

Community Development Committee

For the Community Development Committee meeting of August 15, 2016

For the Metropolitan Council meeting of August 24, 2016

Subject: Park Acquisition Opportunity Fund Grant for Big Marine Park Reserve (Frogner), Washington County

Council District: 12 – Harry Melander

Policy/Legal Reference: MN Statutes 85.53 Subd. 3(4) and MN Statutes 473.315

Staff Prepared/Presented: Deb Streets Jensen, Senior Parks Finance Planner 651-602-1554

Division/Department: Community Development Division / Regional Parks & Natural Resources

Proposed Action

That the Metropolitan Council:

1. Approve a grant of up to \$237,892 to Washington County to acquire the Frogner parcel at 15770 May Avenue North for Big Marine Park Reserve;
2. Advise Washington County that it may not close on the property until after the Council awards the grant; and
3. Authorize the Community Development Director to execute the grant agreement and restrictive covenant on behalf of the Council.

Background

Regional Park Implementing Agency. This grant was requested by Washington County on June 10, 2016 to acquire property for Big Marine Park Reserve, and a copy of the request letter is attached to this item as Exhibit 1. Big Marine Park Reserve is located in the May Township.

Policy. Strategy Two of the Siting and Acquisition policy from the *2040 Regional Parks Policy Plan* states that “*priorities for land acquisition are set by regional park implementing agencies in Council-approved master plans.*”

Funding sources. The Council’s Park Acquisition Opportunity Fund (PAOF) provides resources to purchase property and easements via two state sources: the Parks and Trails Fund and the Environment and Natural Resources Trust Fund. The Council contributes further by matching every \$3 in state funds with \$2 in Council bonds proceeds. Between them, state and Council funds contribute 75% of the purchase price and eligible costs; the Regional Park Implementing Agency (Agency) contributes the remaining 25% as local match. This grant would be funded through Park and Trails Fund and Council bonds. The Agency is not requesting consideration for future reimbursement for any part of its local match.

Subject property. The subject 14.4-acre property is an inholding within the Council-approved boundaries of the park reserve. The eastern 20% of the property contains a home and out buildings, along with a driveway from May Avenue. The western 80% is undeveloped; with a portion containing trees and grasses and other areas containing wetland or pond. In the short term, the Agency plans on removing the existing structures and stabilizing the area with wildlife cover. The park reserve’s master plan calls for restoring the area to savanna and undertaking a forest expansion.

Acquisition details. This is a straightforward, fee simple transaction with no easements or other property restrictions.

Council review. Staff from the Council’s Regional Parks and Natural Resources work unit:

- Review each PAOF request to ensure that the proposed acquisition complies with state statute and Council policy;
- Ensure that all necessary documentation is in place and that the appraisal is reasonable and appropriate; and
- Processes requests on a first-come-first-served basis.

Rationale

This acquisition is consistent with:

- The *2040 Regional Parks Policy Plan*;
- Appropriation requirements;
- The Big Marine Park Reserve master plan, approved by the Council in December 2010; and
- All requirements of the Parks and Trails Fund.

Funding

Project budget. The appraised value is \$290,000, and the Agency has offered the seller 100% of the appraised amount, plus closing and other costs as shown below.

Budget item	Requested amount
Purchase price	\$290,000
Due diligence (appraisal, Phase I environmental site assessment, etc.)	4,100
Holding and closing costs	2,090
Stewardship	<u>21,000</u>
Total costs	\$317,190
Grant structure	
Parks and Trails Fund PAOF	\$142,735
Council bonds	<u>95,157</u>
Grant amount not to exceed	\$237,892
Local match	\$79,298

Fund balance.

As of July 28, 2016, the combined balance available for Parks and Trails Fund and Council match was \$598,202. If this grant is awarded by the Council, the balance will be \$360,310. Please note there is a concurrent request for a second Parks and Trails Fund acquisition for Nine Mile Creek Regional Trail also being presented for action in August 2016. That request, if approved along with this one, would reduce the available balance to \$183,576.

Known Support / Opposition

A Metropolitan Parks and Open Space Commissioner asked about the feasibility of moving the existing residence to make it available as housing for the homeless. A representative from Washington County explained that the house may not be in good enough condition to make moving it economically feasible. Staff explained also that costs to move a house are not grant-eligible costs under the Council-approved *2040 Regional Parks Policy Plan*. After some discussion, the item was approved unanimously without amendment. There is no known opposition.

Metropolitan Parks and Open Space Commission

Meeting date: August 10, 2016

For the Community Development Committee meeting of August 15, 2016

For the Metropolitan Council meeting of August 24, 2016

Subject: Park Acquisition Opportunity Fund Grant for Big Marine Park Reserve (Frogner), Washington County

MPOSC District: F – Sarah Hietpas

Policy/Legal Reference: MN Statutes 85.53 Subd. 3(4) and MN Statutes 473.315

Staff Prepared/Presented: Deb Streets Jensen, Senior Parks Finance Planner 651-602-1554

Division/Department: Community Development Division / Regional Parks & Natural Resources

Proposed Action

That the Metropolitan Council:

1. Approve a grant of up to \$237,892 to Washington County to acquire the Frogner parcel at 15770 May Avenue North for Big Marine Park Reserve;
2. Advise Washington County that it may not close on the property until after the Council awards the grant; and
3. Authorize the Community Development Director to execute the grant agreement and restrictive covenant on behalf of the Council.

Background

Regional Park Implementing Agency. This grant was requested by Washington County on June 10, 2016 to acquire property for Big Marine Park Reserve, and a copy of the request letter is attached to this item as Exhibit 1. Big Marine Park Reserve is located in the May Township.

Policy. Strategy Two of the Siting and Acquisition policy from the *2040 Regional Parks Policy Plan* states that “*priorities for land acquisition are set by regional park implementing agencies in Council-approved master plans.*”

Funding sources. The Council’s Park Acquisition Opportunity Fund (PAOF) provides resources to purchase property and easements via two state sources: the Parks and Trails Fund and the Environment and Natural Resources Trust Fund. The Council contributes further by matching every \$3 in state funds with \$2 in Council bonds proceeds. Between them, state and Council funds contribute 75% of the purchase price and eligible costs; the Regional Park Implementing Agency (Agency) contributes the remaining 25% as local match. This grant would be funded through Park and Trails Fund and Council bonds. The Agency is not requesting consideration for future reimbursement for any part of its local match.

Subject property. The subject 14.4-acre property is an inholding within the Council-approved boundaries of the park reserve. The eastern 20% of the property contains a home and out buildings, along with a driveway from May Avenue. The western 80% is undeveloped; with a portion containing trees and grasses and other areas containing wetland or pond. In the short term, the Agency plans on removing the existing structures and stabilizing the area with wildlife cover. The park reserve’s master plan calls for restoring the area to savanna and undertaking a forest expansion.

Acquisition details. This is a straightforward, fee simple transaction with no easements or other property restrictions.

Council review. Staff from the Council’s Regional Parks and Natural Resources work unit:

- Review each PAOF request to ensure that the proposed acquisition complies with state statute and Council policy;
- Ensure that all necessary documentation is in place and that the appraisal is reasonable and appropriate; and
- Processes requests on a first-come-first-served basis.

Rationale

This acquisition is consistent with:

- The 2040 Regional Parks Policy Plan;
- Appropriation requirements;
- The Big Marine Park Reserve master plan, approved by the Council in December 2010; and
- All requirements of the Parks and Trails Fund.

Funding

Project budget. The appraised value is \$290,000, and the Agency has offered the seller 100% of the appraised amount, plus closing and other costs as shown below.

Budget item	Requested amount
Purchase price	\$290,000
Due diligence (appraisal, Phase I environmental site assessment, etc.)	4,100
Holding and closing costs	2,090
Stewardship	<u>21,000</u>
Total costs	\$317,190
Grant structure	
Parks and Trails Fund PAOF	\$142,735
Council bonds	<u>95,157</u>
Grant amount not to exceed	\$237,892
Local match	\$79,298

Fund balance.

As of July 28, 2016, the combined balance available for Parks and Trails Fund and Council match was \$598,202. If this grant is awarded by the Council, the balance will be \$360,310. Please note there is a concurrent request for a second Parks and Trails Fund acquisition for Nine Mile Creek Regional Trail also being presented for action in August 2016. That request, if approved along with this one, would reduce the available balance to \$183,576.

Known Support / Opposition

There is no known opposition.

Exhibit List

- Exhibit 1: Washington County grant request letter
- Exhibit 2: Images
- Exhibit 3: Grant application
- Exhibit 4: Board approval to request grant
- Exhibit 5: Purchase agreement
- Exhibit 6: Appraisal excerpt