

## Metropolitan Parks and Open Space Commission

For the meeting of July 09, 2020

For the Community Development Committee meeting of July 20, 2020

For the Metropolitan Council meeting of July 22, 2020

**Subject:** Annual Metropolitan Regional Parks Operation and Maintenance Allocation

**District(s), Member(s):** All

**Policy/Legal Reference:** Minn. Stats. §§ 473.351 and 297A.94(e)(3); Minnesota Laws 2019, 1<sup>st</sup> Special Session, chapter 4, article 1, section 5; *2040 Regional Parks Policy Plan*, Chapter 5

**Staff Prepared/Presented:** Abdiwahab Ali, Financial Analyst 651-602-1823

**Division/Department:** Community Development / Finance and Administration

### Proposed Action

That the Metropolitan Parks and Open Space Commission reports to the Metropolitan Council the Regional Parks System state fiscal year 2021 Operation and Maintenance funding requests.

### Background

By law, the Council serves as the fiscal agent to distribute state funds to the ten Regional Park Implementing Agencies for operation and maintenance costs.

[Minn. Stat. § 473.351](#) requires that by July 15<sup>th</sup> of each year, the Metropolitan Parks and Open Space Commission (MPOSC) reports to Council “the funding requests from the implementing agencies based on the actual expenditures made” in the previous year.

Staff conducts a review of the Agencies’ operation and maintenance (O&M) submittals to determine eligibility of claimed costs and the appropriate dollar distribution. The statute provides that the distribution is based on three factors:

- 40% is based on the *use* that each Agency’s regional parks and trails has in proportion to the total use of the Regional Parks System. Each agency’s total count of visitors comes from the 2019 Regional Parks System Annual Use Estimate produced by the Council.
- 40% is based on the O&M *expenditures* made by each Agency in proportion to the total O&M expenditures for the entire Regional Parks System. These numbers were determined following the eligibility review of 2019 calendar year Agency submittals.
- 20% is based on the *acreage* for each Agency’s regional parks and trails in proportion to the acreage of the entire Regional Parks System. The numbers are based on 2019 acreage as reported to the Council by each Agency.

The analysis this year will program \$9,140,000 appropriated by the legislature for state fiscal year 2021. The appropriation included \$2,540,000 from the state General Fund and an estimated \$6,600,000 in lottery-in-lieu of sales tax revenue (LIL). Actual passthrough amounts will be based upon actual revenues received.

Table 1 below shows the Agencies’ requests for O&M funding for state fiscal year 2021, as based on their reported actual eligible expenditures. The calculations underlying this year’s distribution are attached as Table 2.

Table 1 – State Fiscal Year 2021 O&M Distribution

Agency	Reported actual 2019 O&M	Estimated distribution amount
Anoka County	\$6,331,945.50	\$802,695.61
Bloomington Parks	\$934,152.52	\$98,231.68
Carver County	\$1,405,117.00	\$129,244.07
Dakota County	\$7,326,819.38	\$561,248.94
Minneapolis Park & Recreation Board	\$25,550,276.01	\$2,302,831.68
Ramsey County	\$7,054,777.97	\$742,307.96
Saint Paul Parks	\$19,127,426.56	\$1,293,420.64
Scott County	\$1,600,058.83	\$150,108.38
Three Rivers Park District - Hennepin & Scott	\$40,801,700.31	\$2,674,025.55
Washington County	\$4,263,072.73	\$385,885.48
<b>Total</b>	<b>\$114,395,346.80</b>	<b>\$9,140,000.00</b>

### Rationale

The State legislature funds a portion of the expenses necessary to run the Regional Parks System because the System draws a significant percentage of its visits from outside the Twin Cities metropolitan area. The O&M appropriation comes from the State in its entirety; the Council neither matches the funds, nor withholds any for administrative costs. The law requires the Council to review the claims presented by each Agency for eligibility and MPOSC to report the claimed costs to the Council, so the amounts are paid appropriately.

### Thrive Lens Analysis

The Thrive outcome of stewardship is supported by helping the ten Regional Park Implementing Agencies take care of existing infrastructure for the Twin Cities’ world-class Regional Parks System.

The Thrive outcome of livability is supported by investing in the regional parks system and providing access to outdoor recreation, enhanced quality of life, and opportunities for increased health and wellness.

### Funding

Operations and Maintenance funding has been appropriated by the State of Minnesota.

### Known Support / Opposition

There is no known support or opposition.

Table 2. O&M Calculations by Agency, SFY 2021

Agency	Weighted Regional Park Acreage	Acres %	Regional Park Visits	Visits %	Regional Park Expenditures	Expenditure %	Funding %	FY21 General Fund Lump Sum	FY21 Lottery-in-Lieu Estimate	Projected total SFY 2021 distribution
Anoka	5,670.60	16.94%	5,027,725	7.95%	\$6,331,945.50	5.54%	8.78%	\$223,068.58	\$579,627.03	\$802,695.61
Bloomington	161.98	0.48%	1,029,999	1.63%	\$934,152.52	0.82%	1.07%	\$27,298.52	\$70,933.16	\$98,231.68
Carver	706.69	2.11%	791,330	1.25%	\$1,405,117.00	1.23%	1.41%	\$35,916.84	\$93,327.23	\$129,244.07
Dakota	3,742.17	11.18%	2,122,578	3.36%	\$7,326,819.38	6.40%	6.14%	\$155,970.71	\$405,278.23	\$561,248.94
MPRB	2,208.06	6.60%	23,629,200	37.35%	\$25,550,276.01	22.34%	25.20%	\$639,955.41	\$1,662,876.27	\$2,302,831.68
Ramsey	3,410.68	10.19%	5,719,104	9.04%	\$7,054,777.97	6.17%	8.12%	\$206,286.90	\$536,021.07	\$742,307.96
Saint Paul	2,282.73	6.82%	9,644,926	15.25%	\$19,127,426.56	16.72%	14.15%	\$359,440.75	\$933,979.89	\$1,293,420.64
Scott	1,480.04	4.42%	313,606	0.50%	\$1,600,058.83	1.40%	1.64%	\$41,715.02	\$108,393.36	\$150,108.38
TRPD/Scott County	2,001.05	5.98%	533,392	0.84%	\$3,080,980.36	2.69%	2.61%	\$66,306.75	\$172,293.13	\$238,599.88
TRPD/Hennepin Co	9,217.60	27.54%	12,568,390	19.87%	\$37,720,719.94	32.97%	26.65%	\$676,803.20	\$1,758,622.48	\$2,435,425.68
Washington	2,583.20	7.72%	1,877,919	2.97%	\$4,263,072.73	3.73%	4.22%	\$107,237.32	\$278,648.16	\$385,885.48
<b>Totals</b>	<b>33,464.81</b>	<b>100.00%</b>	<b>63,258,169</b>	<b>100.00%</b>	<b>\$114,395,346.80</b>	<b>100.00%</b>	<b>100.00%</b>	<b>\$2,540,000.00</b>	<b>\$6,600,000.00</b>	<b>\$9,140,000.00</b>

\* The \$6.6 million appropriation from Lottery-in-Lieu of Taxes is an estimate only; actual amounts distributed will be determined by lottery ticket revenues. If lottery ticket sales fall short of projections, the monthly distributions will be reduced commensurately.

The formula used to determine the distribution per agency is: 20% of each agency's share of acreage in the System **plus** 40% of each agency's share of the visits in 2019 **plus** 40% of each agency's share of the eligible 2019 expenditures for operation and maintenance.