

## I. Executive Summary

The Alternate Route Study Group, consisting of members of the City Council and Planning Commission, met ten times in 2007 to take testimony and receive input in regards to the alternate alignment for Highway 371.

The purpose of the Alternate Route Study Group was to study the issues and impacts of an easterly alternate route for Highway 371 so as to develop the best corridor alignment possible. The premise of the Study Group was based off of Council Resolution 06-23, which states that Trunk Highway 371 be re-routed to a corridor east of town.

The group considered thirty-one questions and took testimony from Mn/DOT, MPCA, School District 186, Jon Commers of Donjek (financial consultant) and City Staff including the City Engineer (Tim Houle of Widseth Smith Nolting) and City Planner (Charles Marohn of Community Growth Institute) to address them.

The committee found that there were no insurmountable issues that would inhibit construction of an alternate alignment. They found:

- There would be no adverse impact to school bus routes.
- The old highway will become property of Crow Wing County once the alternate alignment is built.
- The MN Power substation will not be physically impacted by the construction.
- Some work will need to be done to the City's water and wastewater systems, but the alternate route will not eliminate the viability, or future expansion, of the City's utility systems.
- That Mn/DOT is responsible to provide a separated crossing for the Paul Bunyan Trail (a crossing that goes over or under the new highway).
- That all of the new highway intersections will be at-grade using either a traffic signal or a round-about.
- That only minor change to the local street system will be required to accommodate the alternate route when it is built. Future development will, obviously need to account for and work around the alternate route corridor.
- That the business park will be accessed from the south end of the alignment and that the construction of an alternate alignment would not inhibit future expansion of the business park.
- That the construction of an alternate route is consistent with the City's Comprehensive Plan, the proposed Downtown Plan and the City's overall approach to land use controls.
- That the alternate route will infringe on the land proposed for a new cemetery.
- That there are no significant environmental issues or concerns with the construction of the alternate alignment.

On the major issues of overall cost and impact to business, the Study Group was very thorough in the information it reviewed.

The Study Group learned that, while there are costs the City must incur during the project, the direct cost to the City would be significantly less for an alternate route than a through-town alignment.

This is true whether or not the City does only the required improvements or chooses to do some of the other improvements recommended by the City Engineer.

<u>Alignment</u>	<u>Alternate Route</u>	<u>Through Town</u>
Required Cost	\$84,500	\$407,500
Recommended Cost	\$378,000	\$1,905,000
Optional Cost	\$1,526,000	\$2,588,000

The Study Group also heard testimony that, while there is certain to be impacts to individual businesses before, during and after the construction of an alternate route, compelling evidence exists that the overall impact to businesses and the City's tax base would be positive. There were no indications that an alternate route would be destructive to the economic health of the City of Pequot Lakes, and substantial evidence to the contrary.

Also presented were a number of initiatives that the City can undertake to strengthen the economic health of the City before construction, as part of the construction project and then in the years following. Testimony indicated that the communities that experienced the greatest success following similar projects were those that worked most closely and diligently to balance all of the competing interests a community faces.

In conclusion, the Alternate Route Study Group identified no issues or impacts that would cause the City to alter the decision to route Hwy. 371 east of the downtown and in fact found many factors that favor an alternate alignment.