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City to Build Additional LRT Station between Rice, Snelling *City leaders find compromise to fulfill commitment to residents, preserve \$5 million in funding*

SAINT PAUL – Assuming the responsibility to fulfill long-standing commitments to Central Corridor project partners and residents, Mayor Chris Coleman and Councilmembers Melvin Carter III and Russ Stark agreed that the City would assemble, from its own budget, the resources necessary to build the first of three additional stations on the light rail transit line between Rice and Lexington streets.

The decision comes as a compromise with the Metropolitan Council, which in return for the city's effort to build the station at Western Avenue, Hamline Avenue or Victoria Avenue, will assume responsibility for the acquisition of the diagonal right-of-way through the block bounded by 4th and 5th, Cedar and Minnesota. It will further commit \$1.5 million to improving the façade of the line's Operations and Maintenance Facility in Lowertown.

With the decision, work moving utilities can begin.

“This is a huge milestone. The Central Corridor is the opportunity of a lifetime for Saint Paul, and we have always been focused on ensuring that everyone benefits from this development. Today, we are stepping up to the plate and making real our commitment to the people who live along the line and the neighborhoods that will prosper because of it,” Mayor Coleman said.

Intensive discussion to build the station began after it became clear that additional budget capacity created by an increase in the federal Cost Effectiveness Index would not be the best source of funding for the station. Through the complicated federal formulas that have governed construction along the line, the project would lose almost \$5.5 million if the station was included in the project elements.

Losing over \$5 million from an extremely tight project budget was not a reasonable choice for policy makers.

Nonetheless, build out of the stations is a high priority for Mayor Coleman, the City Council and Ramsey County Board of Commissioners as well as a broad coalition of community interests.

“For those of us who live and work along University Avenue, this is great news,” Councilmember Carter said. “There certainly remains a great deal of work ahead, but today's decision is clearly one to celebrate, and I thank our partners around the table, especially County Commissioners Toni Carter and Jim McDonough, for their commitment to ensuring a project that serves the neighborhood.”

“The Central Corridor Management Committee’s decision today is a break-through for our entire community, affirming our commitment to the neighborhoods I represent and serve,” Commissioner Carter said.

Through a community process, a decision will be made on which station to build first.

“We have the first station solidified, and this will help us secure the money for the second station along with streetscaping along the line,” Councilmember Stark said.

An agreement in principle adopted by the Central Corridor Management Committee (CCMC) went on to describe the Committee’s intent with respect to allocating future funding that may be released from the project’s contingency budget. Federal financing rules require the Metropolitan Council to carry a significant budget to cover the cost of unanticipated construction challenges or cost increases. As the project proceeds through the construction, the Metropolitan Council is allowed, at specified times, to reallocate the contingency budget to other project elements.

The CCMC, which is advisory to the Metropolitan Council, agreed that, after essential project elements are paid for, any released contingency should be allocated between East Metro and West Metro priorities, with 70 percent going to the East Metro and 30 percent to the West Metro. Among the East Metro’s priorities are the build out of the remaining two stations and significant streetscape enhancements along University Avenue and in the downtown.

Construction on the light rail line is scheduled to begin in 2010, with work moving utility lines to accommodate Central Corridor already started in downtown Saint Paul. The first trains are expected to be running between the Union Depot and downtown Minneapolis along University Avenue in 2014.