

Community Development Committee

For the Metropolitan Council meeting of March 25, 2015

Subject: Park Acquisition Opportunity Fund Grant for Nine Mile Creek Regional Trail, Four Easements, Three Rivers Park District

Proposed Action

That the Metropolitan Council:

1. Authorize a grant of up to \$220,500 to Three Rivers Park District to acquire four trail easements for Nine Mile Creek Regional Trail.
 - a. The Metropolitan Council will finance the grant through the Park Acquisition Opportunity Fund, with Metropolitan Council bonds funding 75 percent of the total acquisition costs.
 - b. Three Rivers Park District will match the grant with \$73,500, or 25 percent of the total acquisition costs.
2. Authorize the Community Development Director to sign the grant agreement including the restrictive covenant.

Summary of Committee Discussion/Questions

On March 16, 2015, the Community Development Committee unanimously recommended approval of the proposed action.

Community Development Committee

Meeting date: March 16, 2015

For the Metropolitan Council meeting of March 25, 2015

Subject: Park Acquisition Opportunity Fund Grant for Nine Mile Creek Regional Trail, Four Easements, Three Rivers Park District

District(s), Member(s): Council District 5, Steve Elkins

Policy/Legal Reference: MN Statute Section 473.315

Staff Prepared/Presented: Tori Dupre, Senior Planner (651-602-1621)

Division/Department: Community Development, Regional Parks and Natural Resources

Proposed Action

That the Metropolitan Council:

1. Authorize a grant of up to \$220,500 to Three Rivers Park District to acquire four trail easements for Nine Mile Creek Regional Trail.
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 - b. Three Rivers Park District will match the grant with \$73,500, or 25 percent of the total acquisition costs.
2. Authorize the Community Development Director to sign the grant agreement including the restrictive covenant.

Background

Nine Mile Creek Regional Trail is a 15-mile corridor from Hopkins through Minnetonka, Edina, and Richfield to Bloomington. When complete, the regional trail will provide non-motorized recreation and transportation connections to recreation areas within these communities, including the Minnesota River Bluffs, Intercity and Big Rivers Regional Trails, Minnesota River State Trail, Fort Snelling State Park, and Minnesota Valley National Wildlife Refuge Visitor Center.

Three Rivers Park District (Park District) has requested a Park Acquisition Opportunity Fund (PAOF) grant of up to \$220,500 to purchase four permanent trail easements located in the City of Edina for the regional trail (Attachment 1). The four easements total approximately 0.8 acres, and the grant request is based on appraisals for the easements. The Park District's grant application letter indicates that the Park District has not issued payment to the easement property owners, and will not issue payment until approval is received from the Metropolitan Council.

Rationale

The Park District's grant request is consistent with the *2040 Regional Parks Policy Plan (adopted February 11, 2015)*, which contains the Rules for PAOF grant requests. The PAOF Rules specify that lands must be within Council-approved master plan boundaries to qualify for an acquisition grant. The PAOF Rules also define grant-eligible acquisition costs that the Council funds through reimbursements to the park agencies.

The Park District's grant request is consistent with the Nine Mile Creek Regional Trail master plan, which the Metropolitan Council approved the on December 11, 2013 (MC business item 2013-313).

Funding

The Park Acquisition Opportunity Fund provides grants to park implementing agencies to acquire land for the regional park system. The Fund has two accounts, the Environment and Natural Resources Trust Fund and the Parks and Trails Legacy Fund. The Council's park bonds provide a 40 percent match to each state fund appropriation, and new grants reduce the available balance until a new appropriation is available. At this time, the Parks and Trails Legacy Fund account balance is \$1,453,781 and consists solely of Metropolitan Council bonds.

The Park District estimates the grant-eligible acquisition costs for these easements will total \$294,000 and include the purchase price, appraisal and appraisal review costs and legal services as shown in Table 2.

Table 2: Nine Mile Creek Regional Trail Easements; Total Acquisition Costs

Cost Items	Amount
Purchase Price - Four Easements	\$275,400
Associated Fees (closing costs, title insurance, etc.)	\$18,600
Total Acquisition (Estimated)	\$294,000

The PAOF grant finances 75 percent of the total acquisition costs, with the park agency paying the remaining 25 percent as the required local match. The Park District's grant request of \$220,500 is 75 percent of the total acquisition costs. Since only Council bonds remain in the Parks and Trails Legacy Fund account of the PAOF, the grant will be financed solely by Council bonds, as shown in Table 3.

Three Rivers Park District will fund the 25 percent match amount of \$73,500 and is not requesting future reimbursement from a regional parks capital improvement program.

Table 3: Acquisition Grant Revenue Sources

Revenue Sources	Amount
Estimated Total Acquisition Costs	\$294,000
Grant Total (up to 75% acquisition total)	\$220,500
Metropolitan Council bonds (100%)	\$220,500
Local Match (25% of acquisition total)	\$73,500

The Metropolitan Council's final action on the two PAOF business items (2015-39 and 2015-40) leaves an available balance of \$1,147,387 in the Parks and Trails Legacy Fund account, available for future acquisition grant requests until July 1, 2015, the start of the State's fiscal year funding cycle.

Known Support / Opposition

The Park District Board approved the purchase of these trail easements in Edina for the Nine Mile Creek Regional Trail in actions on January 22, February 5 and February 19, 2015.

There is no known opposition to the Park District's acquisition of these easements for the Nine Mile Creek Regional Trail, or to the grant request. At its March 3, 2015 meeting, the Metropolitan Parks and Open Space Commission unanimously approved the staff report recommendations.

Metropolitan Parks and Open Space Commission

Meeting date: March 3, 2015

For the Community Development Committee meeting of March 16, 2015

For the Metropolitan Council meeting of March 25, 2015

Subject: Park Acquisition Opportunity Fund Grant for Nine Mile Creek Regional Trail, Four Easements, Three Rivers Park District

District(s), Member(s): MPOSC District C, William Weber

Policy/Legal Reference: MN Statute Section 473.315

Staff Prepared/Presented: Tori Dupre, Senior Planner (651-602-1621)

Division/Department: Community Development, Regional Parks and Natural Resources

Proposed Action

That the Metropolitan Council:

1. Authorize a grant of up to \$220,500 to Three Rivers Park District to acquire four trail easements for Nine Mile Creek Regional Trail.
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 - b. Three Rivers Park District will match the grant with \$73,500, or 25 percent of the total acquisition costs.
2. Authorize the Community Development Director to sign the grant agreement including the restrictive covenant.

Background

Nine Mile Creek Regional Trail is a 15-mile corridor from Hopkins through Minnetonka, Edina, and Richfield to Bloomington. When complete, the regional trail will provide non-motorized recreation and transportation connections to recreation areas within these communities, including the Minnesota River Bluffs, Intercity and Big Rivers Regional Trails, Minnesota River State Trail, Fort Snelling State Park, and Minnesota Valley National Wildlife Refuge Visitor Center.

Three Rivers Park District (Park District) has requested a Park Acquisition Opportunity Fund (PAOF) grant of up to \$220,500 to purchase four permanent trail easements located in the City of Edina for the regional trail (Attachment 1).

The four easements total approximately 0.8 acres and are within an area generally planned and zoned for commercial and industrial uses. The subject easements are located along the Edina East and West Segments of the trail (Attachment 2) and the parcel addresses are shown in Table 1, with aerial photos of the easements situated on the properties in Attachments 3 through 6.

The Park District's grant request is based on appraisals for the four easements. In fee title acquisitions, a purchase agreement may indicate that the closing is scheduled after the Metropolitan Council's action on the grant request. In easement acquisitions, the Park District has signed offers and signed easements, rather than a purchase agreement.

The Park District's grant application letter indicates that the Park District has not issued payment to the easement property owners, and will not issue payment until approval is received from the Metropolitan Council (Attachment 1).

Table 1:

Park/Trail	Nine Mile Creek Regional Trail			
	1) Parcel 3	2) Parcel 50	3) Parcel 23	4) Parcels 24, 26
Property Owner/Seller	RiverSource CEO 1, LLC	One Corporate Center Financial Plaza West Building Homeowners Association	Edina Ohms Lane, LLC	M-M Bloomington Associates, LLC
Address	5901 State Highway 169 Edina, MN 55436	Address Unassigned Edina, MN 55369	7100 Ohms Lane Edina, MN 55439	7101 & 7117 Ohms Lane Edina, MN 55439
PID	31-117-21-32-0002 and 31-117-21-31-0045	09-116-21-24-0034	09-116-21-22-0024	09-116-21-22-0025 and 09-116-21-22-0027
Size	8,197 sf (.19 acres)	1,250 sf (.03 acres)	4,836 sf (.11 acres)	20,577 sf (.47 acres)
County	Hennepin	Hennepin	Hennepin	Hennepin

Upon the Metropolitan Council's approval of a PAOF grant, staff prepares a grant agreement that includes an "agreement and restrictive covenant" which park agencies must record to ensure that the property remains in regional recreation use. The Metropolitan Council's action authorizes the Community Development Director to sign the grant agreement and accompanying documents including the restrictive covenant.

Rationale

The Park District's grant request is consistent with the *2040 Regional Parks Policy Plan (adopted February 11, 2015)*, which contains the Rules for PAOF grant requests. The PAOF Rules specify that lands must be within Council-approved master plan boundaries to qualify for an acquisition grant. The PAOF Rules also define grant-eligible acquisition costs that the Council funds through reimbursements to the park agencies.

The Park District's grant request is consistent with the Nine Mile Creek Regional Trail master plan, which the Metropolitan Council approved the on December 11, 2013 (MC business item 2013-313).

Funding

The Park Acquisition Opportunity Fund provides grants to park implementing agencies to acquire land for the regional park system. As of February 2015, the Park Acquisition Opportunity Fund has provided more than \$38,897,000 to acquire approximately 3,000 acres.

The Fund has two accounts, the Environment and Natural Resources Trust Fund and the Parks and Trails Legacy Fund. The Council's park bonds provide a 40



percent match to each state fund appropriation, and new grants reduce the available balance until a new appropriation is available. At this time, the Parks and Trails Legacy Fund account balance is \$1,453,781 and consists solely of Metropolitan Council bonds.

The Park District estimates the grant-eligible acquisition costs for these easements will total \$294,000. These include the purchase price, appraisal and appraisal review costs and legal services as shown in Table 2.

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There is no known opposition to the Park District’s acquisition of these easements for the Nine Mile Creek Regional Trail, or to the grant request.



February 11, 2015

Three Rivers
Park District
Board of
Commissioners

Jan Youngquist
Manager, Regional Parks and Natural Resources Unit
Community Development Division
390 North Robert Street
St. Paul, MN 55101

Penny Steele
District 1

RE: Park Acquisition Opportunity Fund Grant Request for Nine Mile Creek Regional Trail Reimbursement Request No. 1

Dear Jan,

Jennifer DeJournett
District 2

Three Rivers Park District respectfully requests a Park Acquisition Opportunity Grant for Nine Mile Creek Regional Trail in the amount of \$220,500 for acquisition of 4 easements in Edina. Please process and forward this request to the Metropolitan Parks Open Space Commission, Community Development Committee, and Metropolitan Council for consideration and approval.

Daniel Freeman,
Vice Chair
District 3

Nine Mile Creek Regional Trail Reimbursement Request Reference Organization

I anticipate submitting several more Park Acquisition Opportunity Grant requests in the coming weeks and months. For communication and tracking purposes, each reimbursement submittal package will be assigned a numerical reference I will refer to this request as Nine Mile Creek Regional Trail Reimbursement Request No. 1. Subsequent grant requests will follow this precedence.

John Gunyou,
Chair
District 4

Reimbursement 1 Support Material

The following Reimbursement Request No. 1 information is enclosed for your review and records:

John Gibbs
District 5

- Brief Overview of the Acquisition Request
- Land Acquisition Checklist
- Excerpts of the Nine Mile Creek Regional Trail Master Plan
- Appraisals, maps, offer letter/agreement/similar, and signed easement document for each easement
- Board Actions approving the easement acquisitions

Larry Blackstad
Appointed
At Large

Easement Payment

The Park District has not issued payment to the 4 easement property owners included in Reimbursement Request No. 1 and will not issue payment until approval is received from the Metropolitan Council to do so.

Steve Antolak
Appointed
At Large

Cris Gears
Superintendent

Administrative Center, 3000 Xenium Lane North, Plymouth, MN 55441-1299
Information 763.559.9000 • TTY 763.559.6719 • Fax 763.559.3287 • www.ThreeRiversParks.org





Please process this request with a target approval in late March in order to meet requirements of an associated Federal Grant to construct Nine Mile Creek Regional Trail and reimburse willing sellers in a timely and respectful manner.

Thank you for your continued assistance through this process,



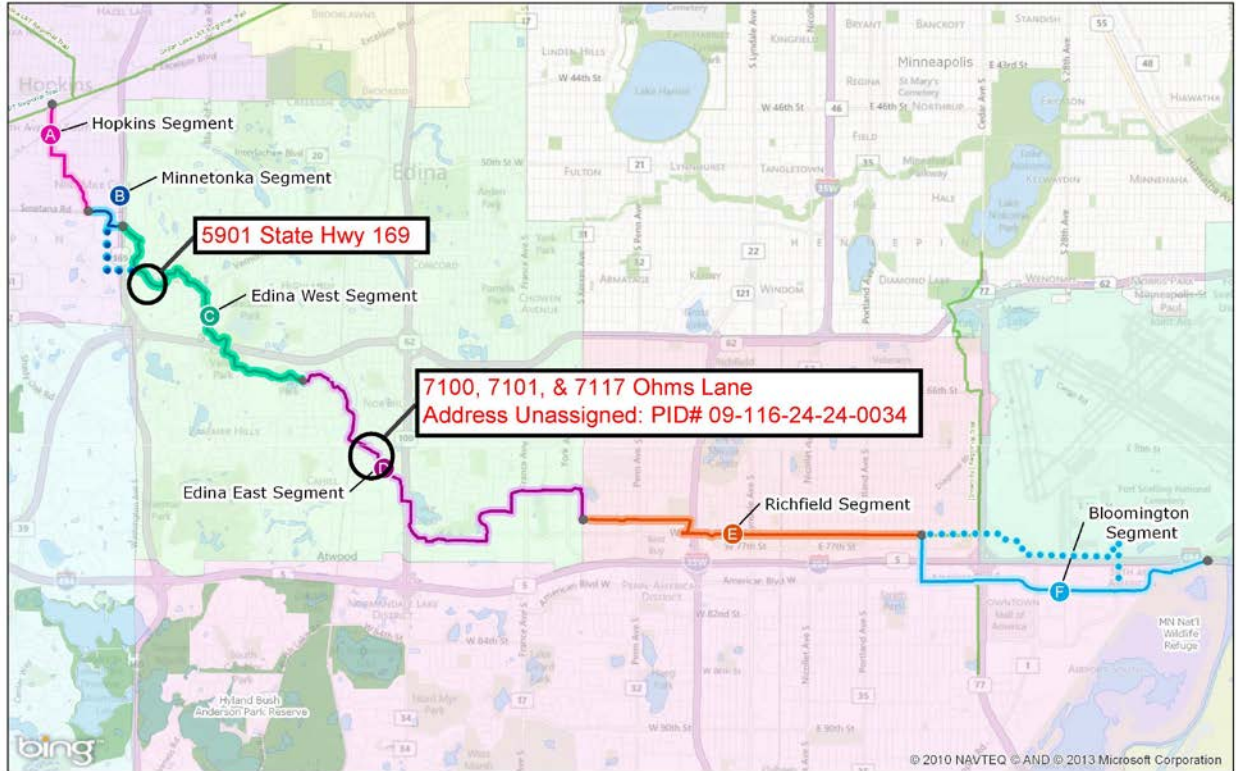
Kelly Grissman
Director of Planning

Enclosures

C: Jonathan Vlaming, Associate Superintendent
Eric Nelson, Senior Manager of Engineering

Attachment 2: Nine Mile Creek Regional Trail Showing Easements Location

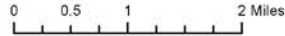
Figure 10
Nine Mile Creek Regional Trail Segment Identification
 Source: Three Rivers Park District



Nine Mile Creek Regional Trail | Segment Divisions

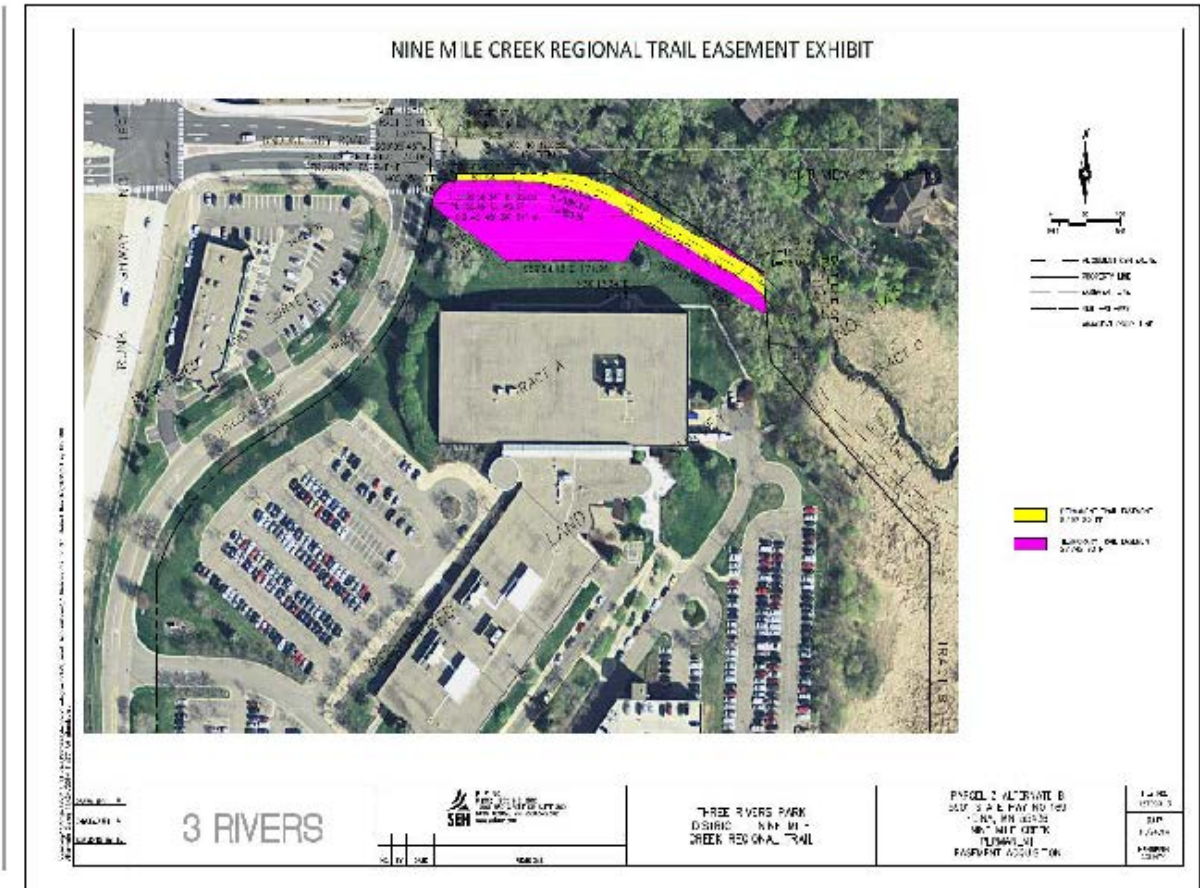
Map prepared by Three Rivers Park District
 Planning Department - KG September 10, 2013

This GIS Data is provided "as is" without warranty of any representation of accuracy, timeliness, or completeness. The user acknowledges and accepts the limitations of the Data, including the fact that the Data is dynamic and is in a constant state of maintenance, correction, and update.



Attachment 3: Nine Mile Creek Regional Trail Parcel 3, RiverSource CEO 1, LCC, 5901 State Highway 169, Edina, MN 55436

evergreen
Land Services

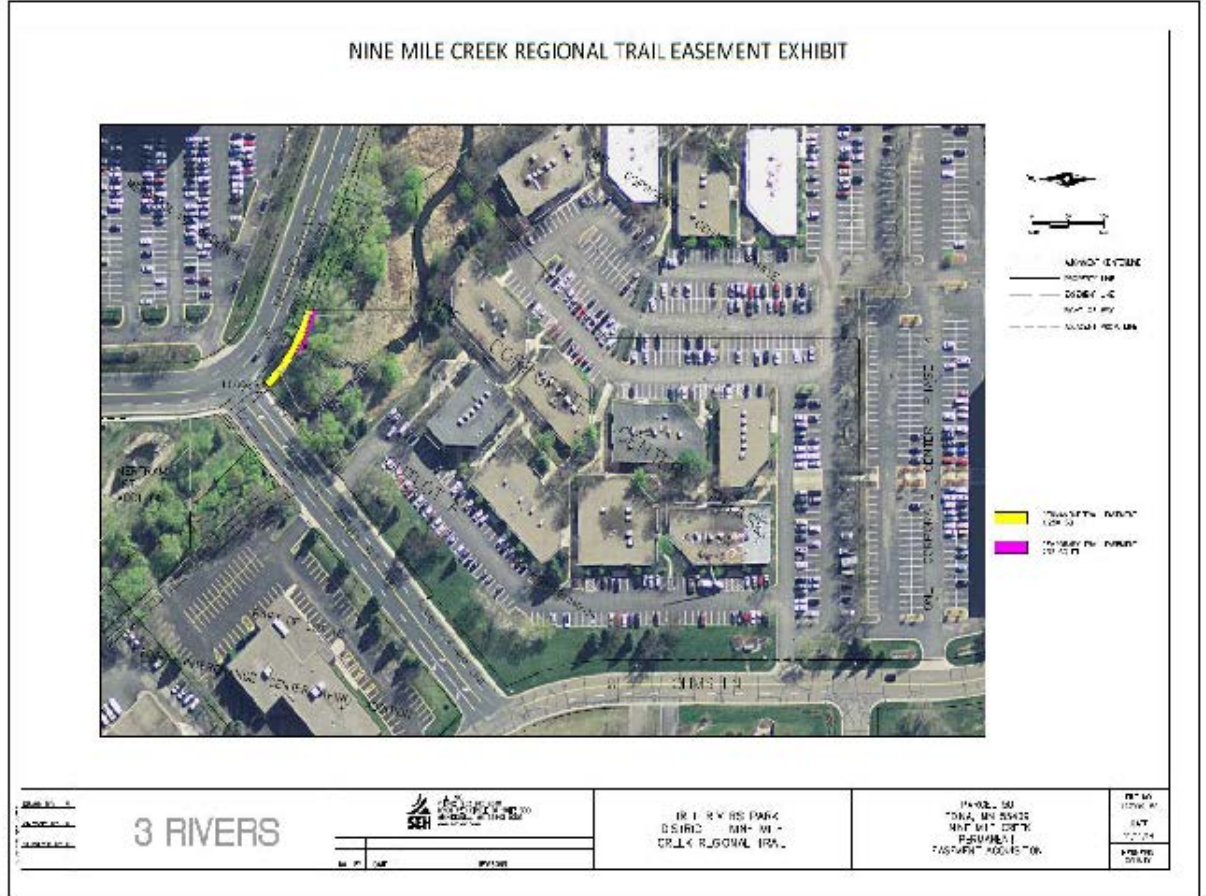


Attachment 4: Nine Mile Creek Regional Trail Parcel 50, One Corporate Center Financial Plaza West Building Homeowners Association, Address Unassigned, Edina, MN 55369

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Three Rivers Park District—NIM/CRT—Edina
Parcel 50 — One Corp. Center Financial Plaza

DESCRIPTION & EFFECTS OF PROPOSED ACQUISITION



evergreen Land Services

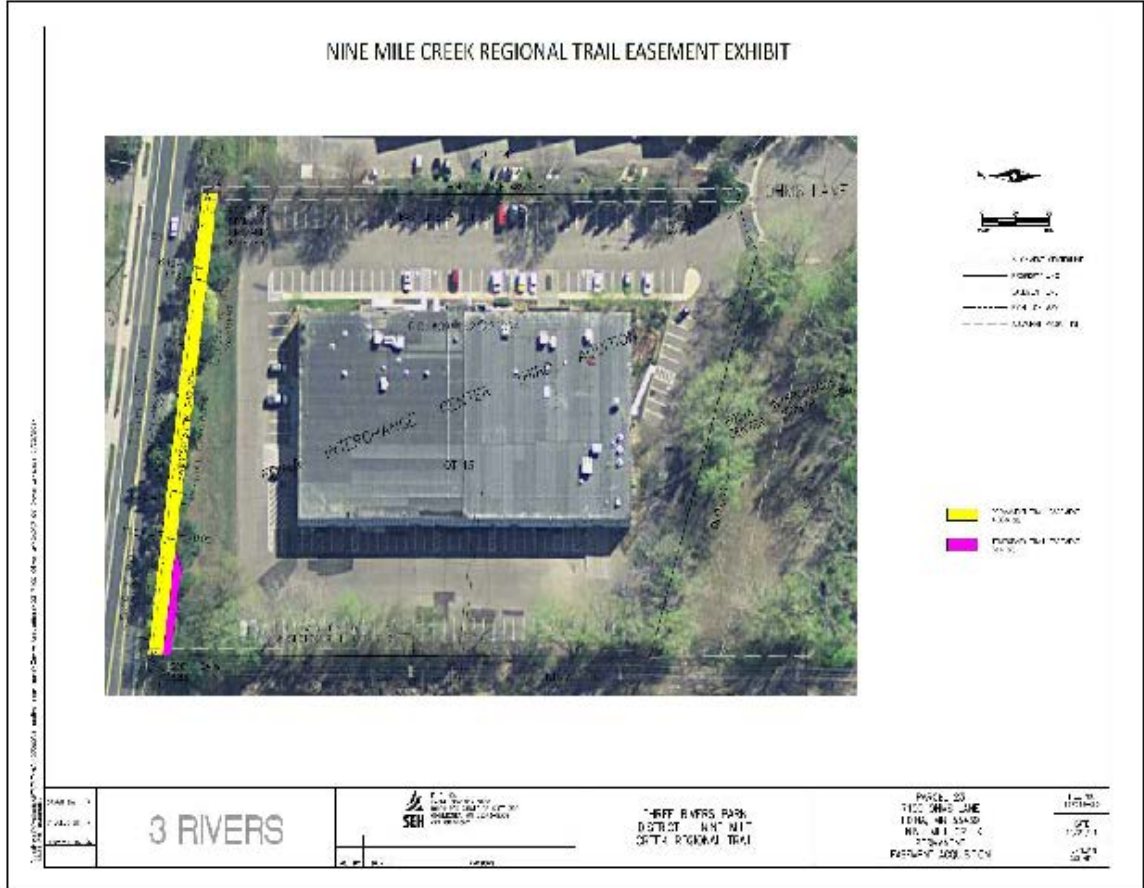


Attachment 5: Nine Mile Creek Regional Trail Parcel 23, Edina Ohms Lane, LLC, 7100 Ohms Lane Edina, MN 55439

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Three Rivers Park District—NMCRT-Edina
Parcel 23 — 7100 Ohms Lane

DESCRIPTION & EFFECTS OF PROPOSED ACQUISITION



evergreen Land Services



Attachment 6: Nine Mile Creek Regional Trail Parcels 24, 26, M-M Bloomington Associates, LLC, 7101 & 7117 Ohms Lane, Edina, MN 55439

DESCRIPTION & EFFECTS OF PROPOSED ACQUISITION

