

## 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.
  - 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.

### 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
<b>Property Owner/Seller</b>	RiverSource CEO 1, LLC	One Corporate Center Financial Plaza West Building Homeowners Association	Edina Ohms Lane, LLC	M-M Bloomington Associates, LLC
<b>Address</b>	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
<b>PID</b>	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
<b>Size</b>	8,197 sf (.19 acres)	1,250 sf (.03 acres)	4,836 sf (.11 acres)	20,577 sf (.47 acres)
<b>County</b>	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 fund 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.

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

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

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 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 Park Acquisition Opportunity Fund 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.



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](http://www.ThreeRiversParks.org)



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

Thank you for your continued assistance through this process,



Kelly Grissman  
Director of Planning

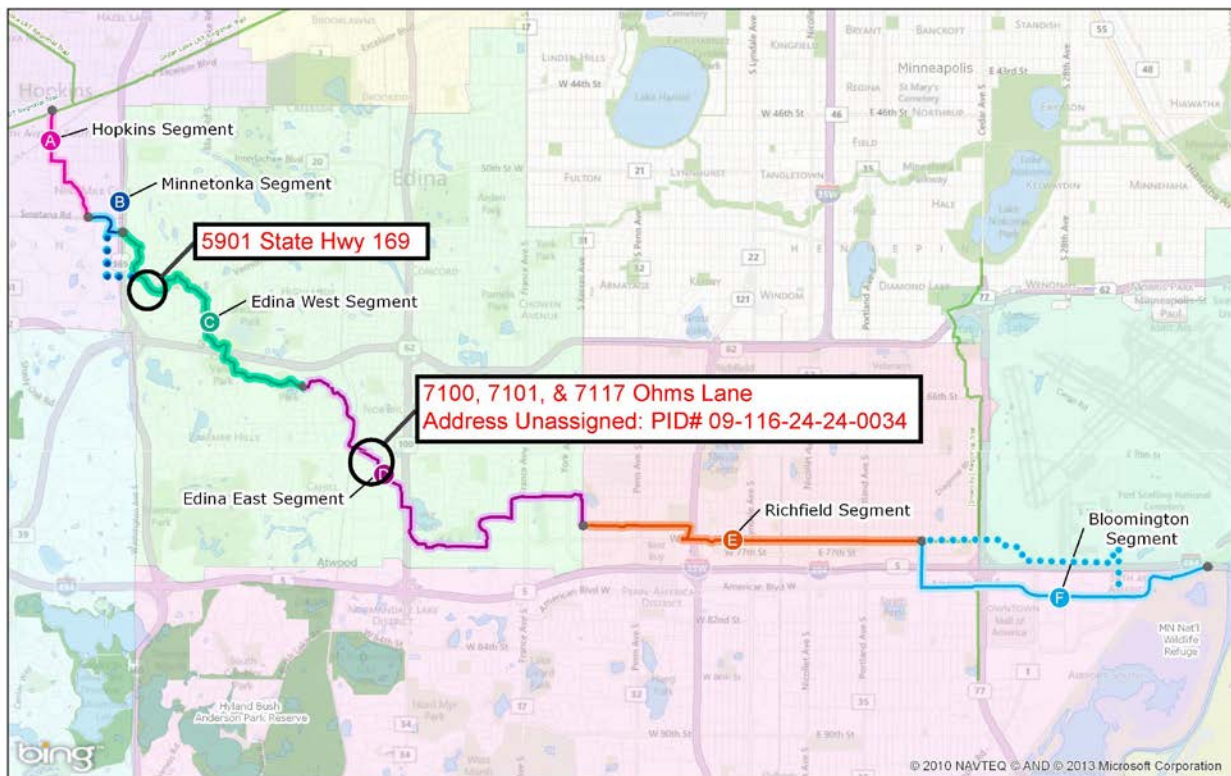
Enclosures

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



# Attachment 2: Nine Mile Creek Regional Trail Showing Easements Location

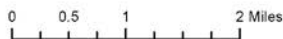
**Figure 10**  
**Nine Mile Creek Regional Trail Segment Identification**  
 Source: Three Rivers Park District



## Nine Mile Creek Regional Trail | Segment Divisions

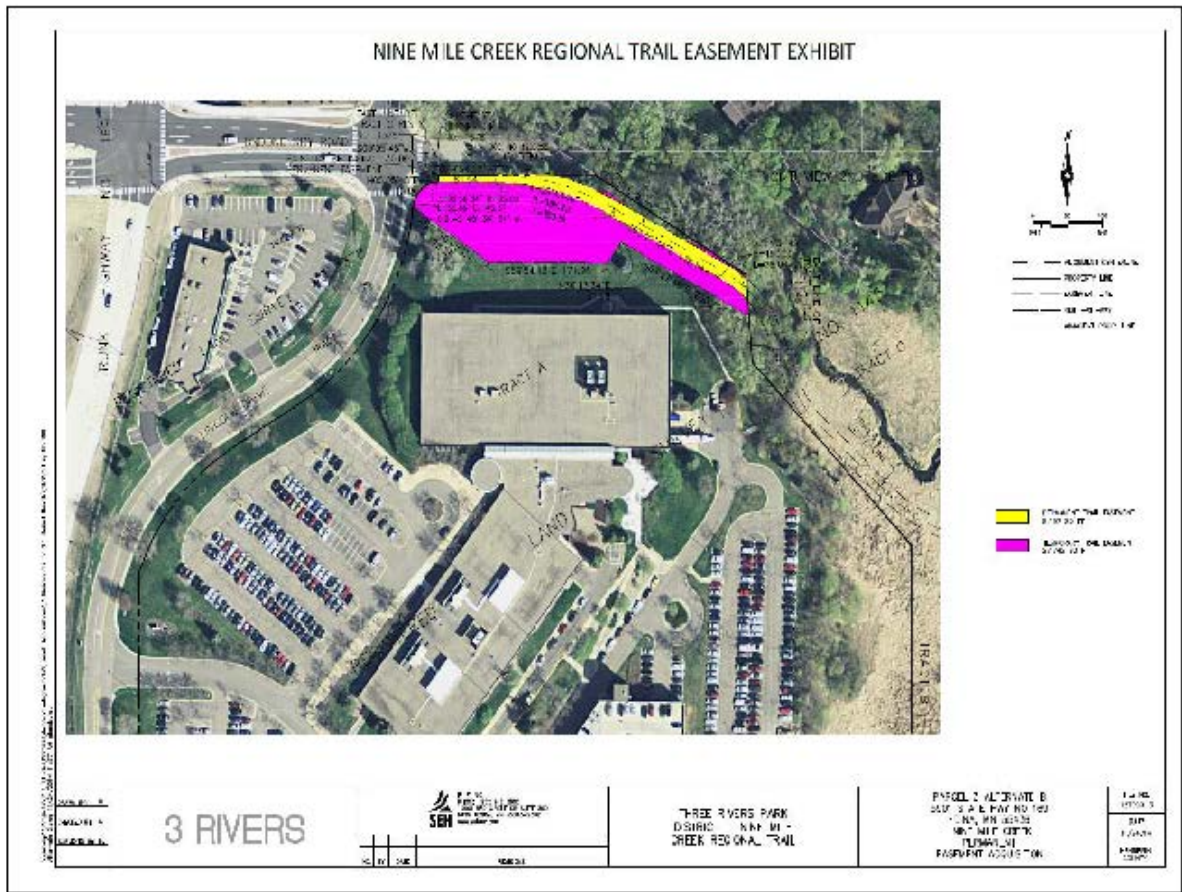
Map prepared by Three Rivers Park District  
 Planning Department - KG September 10, 2013

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



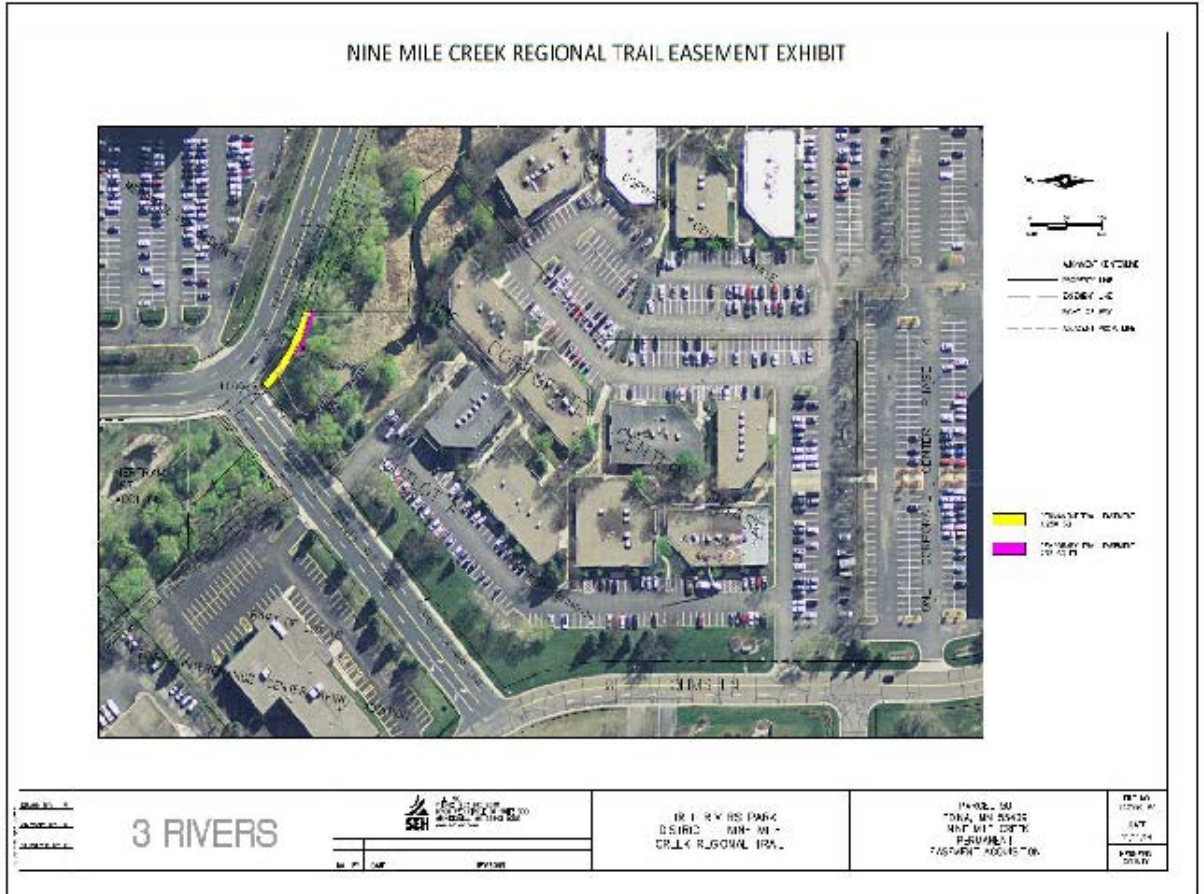
Three Rivers Park District - NIMCRT - Edina  
Parcel 3 - 5901 State Highway No. 169

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

**DESCRIPTION & EFFECTS OF PROPOSED ACQUISITION**



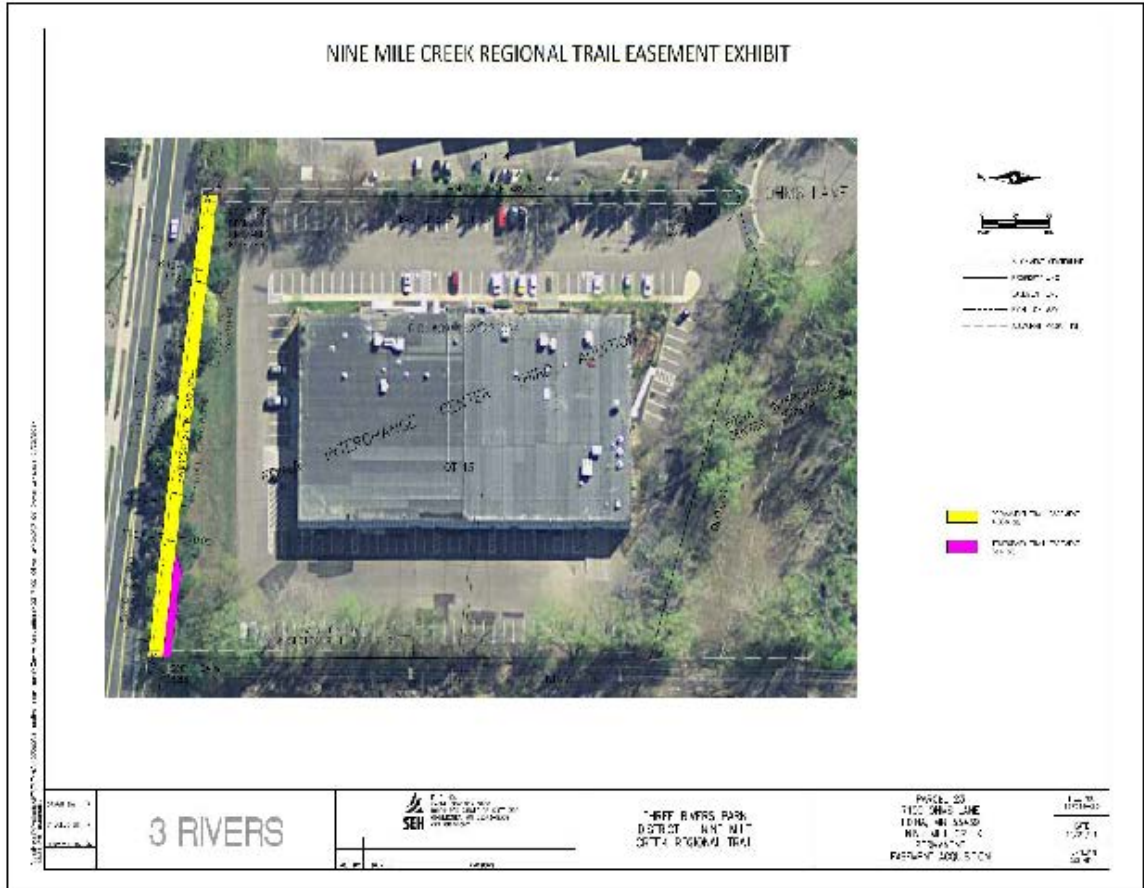


**Attachment 5:** Nine Mile Creek Regional Trail Parcel 23, Edina Ohms Lane, LLC, 7100 Ohms Lane Edina, MN 55439

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

**DESCRIPTION & EFFECTS OF PROPOSED ACQUISITION**



evergreen Land Services



**DESCRIPTION & EFFECTS OF PROPOSED ACQUISITION**

