

Regional Parks Bonding

Community Development Committee –
August 6, 2018





Background

- In the 2018 bonding bill, the legislature created a new bonding authority using Environment and Natural Resources Trust Fund (Trust Fund) dollars.
- Minnesota Management and Budget (MMB) will do the first sale of these bonds in October or November.
- Five agencies received a total of \$98 million appropriations from these bonds.



Met Council Appropriation

\$10 million appropriation as follows:

Metropolitan Regional Parks and Trails Capital Improvements

For the cost of *improvements and betterments of a capital nature and acquisition by the council and local government units of regional recreational open-space lands in accordance with the council's policy plan* as provided in Minnesota Statutes, section 473.147. This appropriation must not be used to purchase easements.



Legislative Intent

- State that they are meeting legal requirements with this new authorization:

On bonding authority:

“This authorization meets the public purposes established by the Minnesota Constitution, article XI, section 14 and chapter 116P, and shall be a supplement to the traditional sources of funding for environment and natural resources activities.”

On appropriation uses:

“Money appropriated in this section must be spent as authorized by the Minnesota Constitution, article XI, section 14, Minnesota Statutes, section 16A.969, and unless otherwise specified, as authorized by and subject to the requirements of Minnesota Statutes, chapter 116P”



Match Trust Fund Bonds?

- The Council's policy is to match every \$3 of state G.O. bonds for regional parks with \$2 of regional bonds.
- ***Policy question:*** Should the Council mirror this policy by matching the Trust Fund Bonding appropriation with regional bonds?

Staff Recommendation

- That the Council match the \$10 million, 2018 Trust Fund Bond appropriation for Regional Parks with \$6.66 million in regional bonds

Next Steps:

- If approved, this match would be reflected in a third quarter budget amendment.
- Staff will review Parks bonding policies and bring forward a revised policy.