



# City of Oak Park Heights

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**October 15<sup>th</sup> 2010**

**TO: Oak Park Heights Business Community**

**FROM: The City Council of the City Oak Park Heights**

**RE: Communication to City Businesses - STH 36 / St. Croix River Crossing Project – Current Position of City of Oak Park Heights.**

In recent weeks, there have been announcements from the Minnesota Department of Transportation (MNDOT) that they intend to proceed with construction of the St. Croix River Bridge Project possibly as early as 2013. Notwithstanding the current State projected shortfalls in funding and the Sierra Club litigation in Federal Court on the matter, it is an appropriate time for the City of Oak Park Heights' to communicate with its business community, as well as others, regarding the City's position on the proposed St. Croix River Crossing and STH 36 updates.

Fundamentally, the City is in agreement with many public and private agencies that the current bridge facility should be replaced. This need stems from several elements, but is mainly from traffic volumes, poorly maintained frontage roads and intersections on highways and approaches, inadequacies of the Stillwater Lift Bridge and related issues.

## **Construction Impacts and Costs:**

Despite these facts, the City of Oak Park Heights is being asked and expected to withstand and bear the primary and consequential burdens associated with these proposed improvements including the placement of the actual bridge within the City,

removal and relocation of significant City water, sanitary and storm-water infrastructure as well as being expected to shoulder the maintenance of significant trail and right-of-way improvements upon completion of the Project. These burdens are in addition to the lost tax-base already incurred by the City stemming from the removal of over 65 homes and several businesses as well as an anticipated 5 years of construction disruption and lost tax base anticipated from the multi-year construction timeline.

Naturally, the City of Oak Park Heights, its business community and residents have a vested interest to ensure that this Project is as minimally invasive as possible and does not place unreasonable and unfair burdens on City businesses, residents and other local taxpayers to support this Interstate, Regional improvement project. Unfortunately, MNDOT will not commit to funding mechanisms to offset local losses for these improvements which would avoid and alleviate significant financial consequences to the City and its taxpayers.

As an example of this, MNDOT's 2006 engineering estimates place the needed local Oak Park Heights utility relocations at \$1.87 million dollars, (not including land acquisition), for which MNDOT has yet to provide a full financial commitment to the City that covers such costs.

In addition to these utility costs, MNDOT also expects the City to pay for, maintain and manage over 5,000 linear feet of public trail-ways, maintain several roadway plantings and green spaces as well as pay for and maintain several traffic control lights. Again, none of these costs can or should be borne by a City of less than five-thousand persons for a Regional, Interstate project.

The most recently proposed layout could result in the creation of a number of non-conforming lots along the City's commercial corridor east of Oakgreen Ave. Under this proposal, the Project limits could create numerous building setback non-conformities and/or could eliminate needed access and parking effectively causing impairment to the affected businesses, thus adding another fiscal burden to the City due to lost tax base and jobs.

Other impacts yet to be addressed are related to the provision of adequate measures from MNDOT to protect property owners from construction damages. Specifically, this project which will be ongoing for years will require a massive movement of earth as well as the placement of significant pilings and construction vibration as well as traffic disruption to local area businesses and homes. MNDOT has even yet to provide a proposal on how the City will provide adequate fire protection services to its residents during such construction, as the Bayport Fire Department will no longer be able to access portions of the City without significant delay.

**Municipal Consent:**

MNDOT has publicly stated that the City of Oak Park Heights has provided Municipal Consent for the Project in 1995 and no further dealings are needed with the City. This is an unfortunate position as MNDOT must construct the Project that was specifically tied to that 1995 Municipal Consent. That 1995 plan did not include a bridge at Beach Road, did include a north frontage road east of Osgood Ave and was a project in which MNDOT committed to paying the City's utility relocation costs. In addition, much has changed in the corridor since 1995 that causes difficulties with this plan, including placing the frontage roadways less than 25 feet from residences that were not in existence in 1995. Moreover, MNDOT has not yet provided construction plans and specifications.

**The City has made repeated efforts to engage MNDOT over the years on these issues. Unfortunately, meetings have been less than productive; hampered by a parade of ever changing project managers, litigation over violations of written commitments on Municipal Consent resulting in Court enforcement proceedings; all of which has only served to dissipate the public trust in government as well as tax dollars.**

We would ask that our adjoining communities and common organizations take a step away from the bridge debate and focus on how State government should be dealing with local government on issues of this magnitude. Also take a moment to consider the significant impacts to the businesses and residents in Oak Park Heights and understand positions the City has been required to assume to prevent such burdens. The City of Oak Park Heights does not expect that the construction of this Project will be without

some local cost contributions, but these contributions must be reasonable and proportioned for a community of less than five-thousand persons as against those who will actually and substantially benefit from the Project.

MNDOT has been dealing with projects of this magnitude long enough to know that utilities need to be moved and replaced as a part of the Project and that they need to be responsible for mitigating community impacts. In fairness, we do note that MNDOT has found creative methods to fund other aspects of the Project including, private improvements for Xcel Energy – removing ‘mooring cells’, resurrecting presumptively "historic structures" and building out recreational elements to the Project. Unfortunately MNDOT has been unwilling to be as helpful or creative in dealing with Oak Park Heights' basic public infrastructure loss and disruption. The Minnesota Department of Transportation must ensure that the City of Oak Park Heights does not bear an unreasonable and untenable burden for this Project.

As we are apparently now entering into another stage of MNDOT plan submissions, please know that Oak Park Heights is hopeful for a successful community conclusion to this Project and will continue to make reasoned efforts towards that goal. We again ask that you understand these fundamental issues the City is facing with MNDOT. If you or your organization is able to assist the City in any way in alleviating these unreasonable expectations it would be appreciated. The City will conversely continue to work towards solutions so the Project will also be a success for the Oak Park Heights Business Community and City Taxpayers.

Finally, as many are aware, MNDOT and the Sierra Club are engaged in a lawsuit in the Federal Court to again compel judicial review of the Bridge Project. Please know that the City of Oak Park Heights is not involved with this lawsuit.

The City does thank you for your support and understanding.

*This Communication Approved and Adopted By City Council, Oct 12<sup>th</sup>, 2010*

*Please contact City Administrator Eric Johnson if you have any questions - 651-439-4439.*