of 5937 Co Rd No 101

of the parcel and that county staff would coordinate any relocation benefits that would apply.

After the sale closes and the property owner has vacated the property, the property would then be prepared for the pending road construction which would include demolition of all buildings. Staff would also do an administrative lot division of the property and would convey the portion needed for the project to the county. The remainder would be used for staging during the project since there is a lack of open space for this purpose along the 101 corridor. Once the project is complete, the city could then sell the remnant parcel.

The property at 5937 CR 101 is currently zoned R-1, single-family residential. However, the site is guided for high-density residential development. This high-density designation is consistent with the existing development surrounding the property.

## **Funding**

The property at 5937 CR 101 is currently valued at \$229,200 according to the city assessor. The actual sale price will likely be higher than this amount due to how the property is guided. Hennepin County has indicated that the city will be reimbursed for the portion of the property that is needed for the road project in accordance with the attached letter.

The city's finance director is proposing that this property purchase be cash funded on a temporary basis from the Special Assessment Construction Fund as a capital improvement expense. These costs will be reimbursed to the fund after the project has been completed and final assignment and/or sale of the property has been determined.

### Recommendation

Adopt the attached resolution authorizing the acquisition of property at 5937 CR 101.

Submitted through:

Geralyn Barone, City Manager Lee Gustafson, Director of Engineering

Originated by:

Sarah Krake, Right of Way Agent

#### **RESOLUTION NO. 2013-**

#### **RESOLUTION AUTHORIZING THE PURCHASE OF 5937 COUNTY ROAD NO 101**

BE IT RESOLVED by the City Council of the City of Minnetonka, Minnesota as follows: Section 1. Background. 1.01. Hennepin County Project 9917, the reconstruction of County Road 101 from County Road 62 to Hutchins Drive is scheduled for construction beginning in 2015, with property acquisitions occurring in 2014. 1.02. The property at 5937 CR 101 has been identified in the concept plan as being needed for realigning Covington Road and for constructing a new storm water pond. 1.03. The property owner of 5937 CR 101 approached the city and expressed desire for the city to acquire their entire parcel versus a partial acquisition. 1.04. Hennepin County has requested the city take the lead in the acquisition process leaving the county responsible for providing relocation services. Section 2. Findings. 2.01. The City of Minnetonka deems it in the public interest to purchase the property at 5937 CR 101 for the CR 101 reconstruction project. Section 3. Council Action. 3.01. The city council authorizes staff to proceed with the acquisition of property at 5937 County Road No 101. Adopted by the City Council of the City of Minnetonka, Minnesota, on March 4, 2013. Terry Schneider, Mayor ATTEST:

David E. Maeda, City Clerk

ACTION ON THIS RESOLUTION:

Motion for adoption:

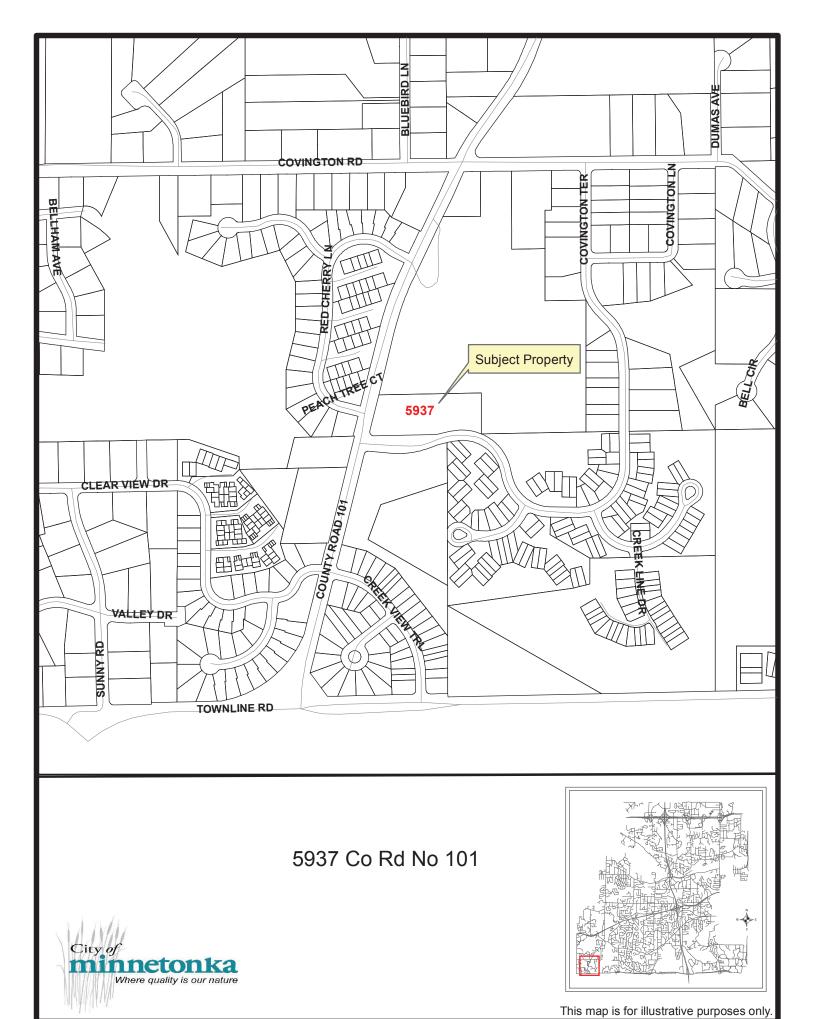
Seconded by:
Voted in favor of:
Voted against:
Abstained:
Absent:
Resolution adopted.

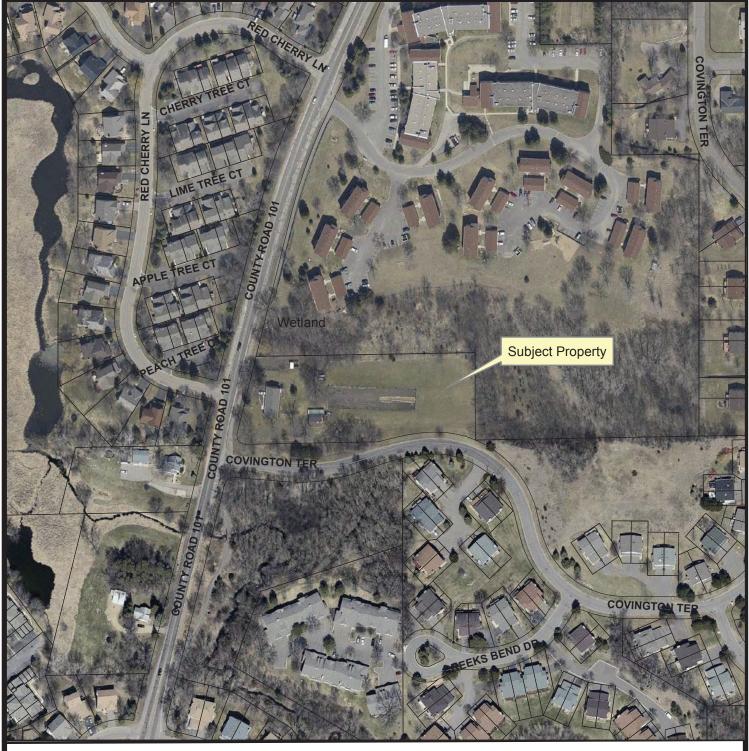
I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a duly authorized meeting held on March 4, 2013.

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Resolution No. 2013

David E. Maeda, City Clerk





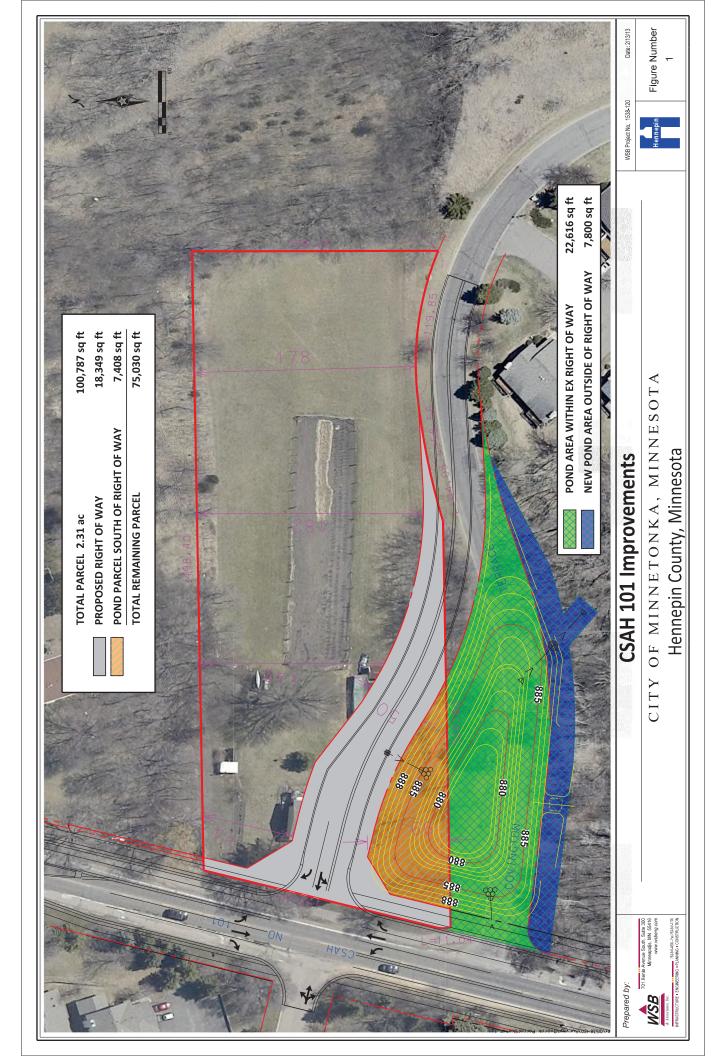
5937 Co Rd No 101 Dvorak Property

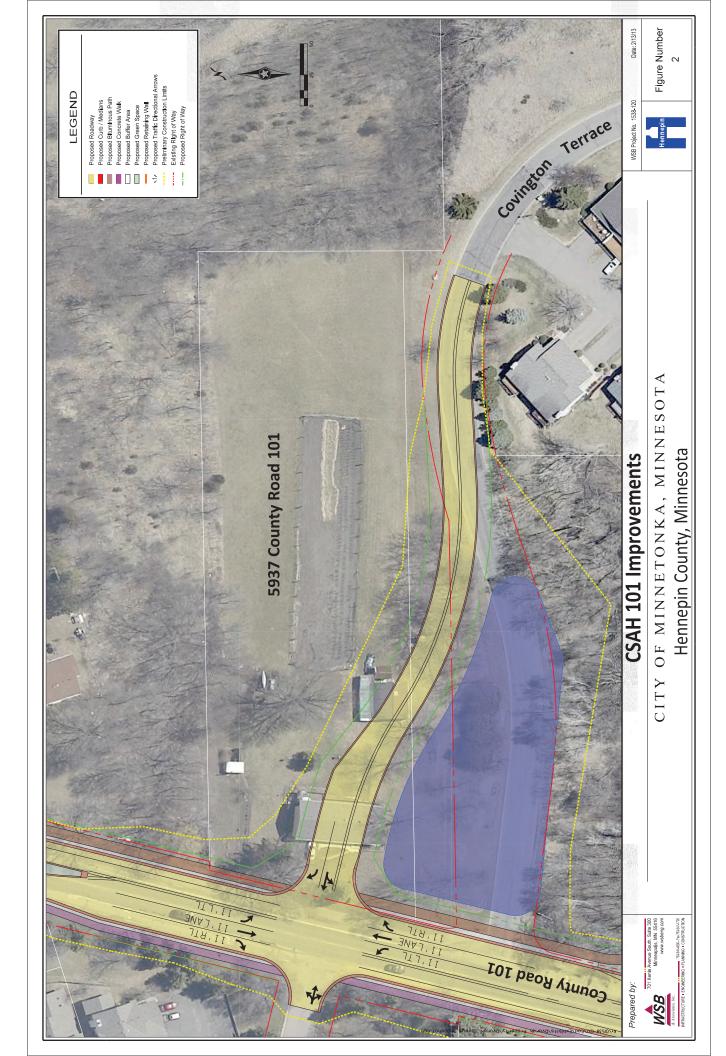


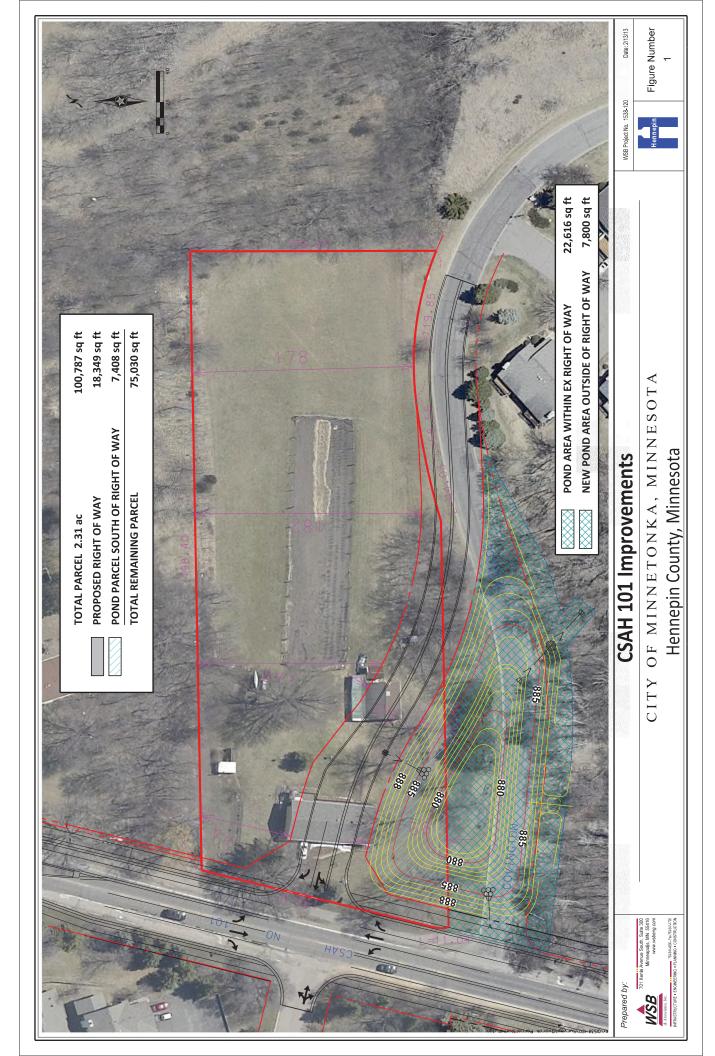


This map is for illustrative purposes only.











#### **Hennepin County Transportation Department**



**Transportation Department** 1600 Prairie Drive Medina, MN 55340-5421

612-596-0300, Phone 612-321-3410, FAX www.hennepin.us

February 26, 2013

Lee Gustafson Director of Engineering 14600 Minnetonka Blvd. Minnetonka, MN 55345

Re: County State Aid Highway (CSAH) 101 Reconstruction Project

Property Acquisition Cost Participation for Dvorak property - 5937 Co Rd No 101

County Project 9917

Dear Lee,

It is understood that circumstances provide the opportunity to facilitate the strategic property acquisition of 5937 County Road 101 (Dvorak property). This acquisition will allow for the roadway realignment of Covington Terrace to create a single four legged intersection opposite Red Cherry Lane, a significant improvement over the existing offset intersections. In addition to miscellaneous roadway related elements, this realignment will also create space to be used for storm water management associated with the CSAH 101 reconstruction project as shown in the attached preliminary figure.

The city has agreed to take the lead on the Dvorak property to facilitate the acquisition in conjunction with the continued development of the preliminary layout for which the county anticipates seeking municipal consent within the next few months. State Aid has reviewed the proposed Covington Terrace alignment and concurs with the proposed concept. State Aid cost participation for this acquisition will be limited to state aid eligible expenses via the turn back fund. The county has authorized WSB to prepare an "early right of way plan" that will facilitate the city's reimbursement for the state aid eligible items. The county will work within its current cost participation policy to share in the remaining non-state aid eligible items including providing relocation assistance.

Thank you for your continued collaboration and we look forward to the future of an improved CSAH 101 corridor for all users.

Sincerely,

Maury Hooper, PE, PTOE

Senior Project Manager – Design Division

Attachment

