

Metropolitan Parks and Open Space Commission

Meeting date: December 1, 2015

For the Metropolitan Council meeting of December 9, 2015

Subject: Park Acquisition Opportunity Fund Grant Request for Nokomis-Minnesota River Regional Trail from Three Rivers Park District

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

Policy/Legal Reference: MN Statute Section 473.315

Staff Prepared/Presented: Emmett Mullin, Manager (651-602-1360)

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

Proposed Action

That the Metropolitan Council:

1. Authorize a grant of up to \$101,583 to Three Rivers Park District to acquire an easement for the Nokomis-Minnesota River Regional Trail (formerly Intercity Regional Trail).
 - The Metropolitan Council will finance the grant through the Park Acquisition Opportunity Fund, with Metropolitan Council bonds funding up to 75 percent of the estimated total acquisition costs.
 - Three Rivers Park District will match the grant with \$33,861, or 25 percent of the total estimated acquisition costs. If the total acquisition costs are higher than estimated, the Park District is responsible for the difference.
2. Authorize the Community Development Director to sign the grant agreement including the restrictive covenant.

Background

Nokomis-Minnesota River (formerly Intercity) Regional Trail is a five-mile trail corridor that extends through the cities of Minneapolis, Richfield and Bloomington, and connects Nokomis-Hiawatha Regional Park, 86th Street Bikeway, and the Nine Mile Creek Regional Trail. Because the trail is located within three park implementing agencies' jurisdictions, it will be managed jointly by the Minneapolis Park and Recreation Board, the City of Bloomington and Three Rivers Park District (Park District).

The Park District has requested a Park Acquisition Opportunity Fund (PAOF) grant of \$101,583 to acquire a trail easement for the Nokomis- Minnesota River Regional Trail (Attachment 1). The easement is located in the northwest quadrant of the intersection of 17th Avenue South and 66th Street East in the City of Richfield, and is on property owned by Ryan Companies US, Inc. (Attachment 2).

The trail easement is approximately 5,072 square feet (0.116 acres) and includes four separate tax parcels (Attachment 3). The acquisition of the trail easement represents the seventh and last, grant request for the regional trail (Attachment 4). To date, the Metropolitan Council has granted approximately \$407,000 in PAOF grants to the Park District to help acquire the Nokomis-Minnesota River (Intercity) Regional Trail.

The appraised value of the permanent trail easement is \$130,200 which was affirmed by an appraisal review. The Park District Board approved the purchase of the trail easement for this amount, and the Park District and Ryan Companies signed the trail easement agreement document dated October 14, 2015 that recognizes and grants the easement to the Park District for recreational use.

Three Rivers Park District submitted the initial PAOF grant request on October 23, 2015, indicating that Ryan Companies had since informed the Park District of its plans to sell the property, requesting that the trail easement be recorded and paid for prior to the closing date scheduled for mid to late December 2015. Therefore, the Park District requested that the Council expedite its standard review and approval process to meet this property sale schedule.

The Park District emphasized that the Council's prompt approval of the requested grant, prior to Ryan Companies' sale of the property to a third party, will result in the acquisition of the last trail easement needed to complete the regional trail. Without this easement, the trail would have been severed, with no safe alternative route.

Three Rivers Park District's letter dated November 19, 2015 affirms that it will not record or pay for the trail easement until the Metropolitan Council has approved the requested PAOF grant. The grant request is scheduled for full Metropolitan Council action on December 9, 2015, as supported by the Regional Administrator, Council Members Wulff and Cunningham, and the Council Chair.

The grant agreement that follows the Metropolitan Council's approval includes an "agreement and restrictive covenant" which park agencies must record to ensure that the trail easement 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 grant request is also consistent with the Nokomis-Minnesota River Regional Trail (Intercity Regional Trail) master plan, which the Metropolitan Council approved on October 31, 2012 (MC business item 2012-316).

Funding

The Park Acquisition Opportunity Fund provides grants to park implementing agencies to acquire land for the regional parks system. As of October 2015, the PAOF has provided more than \$39.5 million to acquire approximately 3,000 acres. The PAOF Rules specify that the grant requests are on a first-come-first-serve basis, with the grant financing up to 75 percent of the total acquisition costs, and the park agency paying the remaining 25 percent as the required local match. If the actual total acquisition costs are higher than estimated, the park agency is responsible for the difference.

The Park District indicates that the grant-eligible easement acquisition costs will include the purchase price, the appraisal and appraisal review fees, engineering expenses, taxes and closing costs as shown in Table 1.

Table 1: Nokomis-Minnesota River (Intercity) Regional Trail Easement Acquisition Costs

Cost Items	Amount
Easement Purchase Price	\$126,800
Appraisal, Engineering, Taxes, Closing	\$8,500
Total Acquisition	\$135,444

The Park District's requests a grant of \$101,583, or 75 percent of these acquisition costs, and will fund the remaining 25 percent match amount of \$33,861. The Park District is not requesting reimbursement from a future regional parks capital improvement program for its match.

The PAOF Parks and Trails Legacy Fund account has a balance comprised of 2014 Metropolitan Council bonds that is adequate to finance the requested grant amount. Therefore, the Park District's grant will be financed as shown in Table 2:

Table 2: Acquisition Grant Revenue Sources

Revenue Sources	Amount
Total Acquisition Costs	\$135,444
Grant Total (75% acquisition total - Metropolitan Council bonds)	\$101,583
Local Match (25% of acquisition total)	\$33,861

Known Support / Opposition

The Three Rivers Park District Board approved the purchase of the trail easements on October 22, 2015. There is no known opposition to the trail easement acquisition, or to the PAOF grant request.



11/19/2015

Emmett Mullen
Manager, Regional Parks and Natural Resources
Metropolitan Council
390 N Robert St
St. Paul, MN 55101

RE: Request for Park Acquisition Opportunity Fund Grant
Nokomis-Minnesota River Regional Trail

Dear Emmett,

I want to thank you, Tori and the Parks staff, and Beth Reetz for your work on helping move the Nokomis-Minnesota River Regional Trail easement Acquisition Opportunity Grant forward in the timeframe needed to meet the requirements set forth by the willing seller of the easement. Three Rivers understands and respects the Council approval process, and the tremendous workload being experienced by the Council's parks staff at this time.

As noted in the original request dated 10/23/15, the current property owner, Ryan Companies, is requiring that the easement be recorded and paid for prior to their sale of the entire property to a third-party in mid to late December. The Council's ability to provide the flexibility needed to obtain consideration of approval of the grant prior to the change of ownership will result in the acquisition of the last easement needed to complete the regional trail. Without the easement, the trail would have been severed, with no safe alternative route for trail users.

As requested, Three Rivers will not record or pay for the Nokomis-Minnesota River Regional Trail easement until the Acquisition Opportunity Grant has been approved by the Metropolitan Council.

Thank you again for the collaborative work between the Council and Three Rivers to be able to secure this trail easement.

Respectfully,

Jonathan Vlaming
Associate Superintendent

SUBJECT PROPERTY INFORMATION

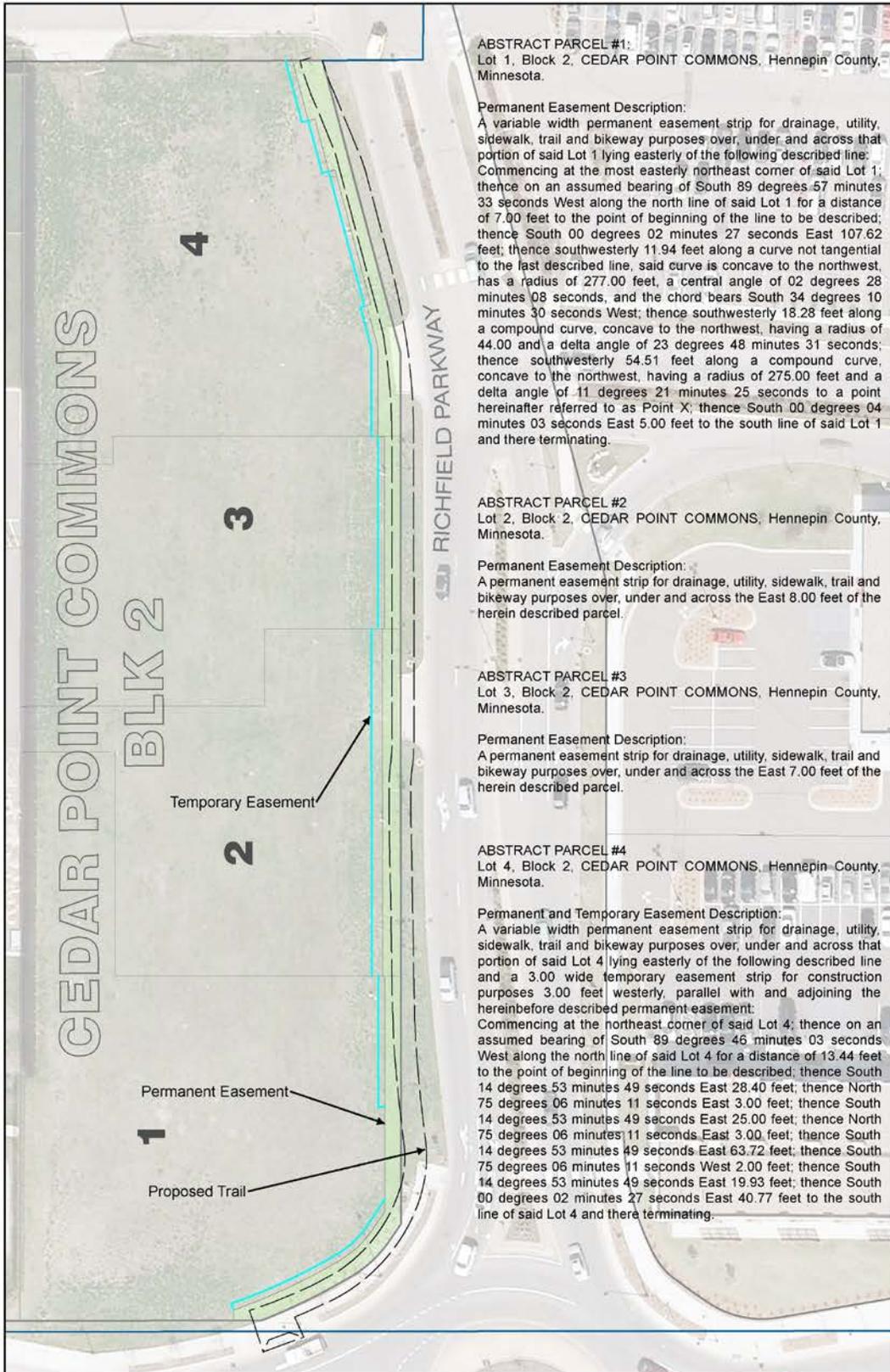


SUBJECT AERIAL PHOTOGRAPH
(Subject Property Outline in red from Hennepin Co. GIS)

evergreen
Land Services

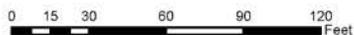


Attachment 3: Nokomis-Hiawatha Minnesota River (Intercity) Regional Trail Easement (detail)



**Ryan Companies Easements
 Nokomis-Minnesota River Regional Trail**

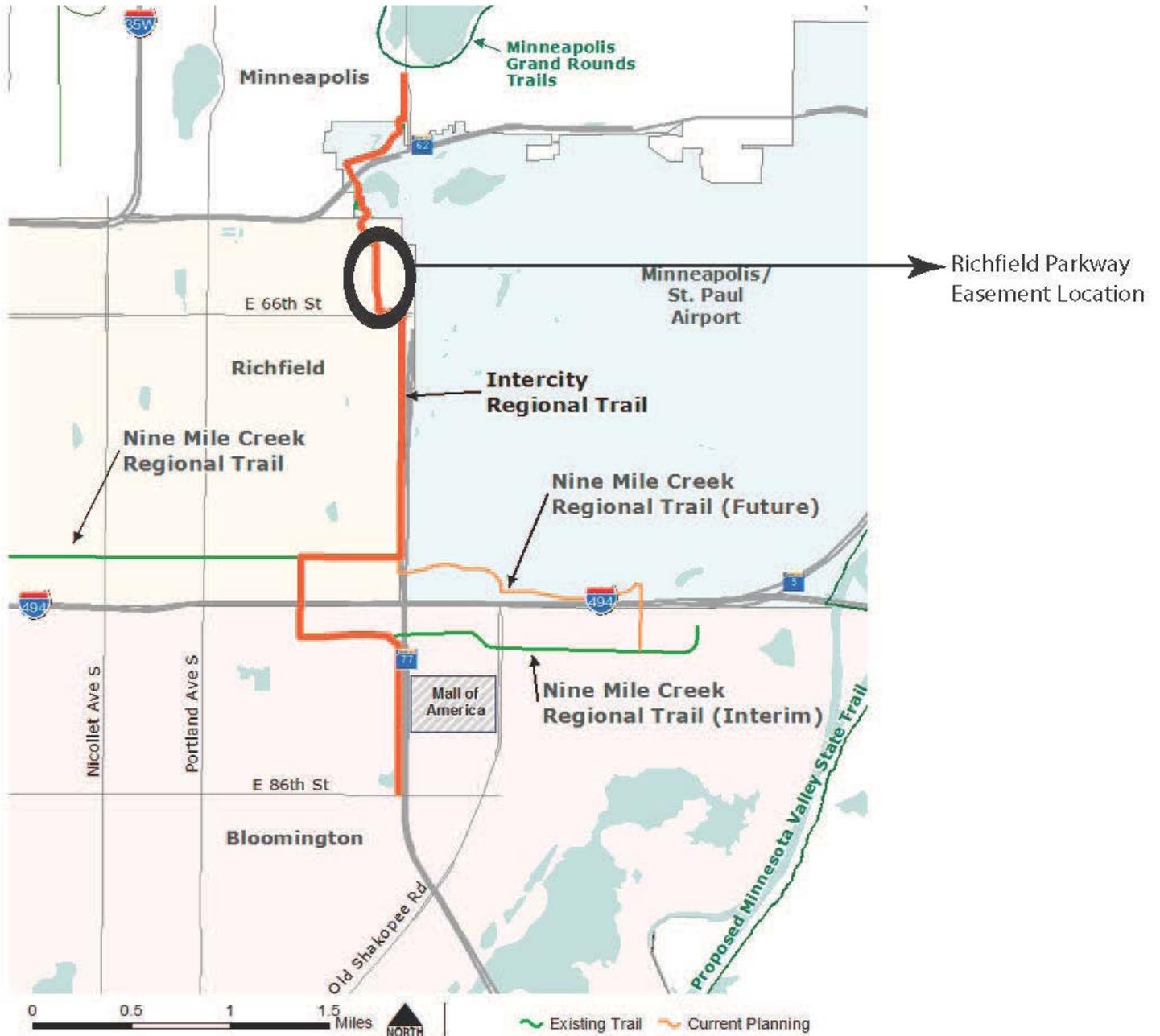
Department of: Design
 Created by: NS
 Map Created: 10/23/2015
 Revised Date: 10/23/2015



This map is a compilation of data from various sources and 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 in a constant state of maintenance, correction, and update.



**METROPOLITAN
 COUNCIL**



Intercity Regional Trail Location and Contextual Relationship

Source: Three Rivers Park District