Metro HRA & Regional Parks

2023-2028 Capital Improvement Plan
Council Unified Budget

Definitions

Capital Program
  • Multi-year plan that represents authorized and planned projects. Current capital program is 2022-2028.

Authorized Capital Program (ACP)
  • Multi-year authorization for projects where funding has been secured and the Council has given final approval to proceed.

Capital Budget
  • Represents the amount from the Authorized Capital Program that is expected to be spent in a given year. We are currently in capital budget year 2022. This budget is amended throughout the year.

Capital Improvement Plan (CIP)
  • Six-year plan for projects where funding sources have been identified but not yet secured and the Council has not given final approval.
History

- Minnesota Statute 473.195 provides the Council with authority to develop housing units with approval of municipalities
- January 1999 Council action approved establishment of Family Affordable Housing Program
  - Development and operation of public housing units
- $28 Million provided by U.S. Department of Housing and Urban Development
  - Transferred from MPHA to the Council
- 150 units purchased on the open housing market between 2001 and 2004 (82 single family and 68 townhomes)
- 3 units purchased in 2022 funded through partnership with City of Edina.
Council Owned Housing

Asset Management

Homes managed through contract with property management vendor

Small and routine repairs programmed in operating budget

Large improvements programmed and tracked in capital program
$1.5M Future Spending 2023-2028 CIP

**Authorized - $600K**
- $500K Funded by General Purposes Levy
- $100K Funded by rental property income

**Planned - $250K per year**
- Funded by rental property income
Parks & Open Space

Regional Parks System

- Over 64 million visits in 2021
- 56 regional parks & parks reserves totaling more than 54,000 acres
- 8 special recreation features
- 55 regional trails, with over 415 miles of interconnected trails
System Alignment

State of Minnesota

Metropolitan Region / Met Council
Thrive MSP 2040
Regional Parks Policy Plan

Parks Implementing Agencies
Parks & Trails Master Planning and Operations

Regional Needs and Outcomes
Legislation

- Create regional parks and open space system
- Define role and authority of Council in parks and open space system
- Define role and authority of Metropolitan Parks and Open Space Commission
- Appropriate funding
System Alignment

Key Roles
- Develop regional policy: Thrive MSP 2040
- Develop Regional Parks Policy Plan
- Review regional parks and trails master plans
- Consult with Metropolitan Parks and Open Space Commission
- Fiscal agent
System Alignment

Key Roles

- Lead regional park and trail master planning, including public engagement
- Acquire, develop, and operate regional parks and trails
- Protect and conserve natural resources
- Provide outdoor recreation for public enjoyment
Regional Parks Capital Project Lifecycle

Equity Impacts

- Thrive MSP 2040
- 2040 Regional Parks Policy Plan
- Master Planning
- Competitive Grant Solicitations
Regional Parks Capital Funding

**Program**
- **Funding Source**
- **Distribution Methodology**

**Parks & Trails Legacy**
- State
- Formula

**Parks Acquisition (Legacy & ENRTF)**
- State matched by Council bonds
- 1st come; 1st served

**Bonding**
- State matched by Council bonds
- Formula

**Equity**
- Council bonds
- Competitive

- Grant programs are funded by multiple state sources and Council bonds
- Council passes through 100% of state funding
- Current portfolio is 195 active projects valued at ~ $133M
- $237M in grants are programmed in the proposed Capital Improvement Program (2023-2028)
Revenue Assumptions

State & Council Funding

- Parks and Trails Legacy Fund (Legacy)
  - 2% annual growth
  - 2022 base year $22M
- Environmental & Natural Resources Trust Fund (ENRTF)
  - No growth
  - $0.75M annually
- State of Minnesota Bonds
  - No growth
  - $15M in Bonding years
- Council Bond
  - Up to $40M outstanding
  - Match $2 to every $3 ENRTF, State Bonds, Legacy Land Acquisition (10% set aside)
- Fund Regional Equity Grant Program
Notable Modifications

2028 Program

Programmed Adjustments

- Legacy: $26.6M
- Bonding: $25M
- Environment and Natural Resources Trust Fund: $1.2M
- Regional Parks Equity Grant Program: $1.1M

Council Commitment: $13.2M

- Match to anticipated State of MN investments: $12.1M
- Regional Parks System Equity Grant Program: $1.1M
2022 Distribution Formula

Inputs for the Formula

**OPERATIONS AND MAINTENANCE (O&M)**
- Acreage 20%
- O&M Expenditures 40%
- Visits 40%

**PARKS & TRAILS LEGACY**
- Population 31.5%
- O&M percentage 45%
- Non-local visits 13.5%
- PAOF set aside 10%

**BONDING**
- Non-local visits 30%
- Population 70%
Implementing Agencies Formula

Total $259M

$56M Authorized future spending
$203M Planned spending
  • State Bonding
  • Parks and Trails Legacy
  • Council Match
Land Acquisition

Total $42M

$11M Authorized Future Spending

$31M Planned Spending
  • Parks and Trails Legacy
  • Environment and Natural Resources Trust Fund
  • Council Match
Other

Total $27M

$24M Authorized Future Spending
• Passthrough of state appropriations to other governmental agencies
• Regional Parks Equity Grant Program

$3M Planned Spending
• Regional Parks Equity Grant Program
Parks Capital Program (ACP & CIP)

**Total** $404M

- $167M Authorized Capital Program
- $237M Planned Spending

### Sources
- **State** 85% $345M
- **Regional** 15% $59M

### Uses
- **Legacy & Bonding** 75% $302M
- **Land Acquisition** 11% $45M
- **Other** 13% $52M
- **Equity Grant Funds** 1% $5M

**Total** $404M

- $167M Authorized Capital Program
- $237M Planned Spending
## Capital Program Timeline

<table>
<thead>
<tr>
<th>Date</th>
<th>Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 12, 2021</td>
<td>• Council 2023–2028 Presentation</td>
</tr>
<tr>
<td>October 28, 2021</td>
<td>• Council Approval of Public Comment Draft</td>
</tr>
<tr>
<td>October 28, 2021, to</td>
<td>• Public Comment Period</td>
</tr>
<tr>
<td>December 14, 2021</td>
<td>• Public Comment</td>
</tr>
<tr>
<td></td>
<td>• Adoption of the Capital Program and Annual Capital Plan</td>
</tr>
</tbody>
</table>
2023-2028 Capital Improvement Plan

Thank You

Nickolas Hendrikson
Manager Budget, MTS