

Community Development Committee

For the Metropolitan Council meeting of May 13, 2015

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

Proposed Action

That the Metropolitan Council:

1. Authorize a grant of up to \$105,300 to Three Rivers Park District to acquire an easement at 7171 Ohms Lane 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 \$35,100, 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 April 20, 2015, the Community Development Committee unanimously recommended approval of the proposed action.

Community Development Committee

Meeting date: April 20, 2015

For the Metropolitan Council meeting of May 13, 2015

Subject: Park Acquisition Opportunity Fund Grant for Nine Mile Creek Regional Trail, Edina Easement, 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 \$105,300 to Three Rivers Park District to acquire an easement at 7171 Ohms Lane for Nine Mile Creek Regional Trail.
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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 and Intercity 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 \$105,300 to purchase one permanent trail easement located in the City of Edina for the regional trail (Attachment 1).

The easement is 0.11 acres (4,922 square feet) and is located in an area generally planned and zoned for commercial and office uses. The subject easement is located at 7171 Ohms Lane in Edina.

In lieu of a purchase agreement, the Park District provided the Council a signed easement and an administrative settlement document to verify the purchase price. The Park District's grant request for the easement is based on an appraisal and an appraisal review, and the final purchase price is \$134,400 per the administrative settlement. The Park District's grant request letter indicates that it has not issued payment to the easement property owner and will not issue payment until approval is received from the Metropolitan Council (Attachment 1).

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 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 April 2015, the Park Acquisition Opportunity Fund has provided more than \$39,203,000 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. At this time, the Parks and Trails Legacy Fund account balance is \$1,147,387 and consists solely of Metropolitan Council bonds.

The grant-eligible acquisition costs for the easement total \$140,400 and include the purchase price, the appraisal and appraisal review costs as shown in Table 1.

Table 1: Nine Mile Creek Regional Trail Easements; Total Acquisition Costs

Cost Items	Amount
Purchase Price	\$134,400
Appraisal, Appraisal Review, Legal Services	\$6,000
Total Acquisition (Estimated)	\$140,400

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 \$105,300 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 2. The Park District will fund the 25 percent match amount of \$35,100 and is not requesting future reimbursement from a regional parks capital improvement program.

Table 2: Acquisition Grant Revenue Sources

Revenue Sources	Amount
Estimated Total Acquisition Costs	\$140,400
Grant Total (75% acquisition total; Metro Council bonds only)	\$105,300
Local Match (25% of acquisition total)	\$35,100

The Metropolitan Council's final action on all pending PAOF requests leaves an available balance of \$891,712 in the Park and Trails Legacy Account of the Acquisition Opportunity Fund account 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 the Nine Mile Creek Regional Trail easement in Edina on February 19, 2015. There is no known opposition to the Park District's acquisition of the trail easement or to the grant request.

At its April 7, 2015 meeting, the Metropolitan Parks and Open Space Commission unanimously approved the staff report recommendations. The Commission asked about the easement cost per square foot and the trail alignment variations from the trail master plan. Three Rivers Park District staff provided information about working with willing land owners to acquire the trail easements, and about considering trail alignment options, including costs, in securing the final trail easements.

Metropolitan Parks and Open Space Commission

Meeting date: April 7, 2015

For the Community Development Committee meeting of April 20, 2015

For the Metropolitan Council meeting of May 13, 2015

Subject: Park Acquisition Opportunity Fund Grant for Nine Mile Creek Regional Trail, Edina Easement, 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

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The easement is 0.11 acres (4,922 square feet) and is located in an area generally planned and zoned for commercial and office uses. The subject easement is located at 7171 Ohms Lane, Edina (Attachments 2 and 3).

In lieu of a purchase agreement, the Park District provided the Council a signed easement and an administrative settlement document to verify the purchase price. The Park District’s grant request for the easement is based on an appraisal and an appraisal review, and the final purchase price is \$134,400 per the administrative settlement. The Park District’s grant request letter indicates that it has not issued payment to the easement property owner and will not issue payment until approval is received from the Metropolitan Council (Attachment 1).

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

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the grant will be financed solely by Council bonds, as shown in Table 2. The Park District will fund the 25 percent match amount of \$35,100 and is not requesting future reimbursement from a regional parks capital improvement program.

Table 2: Acquisition Grant Revenue Sources

Revenue Sources	Amount
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Known Support / Opposition

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There is no known opposition to the Park District's acquisition of the trail easement or to the grant request.



March 3, 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. 2

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 \$105,300 for acquisition of 1 easement 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
For communication and tracking purposes, this request is hereby designated Nine Mile Creek Regional Trail Reimbursement Request No. 2. Previous and subsequent grant requests will follow this precedence.

John Gunyou,
Chair
District 4

Easement Price
The agreed upon purchase price for the permanent easement is \$134,400 (\$135,000 minus \$600 for a temporary easement). The purchase price includes an administrative settlement amount of \$59,200 as a result of the property owner's land valuation review which supported a higher per square foot cost and tree replacement value.

John Gibbs
District 5

Easement Payment
The Park District has not issued payment to the easement property owner included in Reimbursement Request No. 2 and will not issue payment until approval is received from the Metropolitan Council to do so.

Larry Blackstad
Appointed
At Large

Support Material
The following Reimbursement Request No. 2 information is enclosed for your review and records:

Steve Antolak
Appointed
At Large

- Brief Overview of the Acquisition Request
- Land Acquisition Checklist
- Excerpts of the Nine Mile Creek Regional Trail Master Plan
- Appraisals, maps, offer letters, administrative settlement, and signed easement document
- Board Action approving the easement acquisition

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 April/early May 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,



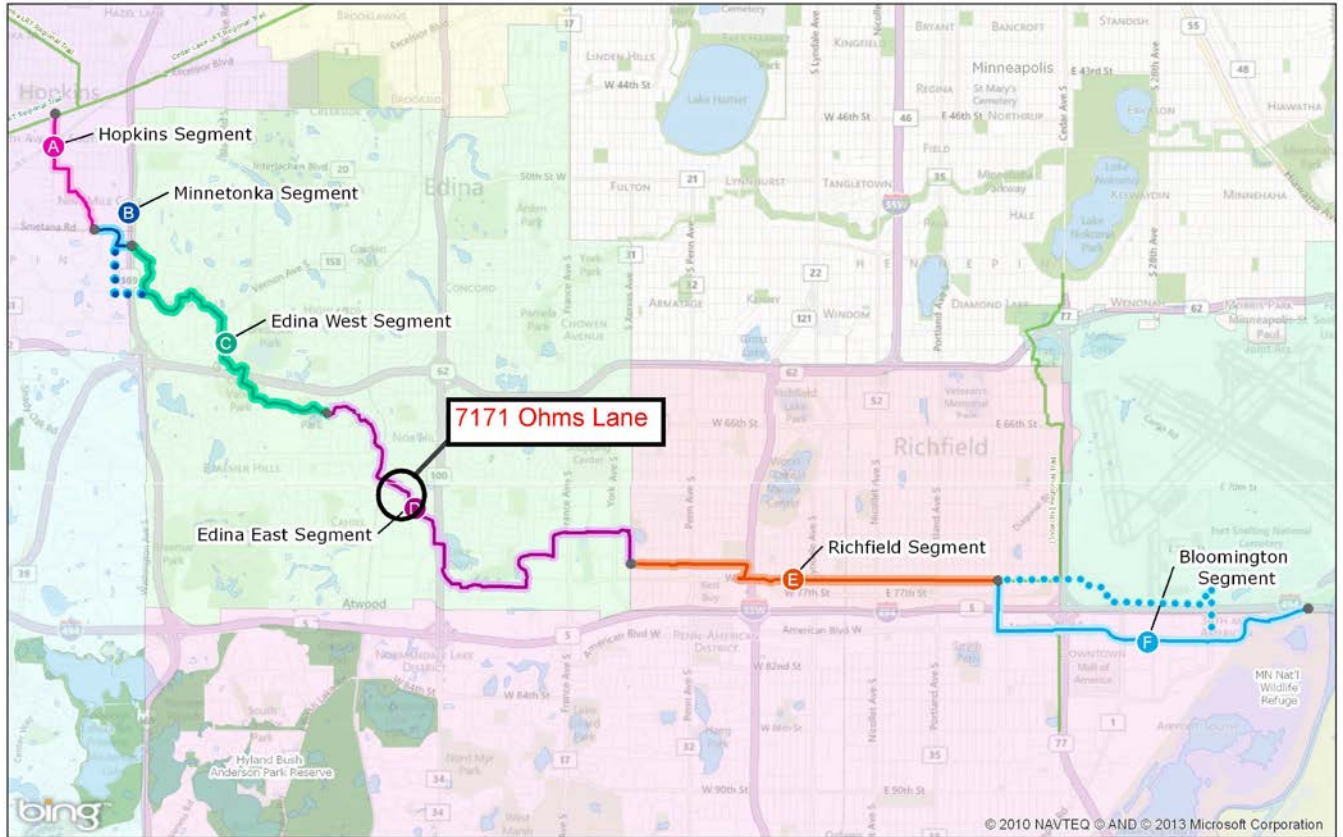
Kelly Grissman
Director of Planning

Enclosures

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

Attachment 2: Nine Mile Creek Regional Trail Showing Easement Location

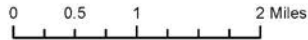
Figure 10
Nine Mile Creek Regional Trail Segment Identification
 Source: Three Rivers Park District



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.





SUBJECT AERIAL PHOTOGRAPH