

Metropolitan Parks and Open Space Commission

Meeting date: August 7, 2018

For the Community Development Committee meeting of August 20, 2018

For the Metropolitan Council meeting of September 12, 2018

Subject: Parks Acquisition Opportunity Fund Grant for Big Marine Park Reserve, Washington County, Bofenkamp Property

MPOSC District: F – Sarah Hietpas

Policy/Legal Reference: MN Constitution, Article XI, MN Statutes 85.53 Subd. 3(4) and MN Statutes 473.315; 2040 Regional Parks Policy Plan Siting and Acquisition Policy: Strategies 1 and 2

Staff Prepared/Presented: Deb Streets Jensen, Senior Parks Finance Planner 651-602-1554

Division/Department: Community Development / Regional Planning

Proposed Action

That the Metropolitan Council approve a grant of up to \$451,924 to Washington County to acquire three parcels comprising the 8.33-acre Bofenkamp property at 18135 Margo Avenue in the City of Scandia for Big Marine Park Reserve, and authorize the Community Development Director to execute the grant agreement and restrictive covenant on behalf of the Council.

Background

Regional Park Implementing Agency (Agency) and Location

Washington County requested this grant on July 2, 2018. A copy of the Agency's request is attached to this item as Exhibit 2. The purpose of this grant is to assist with the purchase of three parcels for Big Marine Park Reserve.

Policy

Strategy Two of the Siting and Acquisition policy from the *2040 Regional Parks Policy Plan* states that "*priorities for land acquisition are set by regional park implementing agencies in Council-approved master plans.*"

Funding sources

The Council's Park Acquisition Opportunity Fund (PAOF) provides resources 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 further by matching every \$3 in state funds with \$2 in Council bonds proceeds. Between them, 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.

One of the three parcels contains a habitable residence and other buildings, making that parcel ineligible for ENRTF money. The Council will therefore fund that parcel through PTLF, the two undeveloped parcels through ENRTF, and the Council will match both state sources. Funding for this project was provided by the Minnesota Environment and Natural Resources Trust Fund as recommended by the Legislative-Citizen Commission on Minnesota Resources (LCCMR). The Trust Fund is a permanent fund constitutionally established by the citizens of Minnesota to assist in the protection, conservation, preservation, and

enhancement of the state's air, water, land, fish, wildlife, and other natural resources.

Currently 40% of net Minnesota State Lottery proceeds are dedicated to growing the Trust Fund and ensuring future benefits for Minnesota's environment and natural resources.

Council review

Staff from the Council's Regional Parks and Natural Resources work unit:

- Reviews each PAOF request to ensure that the proposed acquisition complies with state statute and Council policy;
- Ensures that all necessary documentation is in place and that the appraisal is reasonable and appropriate; and
- Processes requests on a first-come-first-served basis.

Subject property

The subject 8.33-acre property is an inholding within the Council-approved boundaries of the park reserve. The property includes a portion of Pitzl Pond and is adjacent to Big Marine Lake and is wooded with pine and hardwoods.

Stewardship

In the short term, the Agency plans on removing the house and other structures, after undertaking a bidding process to determine whether the buildings can be repurposed. The property will then be re-vegetated with wildlife cover.

Acquisition details

This is a straightforward, fee simple transaction with only the typical utility easements. There is a restriction on resale of the property without the consent of the Town Board of New Scandia Township (now the City of Scandia). The seller and Agency are in the process of obtaining the consent to remove the restriction, and the acquisition will not be finalized until the restriction has been lifted.

Rationale

This acquisition is consistent with:

- The *2040 Regional Parks Policy Plan*;
- Appropriation requirements;
- The Big Marine Park Reserve master plan, approved by the Council on November 30, 2010.

Thrive Lens Analysis

This request is consistent with Thrive's Livability outcome because the Council's investment in the park reserve will increase access to nature and outdoor recreation, thereby enhancing the region's quality of life.

Funding

Project budget

The appraised value is \$571,000, and the Agency has offered the seller 100% of the appraised amount plus closing and other costs as shown below.

Budget item	Requested amount
Purchase price	\$571,000.00
Due diligence (appraisal, Phase I environmental site assessment, etc.)	5,375.00
Holding and closing costs	6,190.29
Stewardship	<u>20,000.00</u>
Total costs	\$602,565.29

Grant structure

State FY 2019 PTLF PAOF	\$171,704.38
State FY 2014 ENRTF PAOF	32,111.47
State FY 2015 ENRTF PAOF	67,338.53
Council bonds	180,769.59
Grant amount not to exceed	\$451,923.97
Local match	\$150,641.32

Fund balance

If this grant is awarded by the Council, the PAOF fund balances, including their Council match, will be as follows.

- PTLF PAOF \$2,690,640
- 2014 ENRTF PAOF 0
- 2015 ENRTF PAOF 1,568,891

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 acquire property
- Exhibit 5: Purchase agreement
- Exhibit 6: Appraisal excerpt

Exhibit 1: Images

Figure 1: Parcel Ownership within the Official Map
Big Marine Park Reserve, Washington County

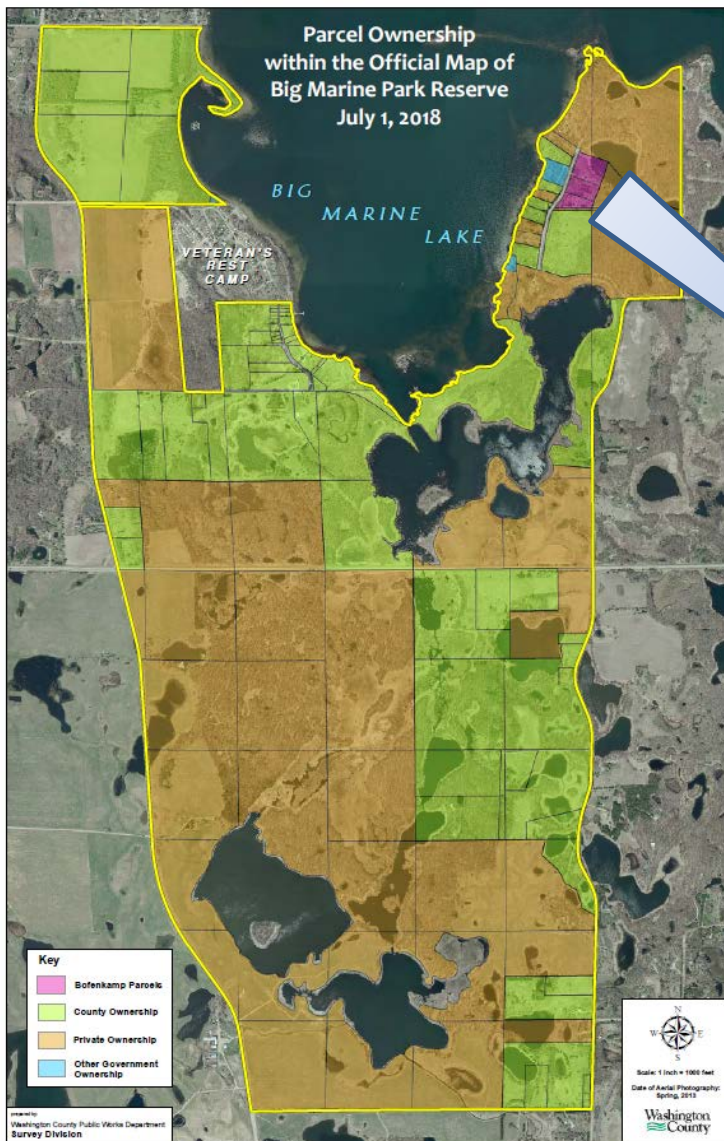


Figure 2: Detailed parcel map

