

**REQUEST FOR ACTION
CHASKA CITY COUNCIL
FEBRUARY 26, 2018**

Subject: Support for COC Funding for Highway 41 Improvements in Downtown

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BACKGROUND

The City, in partnership with Carver County and MNDOT, have developed an improvement plan for Highway 41 and Highway 61 through downtown Chaska. The total costs of planned improvements on the two corridors are approximately \$23M, with improvements to Hwy 41 consisting of about \$18M of that total. As presented to Council in the past, some of the notable improvements will include the following:

- One dedicated through lane in each direction through downtown with dedicated right and left turn lanes at intersections that will improve the safety and efficiency of traffic flow.
- Expanded sidewalk widths to as much as 18 ft., which will allow for increased plantings, decreased crossing widths for pedestrians, and an overall improved pedestrian environment.
- Removal of on-street parking to enhance driver safety, and replacement of parking in lots to be developed on blocks located east of 41 and south of 5th St. and south of 3rd St.
- Funding to support building entrance improvements for businesses along Hwy 41 that will be impacted by changes in parking locations.
- A trail underpass in the former rail corridor located south of Dolce Vita Wine Shop on the east, to go under Hwy 41, and re-emerge south of the Chaska Mill on the west. The trail will connect to the Minnesota River Bluffs Regional Trail which ultimately connects Downtown Carver to Downtown Minneapolis through Downtown Chaska.
- Replacement of underground utilities to ensure continued reliable service delivery.

As a part of the funding package being pursued for the project, the City of Chaska submitted a request for \$1.9M Corridors of Commerce grant application on February 2, 2018. As part of the application process, the local agency must demonstrate community consensus by submitting a signed resolution stating that the agency requesting funding from the MnDOT Corridors of Commerce Program supports the project. This is a scored element of the application. Successful applicants will be notified in April 2018.

FUNDING PLAN

Staff have been working with Bolton & Menk to develop a funding package for expected \$18M cost for Highway 41 improvements in downtown. The package includes dollars from Federal, State, County, and local sources. A combination of grant dollars, highway improvement funds, and capital improvement funds will be assembled to support the improvements needed on Highway 41 through downtown.

Presently, the project has received a firm commitment of \$10.18M from the sources previously listed. This commitment includes:

- Federal Funds: \$4M
 - Minnesota Highway Freight Program awarded November 2017
- MNDOT Funds: \$4.5M
 - Project delivery funds scheduled for Hwy 41 preservation
- City of Chaska: \$1.5M
 - Utility improvement funds
- Carver County: \$180,000
 - Signal improvements at Hwy 41 and Hwy 61 intersection

The Corridors of Commerce application is for \$1.9 million. If successful this would bring the total committed funding to \$12.08M.

The remaining \$5.9M gap will be funded by pursuing other sources including the Met Council regional solicitation, MNDOT Municipal Agree Funds, and Carver County Transportation Sales Tax funds.

MNDOT CORRIDORS OF COMMERCE PROGRAM

ABOUT THE PROGRAM

The 2013 Minnesota Legislature created the Corridors of Commerce program, authorizing the sale of up to \$300 million in new trunk highway bonds for the construction, reconstruction and improvement of trunk highways for projects not already in the State Transportation Improvement Program. This was to further two major goals:

- Provide additional highway capacity on segments where bottlenecks exist.
- Improve the movement of freight and reduce barriers to commerce.

FUNDING SELECTION PROCESS

Selection of project for Corridors of Commerce program funding is based on a defined scoring process. Scoring follows legislative criteria for selecting projects, which consists of:

- Return on investment
- Commerce and economic impacts
- Efficiency in freight movement
- Traffic safety improvements
- Regional transportation system connections
- Transportation policy objectives addressed
- Community support

SELECTION SCHEDULE

MnDOT began accepting project submittals for Corridors of Commerce on January 18th and closed on February 5th. The project elevation and scoring period is February to March, 2018, with project award announcement and release of final scores in April, 2018.

DISCUSSION

Planned improvements for the portion of Highway 41 through Downtown Chaska are an excellent candidate for the Corridors of Commerce program. With project benefits including improving safety, mobility, traffic operations, and freight efficiency; relieving congestion; and providing pedestrian accommodations on this critical regional corridor, the project team is optimistic about competing well for the requested funds.

As stated earlier, scoring of the application includes demonstration of community consensus by submitting a signed resolution of support.

CITY COUNCIL ACTION REQUESTED

Motion to adopt Resolution No. 2018-16 requesting support for Corridors of Commerce Funding for Highway 41 Improvements in Downtown Chaska.