

Community Development Committee Report

For the Metropolitan Council meeting of August 12, 2020

Subject: Park Acquisition Opportunity Fund Grant for Bald Eagle-Otter Lake (Spencer), Ramsey County

Proposed Action

That the Metropolitan Council:

1. Approve a grant of up to \$291,960 to Ramsey County to acquire the 0.6-acre Spencer property located at 5600 Otter Lake Road in White Bear Township for Bald Eagle-Otter Lake Regional Park, contingent on Council approval of the July 2020 Special Budget Amendment, Business Item 2020-182 JT.
2. Authorize the Community Development Director to execute the grant agreement and restrictive covenant on behalf of the Council.
3. Consider reimbursing Ramsey County up to \$97,320 from its share of a future Regional Parks Capital Bonding Program for costs associated with their local match.
4. Inform Ramsey County that the Council does not under any circumstances represent or guarantee that the Council will grant future reimbursement and that expenditure of local funds never entitles a park agency to reimbursement.

Summary of Committee Discussion/Questions

Jessica Lee, Senior Parks Planner, presented this Park Acquisition Opportunity Fund grant request to the Community Development Committee at its meeting on July 20, 2020. There were no questions, and the Committee approved the proposed actions unanimously.

Metropolitan Parks and Open Space Commission Report

For the Community Development Committee meeting of July 20, 2020

For the Metropolitan Council meeting of August 12, 2020

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Summary of Committee Discussion/Questions

Jessica Lee, Senior Parks Planner, presented the staff report to the Metropolitan Parks and Open Space Commission at its meeting on July 9, 2020. Scott Yonke from Ramsey County was in attendance and responded to questions.

The Commission had questions about the lease agreement attached to the purchase agreement, which will allow the landowner to remain on the property for up to two years. Mr. Yonke explained that the lease agreement is to allow the landowners adequate time to find and purchase a new home, and there will be no revenue generated from the agreement.

The Metropolitan Parks and Open Space Commission voted to recommend the proposed action.

Metropolitan Parks and Open Space Commission

Meeting date: July 9, 2020

For the Community Development Committee meeting of July 20, 2020

For the Metropolitan Council meeting of August 12, 2020

Subject: Park Acquisition Opportunity Fund Grant for Bald Eagle-Otter Lake Regional Park (Spencer), Ramsey County

MPOSC District: F, Cecily Harris

Council District, Member: 11, Susan Vento

Policy/Legal Reference: Minn. Const. art. XI, sec. 15; Minn. Stat. § 473.315; *2040 Regional Parks Policy Plan*, Chapter 4, Siting and Acquisition Policy- Strategy 1; Chapter 5, Planning Policy- Strategy 1; Chapter 8, Finance Policy- Strategy 7.

Staff Prepared/Presented: Jessica Lee, Senior Parks Planner (651-602-1621)

Division/Department: Community Development

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Background

Park Acquisition Opportunity Fund (PAOF)

The Council's Park Acquisition Opportunity Fund (PAOF) provides funding to purchase property and easements via two state sources: the Parks and Trails Legacy Fund (PTLF) and the Environment and Natural Resources Trust Fund (ENRTF). The Council contributes by matching every \$3 in state funds with \$2 in Council bonds.

State and Council funds contribute up to 75% of the purchase price and eligible costs; the Regional Park Implementing Agency (Agency) contributes the remaining 25% as local match.

Regional Park Implementing Agency (Agency) and Location

Ramsey County requested this grant on April 13, 2020. A copy of the Agency's request is attached to this item as Exhibit 2. Bald Eagle-Otter Lake Regional Park is in the northeast corner of Ramsey County in White Bear Township.

Project budget

The appraised value of the property is \$348,000, and the Seller has agreed to 100% of the appraised amount. The total project cost including legal fees, taxes, and stewardship is \$389,280, as shown in Table 1 below.

Table 1. Project Budget

Budget item	Requested amount
Purchase price	\$348,000
Due diligence (appraisal)	\$1,500
Holding and closing costs, taxes	\$6,780
Phase I environmental site assessment	\$3,000
Stewardship (including building removal and site restoration)	\$30,000
Total costs	\$389,280
Grant structure	
State FY 2021 PTLF PAOF	\$175,176
Council bonds	\$116,784
Grant amount not to exceed	\$291,960
Local match	\$97,320

Council review

Council staff conduct review of each PAOF request on a first-come-first-served basis under the following standards:

- the proposed acquisition complies with state statute and Council policy
- all necessary documentation for the acquisition is in place
- the appraisal is reasonable and appropriate

Subject property

The Spencer property is one of the last inholdings in Bald-Eagle-Otter Lake Regional Park. The subject 0.61-acre property is within the Council-approved boundary of the park, and contains a house built in 1968. The house will be removed, and the site will be restored to oak woods. Bald Eagle-Otter Lake Regional Park contains three segments: Bald Eagle Lake, Otter Lake, and Tamarack Nature Center, and totals 885 acres. In addition to the lakes, the park contains mesic woods, oak woodlands, red maple woods, prairies, a variety of wetlands, and the unique tamarack and shrub swamps.

Acquisition details

This is a straightforward, fee simple transaction. As part of the purchase agreement, Ramsey County will provide the current landowners a lease to reside on the property for up to two years while they search for a new home.

Rationale

This acquisition is consistent with:

- The *2040 Regional Parks Policy Plan*
 - Planning Policy Strategy 1 requires that before an Agency can receive a grant for acquisition, the proposed project must be consistent with a Council-approved master plan. The Council approved the master plan for Bald Eagle-Otter Lake in 1987, and this property is included in the approved master plan.
 - Siting and Acquisition Strategy 1 requires that lands with natural resource features, access to water, and/or restoration potential will be a priority for the Regional Parks

System. The property recommended for acquisition will be restored to its natural state and added to the existing natural resource features of Bald Eagle-Otter Lake Regional Park.

- Finance Strategy 7 authorizes the use of PAOF as the funding mechanism for the acquisition of Regional Park lands and matching every \$3 in state funds with \$2 in Council bonds.
- All requirements of PTLF and the 2021 appropriation. This funding aligns with the goals of the 25-year, Parks and Trails Legacy Plan, strategic direction of “Acquire land – create opportunities.”

Thrive Lens Analysis

This request is consistent with Thrive’s Livability and Stewardship outcomes. The Council’s investment in Bald Eagle-Otter Lake Regional Park will provide additional access to outdoor recreation, enhance quality of life, and further protect natural resources including lakes and wetlands.

Funding

The Council will fund this grant through Council Bonds (\$116,784) and State Fiscal Year 2021 Parks and Trails Legacy Funds (\$175,176). Funds are available in the Council’s Authorized Capital Program.

Ramsey County will provide a local match of \$97,320.

Future reimbursement consideration

The Agency is also requesting that the Council consider reimbursing its local match of \$97,320 for this acquisition at some point in the future through the Regional Parks Bonding Program. A request for “future reimbursement consideration” is the first step in a process Agencies may use to request repayment of their match amount in a future bonding cycle. The Council is under no obligation to reimburse this amount.

Known Support / Opposition

There is no known opposition.

Exhibit List

- Exhibit 1: Images
- Exhibit 2: Grant request letter
- Exhibit 3: Grant application
- Exhibit 4: Board approval to purchase property
- Exhibit 5: Purchase agreement
- Exhibit 6: Appraisal excerpt

Exhibit 1 – Images



Figure 1. Map of the Spencer property



Figure 2. Map of the entire Bald Eagle-Otter Lake Regional Park, with the Spencer property circled in red