City of Oak Park Heights

Allen S. King Plant Redevelopment

Overview

The City of Oak Park Heights is in Washington County on the banks of the Lower St. Croix Scenic Riverway, which serves as the state border between Minnesota and Wisconsin. Located adjacent to the St. Croix River is the Allen S. King Plant, Xcel Energy's 500 MW coal-fired electric generating plant, which has been in operation since 1958. The Allen S. King Plant makes up approximately 27% of the City's net tax capacity.

The King Plant's scheduled 2028 retirement presents a fiscal challenge for the City of Oak Park Heights given the impact the King Plant has on the City's tax base. The King Plant property contributes on average approximately $1,700,000 each year to the City in property taxes. With a population of less than 5,000 residents, the City will be greatly impacted by the King Plant's retirement. Given the fiscal impact, the City is focused on planning for the future of the site.

Future Planning

The City has proactively engaged in planning for the future of the King Plant site. In 2018, the City's King Plant Reuse Advisory Panel identified conceptual redevelopment scenarios for the future of the site. It was identified that one of the main redevelopment challenges for the property is the lack of public infrastructure to service the site. Currently there are no public utilities located on the site or adjacent to the site. To be ready for redevelopment opportunities, the City must ensure that investments in public infrastructure are made to service the property in the future. The currently granted bond funds will allow the City to design necessary public improvements that are needed for redevelopment to occur.



Strategic Redevelopment Objectives

1. Economic Recovery. Replace the projected tax base loss and create new jobs.
2. Environmental Stewardship. Redevelopment that incorporates environmentally sensitive design practices that protect surrounding natural features and ensure access to the St. Croix River.
3. Property Transformation. The City has been a host to this power plant site that has ultimately benefited the entire region. The City looks forward to a full transformation to repurpose the property for the overall benefit of the community and the region.

Request

The State of Minnesota's bonding bill in 2023 provided $2,190,000 to the City to acquire property and to predesign and design public infrastructure for the development of the Allen S. King power plant site. Given that Xcel Energy is still determining the future use of the Allen S. King Plant site, the City has been unable to utilize this funding. Therefore, the City is respectfully requesting an extension to the deadline of this funding to enable the City to complete the necessary design of future public infrastructure for the Allen S. King Plant property.

For further information, please contact:
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