

Community Development Committee

Meeting date: June 17, 2013

For the Metropolitan Council meeting of June 26, 2013

Subject: Park Acquisition Opportunity Fund Grant for Spring Lake Park Reserve (Reis Parcel), Dakota County

District(s), Member(s): Council District 16, Wendy Wulff

Policy/Legal Reference: Minnesota Statute Section 473.315

Staff Prepared/Presented: Tori Dupre, Senior Planner, Regional Parks and Natural Resources (651 602-1621)

Division/Department: Community Development Division

Proposed Action

That the Metropolitan Council:

1. Authorize a grant of up to \$379,106 from the Parks and Trails Legacy Fund Acquisition Account in the Park Acquisition Opportunity Fund to Dakota County to finance up to 75% of the costs to acquire the 56.3-acre Reis parcel for the Spring Lake Park Reserve. The grant should be financed with:
 - \$227,464 from the FY 2013 Parks and Trails Legacy Fund appropriation
 - \$151,642 from Metropolitan Council bonds
2. Consider reimbursing Dakota County up to \$126,369, its share of the acquisition costs, from the County share of a future Regional Park Capital Improvement Program. However, the Council does not under any circumstances represent or guarantee that reimbursement will be granted, and expenditure of local funds never entitles a park agency to reimbursement.

Background

Dakota County has requested a grant of \$379,106 to finance up to 75% of the estimated costs to acquire the 56.3-acre (Reis) parcel for the Spring Lake Park Reserve. Dakota County also requests reimbursement consideration of up to \$126,369, its 25% share of the total acquisition costs, from the County share of a future Regional Park Capital Improvement Program.

Rationale

In 2001, the Metropolitan Council established a Park Acquisition Opportunity Fund grant program to assist regional park agencies in acquiring land for the Metropolitan Regional Park System. If this grant is approved, the balance in the Parks and Trails Legacy Fund Acquisition Account would be \$106,750. However, the account will be replenished with FY 2014 Parks and Trails Legacy Fund appropriation on July 1st along with matching Metropolitan Council bonds.

Funding

The County anticipates the total acquisition costs for the Reis parcel are \$505,475. The Council will finance the \$379,106 grant with the following revenue sources:

Revenue Sources	Amount	% of total
FY 2013 Parks and Trails Legacy Fund appropriation	\$227,464	60%
Metropolitan Council bonds	\$151,642	40%
Total Grant	\$379,106	100%

Dakota County also requests reimbursement consideration of up to \$126,369, its 25 percent share of the total acquisition costs, from the County share of a future Regional Park Capital Improvement Program.

Known Support / Opposition

There is no known opposition to Dakota County's grant request. On June 4, 2013 there was not a quorum of the Metropolitan Parks and Open Space Commission, so the Commission could not formally approve a motion. However, the Commission members in attendance supported the staff recommendation unanimously.

Metropolitan Parks and Open Space Commission

Meeting date: June 4, 2013

For the Community Development Committee meeting of June 17, 2013

For the Metropolitan Council meeting of June 26, 2013

Subject: Park Acquisition Opportunity Fund Grant for Spring Lake Park Reserve (Reis Parcel), Dakota County

District(s), Member(s): Metropolitan Parks & Open Space Commission District H, Barbara Schmidt

Policy/Legal Reference: Minnesota Statute Section 473.315

Staff Prepared/Presented: Tori Dupre, Senior Planner-Regional Parks and Natural Resources (651-602-1621)

Division/Department: Community Development Division

Proposed Action

That the Metropolitan Council:

1. Authorize a grant of up to \$379,106 from the Parks and Trails Legacy Fund Acquisition Account in the Park Acquisition Opportunity Fund to Dakota County to finance up to 75% of the costs to acquire the 56.3-acre Reis parcel for the Spring Lake Park Reserve. The grant should be financed with:
 - \$227,464 from the FY 2013 Parks and Trails Legacy Fund appropriation
 - \$151,642 from Metropolitan Council bonds
2. Consider reimbursing Dakota County up to \$126,369, its share of the acquisition costs, from the County share of a future Regional Park Capital Improvement Program. However, the Council does not under any circumstances represent or guarantee that reimbursement will be granted, and expenditure of local funds never entitles a park agency to reimbursement.

Background

Dakota County has submitted a grant request of \$379,106 to finance up to 75% of the estimated costs to acquire the 56.3-acre (Reis) parcel for the Spring Lake Park Reserve. See Attachment 1, letter from Dakota County requesting the acquisition grant. The parcel is unique in configuration, as approximately 9.8 acres is upland located within the Park Reserve Boundary, and 46.5 acres is water.

The parcel provides public access to 3,200 feet of Spring Lake shoreline, and includes a cave that has been used by humans for thousands of years. It includes the foundation of a grist mill dating back to 1854, a house built in 1862, and a mid 1900's sawmill.

Dakota County also requests reimbursement consideration of up to \$126,369, its 25% match of the total acquisition costs, from the County share of a future Regional Park Capital Improvement Program. The reimbursement consideration of the 25% match is permitted under the amended rules for Park Acquisition Opportunity Grants approved by the Metropolitan Council on January 9, 2013 (Business Item 2012-260).

Rationale

In 2001, the Metropolitan Council established a Park Acquisition Opportunity Fund grant program to assist regional park agencies in acquiring land for the Metropolitan Regional Park System. Land that is acquired must be within Metropolitan Council approved master plan boundaries for that particular park or trail unit.

To-date, about \$27.6 million has been granted to acquire 2,122 acres. If this grant is approved, the balance in the Parks and Trails Legacy Fund Acquisition Account would be \$106,750. However, the account will be replenished with FY 2014 Parks and Trails Legacy Fund appropriation on July 1st along with matching Metro Council bonds. That amount is unknown at this time, pending the outcome of the 2013 Legislative Session (See Attachment 4).

The County's acquisition of the parcel is consistent with the Metropolitan Council-approved master plan for Spring Lake Park Reserve master plan (Business Item 204-53).

Funding

The actual and estimated acquisition costs for the Reis parcel, based on documentation provided by Dakota County, total \$505,475, as shown in Table 1.

Table 1: Acquisition Costs

Cost Items	Amount
Purchase Price	\$425,000
Appraisal, Taxes, Closing costs and Title Insurance	\$7,325
Other Estimated stewardship, and associated Acquisition costs	\$73,150
Total	\$505,475

Dakota County requests that the acquisition of the 56.3-acre Reis parcel for Spring Lake Park Reserve be financed with the following revenue sources as shown in Table 2.

Table 2: Acquisition Grant Revenue Sources

Revenue Sources	Amount
Metro Council -Park Acquisition Opportunity Fund (75%)	\$379,106
Dakota County match (25%)	\$126,369
Total:	\$505,475

Dakota County also requests reimbursement consideration for up to \$126,369 for its required match to the grant. Reimbursement would be financed from Dakota County's share of future regional park capital improvement programs. The reimbursement request is permitted under the amended rules for Park Acquisition Opportunity Grants approved by the Metropolitan Council on January 9, 2013. The timing of when Dakota County is reimbursed for any portion of the \$126,369 depends upon when funds are provided in a future Regional Park Capital Improvement Program. The Council does not under any circumstances represent or guarantee that a reimbursement will be granted, and expenditure of local funds never entitles a park agency to reimbursement.

The acquisition qualifies for Parks and Trails Legacy funding, one of the two accounts in the Park Acquisition Opportunity Fund. This account funds purchases of land and related structures for properties identified for acquisition in Council-approved park master plans. The acquisition grant would be financed with the revenue sources shown Table 3.

Table 3: Park Acquisition Opportunity Grant Revenue Sources

Revenue Sources	Amount
FY 2013 Parks and Trails Legacy Fund (60%)	\$227,464
Metropolitan Council bonds (40%)	\$151,642
Total Grant	\$379,106

If this grant is awarded, the unobligated balance in the Parks and Trails Legacy Fund Acquisition Account is \$106,750. However, a FY 2014 Parks and Trails Legacy Fund appropriation will replenish the account on July 1, 2013, along with matching Metropolitan Council bonds. The fund balance, with the replenished Legacy Fund appropriation and Metropolitan Council Bonds, is \$2,910,083.

Known Support / Opposition

The request is consistent with the rules for Park Acquisition Opportunity Fund grants as adopted on January 9, 2013. There is no known opposition to the request.

Attachment 1: Letter from Dakota County requesting grant to acquire Reis Parcel for Spring Lake Park Reserve

Physical Development Division

Dakota County
Western Service Center
14955 Galaxie Avenue
Apple Valley, Mn 55124-8579

952.891.7000
Fax 952.891.7031
www.dakotacounty.us

Environmental Resources
Land Conservation
Groundwater Protection
Surface Water
Waste Regulation
Environmental Initiatives

Office of Planning

Operations Management
Facilities Management
Fleet Management
Parks

Transportation
Highways
Surveyor's Office
Transit Office



May 15, 2013

Arne Stefferud
Planning Analyst – Parks
Metropolitan Council
390 North Robert Street
St. Paul, MN 55101

Dear Arne:

Dakota County requests Metropolitan Council consideration authorizing an Acquisition Opportunity Fund ("AOF") grant for the purchase of the David G. Ries Property ("Ries Property") in Spring Lake Park Reserve ("SLPR") in Nininger Township. See enclosed Attachment A and B: Regional Map and Location Map.

The Ries Property consists of approximately 9.8 acres of upland located within the SLPR boundary and 46.5 acres underwater outside the park boundaries. The Ries Property, which will provide public access to 3,200 feet of Spring Lake shoreline, includes a cave that has been used by humans for thousands of years, the foundation of a historic grist mill dating back to 1854, a ten-room house built in 1862 that is in good condition, and a mid-1900s sawmill.

The SLPR Master Plan recognizes acquisition of the Ries Property as a high priority for protecting natural and cultural resources and expanding recreational opportunities. On May 8, 2012 through Resolution No. 12-228, the Dakota County Board of Commissioners authorized an appraisal and negotiations with Mr. Ries. Pursuant to this authorization, Dakota County staff met and negotiated with Mr. Ries and commissioned an appraisal of the Ries Property. Mr. Ries has agreed to sell the Ries Property to Dakota County for \$425,000, which is slightly more than the appraised value. The Dakota County Board of Commissioners supports paying the higher value for this acquisition because the appraisal does not assign any value to important park amenities, such as the grist mill foundation, historic cave, and saw mill, and these amenities have the potential to provide additional significant public benefits. By Resolution No. 13-241, the Dakota County Board of Commissioners, authorized acquisition of the Ries Property and submission of an AOF grant request at its May 7, 2013 meeting. Dakota County has a signed Purchase Agreement with the landowner.

This request for an AOF grant is based on the following estimated expenses:

Expense Item	Amount
Purchase Price	\$425,000
Appraisal, Taxes, Closing, and Title Insurance Costs	\$ 7,325
Other Estimated Stewardship and Associated Acquisition Costs.	\$ 73,150
Total	\$505,475

The Stewardship and Associated Acquisition Costs include \$31,200 for new siding and shingles and \$25,000 for environmental assessments and associated cleanup costs. See enclosed itemized list.

Dakota County requests an AOF grant in the amount of \$379,106, which is 75 percent of the total estimated expenses for this acquisition. Dakota County will match the AOF grant with \$126,369 of its funds. In addition, Dakota County requests that the Metropolitan Council consider reimbursing the County up to \$126,369 for these matching funds from part of the County's share of future regional park capital improvement programs.

Thank you for considering this request.

Sincerely,

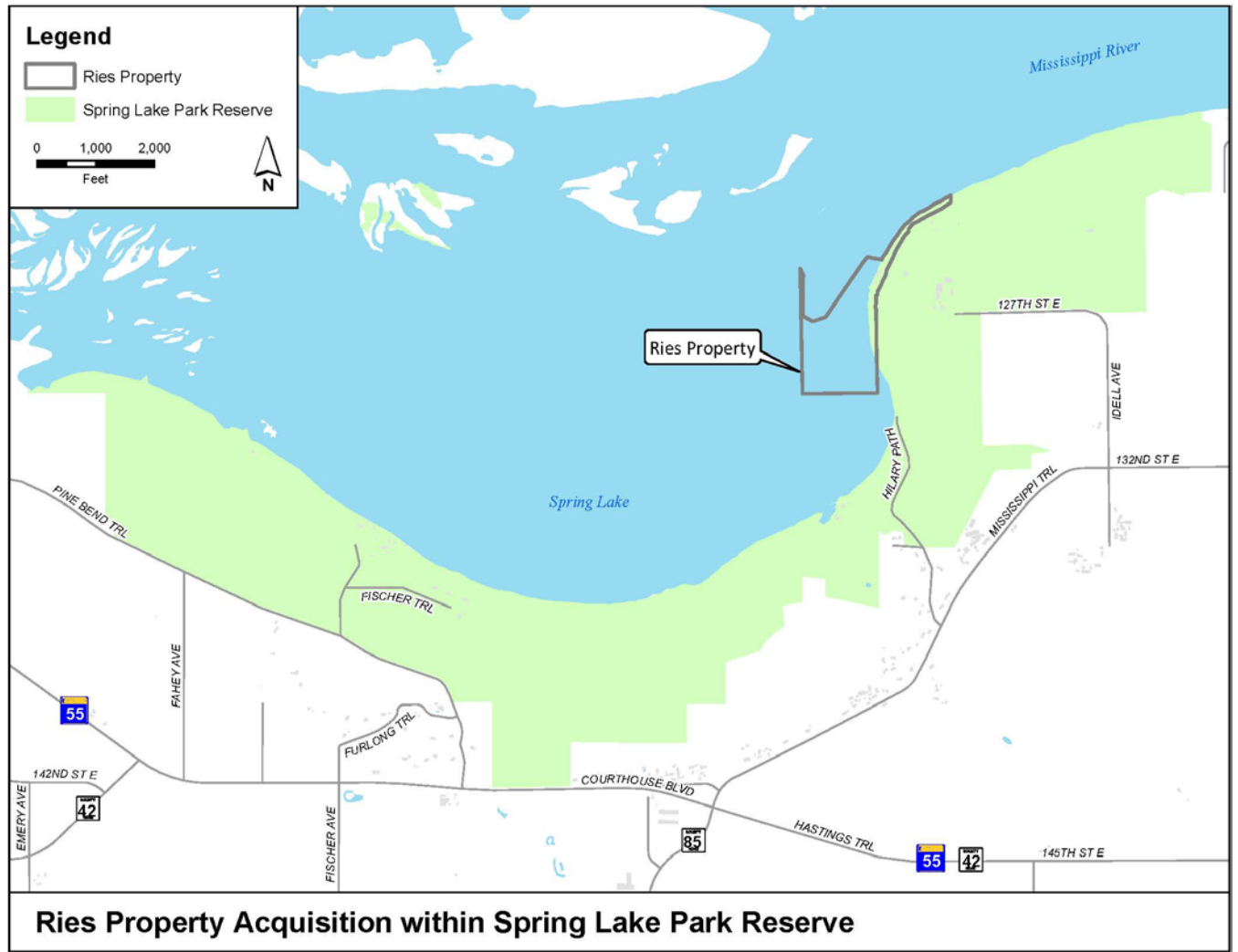

Steve Sullivan, Director
Dakota County Parks


Al Singer, Land Conservation Manager
Dakota County Environmental Resources

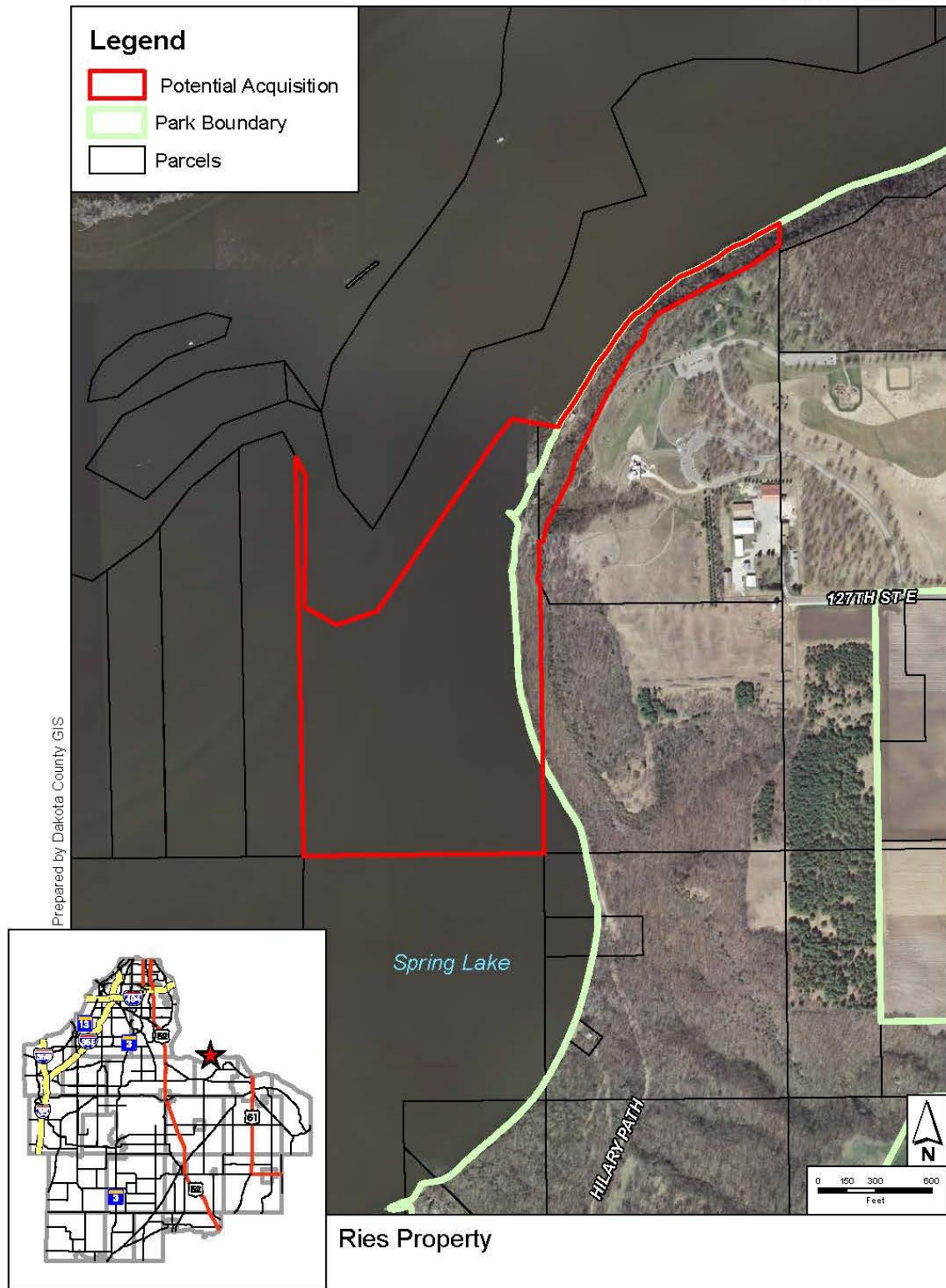
Encl.

cc: Taud Hoopingarner, Operations Management – Parks Director
Georg Fischer, Environmental Resources Director
Stacy Reilly, Financial Analyst

Attachment 2: Dakota County Property (Reis) Acquisition in Spring Lake Park Reserve



Attachment 3: Aerial map of Property (Reis) Acquisition in Spring Lake Park Reserve



Attachment 4: Park Acquisition Opportunity Fund Grant Totals and Percent Grants Awarded/Spent by Park Agency (Apr 2001 – 2013)

Park Agency	Total Park Acq. Opp. Grants	%of Park Acq. Opp. Grants	Acres Acquired	% of Acres Acquired
Anoka County	\$,632,891	5.91%	860	40.54%
Bloomington	\$ 500,244	1.81%	1.07	0.05%
Carver County	\$ 2,574,281	9.32%	67.10	3.16%
Dakota County	\$ 3,873,968	14.03%	536.50	25.28%
Minneapolis Park & Rec. Board	\$ 3,233,794	11.71%	9.48	0.45%
Ramsey County	\$ 990,639	3.59%	13.69	0.65%
Scott County	\$ 3,582,674	12.98%	301.56	14.21%
St. Paul	\$ 2,221,918	8.05%	5.09	0.24%
Three Rivers Park District	\$ 5,163,949	18.71%	209.86	9.89%
Washington County	\$ 3,832,858	13.88%	117.38	5.53%
Grand Total	\$27,607,215	100%	2,122.03	100%

Park Acquisition Opportunity Fund Grant Totals and Percent Grants Awarded by MPOSC District (Apr 2001-2013)

MPOSC District	Total Park Acq. Opp. Grants	%of Park Acq. Opp. Grants	Acres Acquired	% of Acres Acquired
District A Subtotal	\$ 3,343,349	12.11%	64	3.02%
District B Subtotal	\$ 7,246,354	26.25%	394.55	18.59%
District C Subtotal	\$ 500,244	1.81%	1.07	0.05%
District D Subtotal	\$ 3,233,794	11.71%	9.48	0.45%
District E Subtotal	\$ 731,200	2.65%	119.80	5.65%
District F Subtotal	\$ 6,298,699	22.82%	984.87	46.41%
District G Subtotal	\$ 2,379,607	8.62%	11.59	0.55%
District H Subtotal	\$ 3,873,968	14.03%	536.50	25.28%
Grand Total	\$27,607,215	100%	2,122.03	100%