

Metropolitan Parks and Open Space Commission

Meeting date: April 30, 2013

For the Community Development Committee meeting of May 20, 2013

For the Metropolitan Council meeting of June 12, 2013

Subject: Park Acquisition Opportunity Fund Grant Request for 2 parcels for Southwest Regional Trail, Carver County

District(s), Member(s): Metropolitan Parks & Open Space Commission District B, Robert Moeller

Policy/Legal Reference: Minnesota Statute Section 473.315

Staff Prepared/Presented: Tori Dupre, Senior Planner-Regional Parks and Natural Resources (651-602-1621)

Division/Department: Community Development Division

Proposed Action

That the Metropolitan Council:

1. Authorize a grant of up to \$51,579 from the Parks and Trails Legacy Fund Acquisition Account in the Park Acquisition Opportunity Fund to Carver County to finance 75% of the acquisition costs to acquire the 0.5 acre First Minnetonka City Bank parcel as depicted in Attachment 3 for Southwest Regional Trail. The grant should be financed with:
 - \$30,947 from the FY 2013 Parks and Trails Legacy Fund appropriation
 - \$20,632 from Metropolitan Council bonds
2. Consider reimbursing Carver County up to \$17,193 from its share of a future Regional Park Capital Improvement Program, financed through the Parks and Trails Legacy Fund, for the local 25% match to this grant. However, the Council does not under any circumstances represent or guarantee that reimbursement will be granted, and expenditure of local funds never entitles a park agency to reimbursement.
3. Authorize a grant of up to \$15,520 from the Parks and Trails Legacy Fund Acquisition Account in the Park Acquisition Opportunity Fund to Carver County to finance 75% of the acquisition costs to acquire the 0.35 acre Wenz/Clark parcel as depicted in Attachment 3 for Southwest Regional Trail. The grant should be financed with:
 - \$9,312 from the FY 2013 Parks and Trails Legacy Fund appropriation
 - \$6,208 from Metropolitan Council bonds
4. Consider reimbursing Carver County up to \$5,173 from its share of a future Regional Park Capital Improvement Program, financed through the Parks and Trails Legacy Fund, for the local 25% match to this grant. However, the Council does not under any circumstances represent or guarantee that reimbursement will be

granted, and expenditure of local funds never entitles a park agency to reimbursement.

Background

Carver County has submitted two grant requests of \$51,579 and \$15,520 respectively to finance up to 75% of the projected costs to acquire a 0.5 acre parcel (First Minnetonka City Bank) and a 0.35 acre parcel (Wenz/Clark) for right-of-way of the Southwest Regional Trail.

Carver County also requests reimbursement consideration of \$17,193 and \$5,173 respectively from the County's share of a future regional parks capital improvement program financed from the Parks and Trails Legacy Fund, for the local 25% match to these grants. The reimbursement consideration of the 25% match is permitted under the amended rules for Park Acquisition Opportunity Grants approved by the Metropolitan Council on January 9, 2013 (Business Item 2012-260).

See **Attachments 1 and 2, Letters from Marty Walsh, Carver County** and **Attachments 3 and 4** which are aerial maps showing the parcels in context with Southwest Regional Trail.

Rationale

In 2001, the Metropolitan Council established a Park Acquisition Opportunity Fund grant program to assist regional park agencies in acquiring land for the Metropolitan Regional Park System. Land that is acquired must be within Metropolitan Council approved master plan boundaries for that particular park or trail unit. To-date, about \$27.6 million has been granted for the acquisition of 2,122 acres. The total related acquisition costs and market value of this land is about \$69 million. (See **Attachment 5** at the end of this memorandum that summarizes all grants awarded sorted by Park Agency and sorted by MPOSC District as of April 2013).

Funding

The total actual and estimated costs for the First Minnetonka City Bank parcel based on documentation provided by Carver County staff is \$68,772 as shown in Table 1:

Table 1: Costs for acquisition of 0.5 acre First Minnetonka City Bank parcel for Southwest Regional Trail, Carver County

Cost Items	Amount
Purchase Price based on signed purchase agreement	\$59,443
Closing cost	\$ 1,744
Appraisal	\$ 1,750
Tax Equivalency Payment based on Tax Statement for 2013	\$ 85
Professional services	\$ 4,750
Estimated stewardship costs based on past acquisitions	\$ 1,000
Total	\$ 68,772

Carver County requests that the acquisition be financed with the following revenue sources as shown in Table 2:

Table 2: Revenue Sources for acquisition of 0.5 acre First Minnetonka City Bank parcel for Southwest Regional Trail, Carver County

Revenue Sources	Amount
Metropolitan Council Park Acquisition Opportunity Fund (75%)	\$ 51,579
Carver County (25%)	\$ 17,193
Total:	\$ 68,772

The total actual and estimated costs for the 0.35 acre Wenz/Clark parcel based on documentation provided by Carver County staff is \$20,693 as shown in Table 3:

Table 3: Costs for acquisition of 0.35 acre Wenz/Clark parcel for Southwest Regional Trail, Carver County

Cost Items	Amount
Purchase Price based on signed purchase agreement	\$ 5,510
Value of billboard lease payments	\$ 6,100
Closing cost	\$ 1,437
Appraisal	\$ 1,750
Tax Equivalency Payment based on Tax Statement for 2013	\$ 146
Professional services	\$ 4,750
Estimated stewardship costs based on past acquisitions	\$ 1,000
Total	\$ 20,693

Carver County requests that the acquisition be financed with the following revenue sources as shown in Table 4:

Table 4: Revenue Sources for acquisition of 0.35 acre Wenz/Clark parcel for Southwest Regional Trail, Carver County

Revenue Sources	Amount
Metropolitan Council Park Acquisition Opportunity Fund (75%)	\$ 15,520
Carver County (25%)	\$ 5,173
Total:	\$ 20,693

Carver County's request for reimbursement consideration of \$15,520 and \$5,173 respectively from the County's share of a future regional parks capital improvement program through the Parks and Trails Legacy Fund, for the local 25% match to these grants is permitted under the amended rules for Park Acquisition Opportunity Grants approved by the Metropolitan Council on January 9, 2013. The timing of when Carver County is reimbursed for any portion of the \$15,520 and \$5,173 is dependent on when funds are provided in a future Regional Park Capital Improvement Program. The Council does not under any circumstances represent or guarantee that a reimbursement will be granted, and expenditure of local funds never entitles a park agency to reimbursement.

These acquisitions qualify for funding from the Parks and Trails Legacy Fund Acquisition Account because the parcels do not contain high quality natural resources. The Park Acquisition Opportunity Fund grants would be financed as shown in Table 5 and 6.

Table 5: Park Acquisition Opportunity Grant Revenue Sources for acquisition of 0.5 acre First Minnetonka City Bank parcel for Southwest Regional Trail, Carver County

Revenue Sources	Amount
FY 2013 Parks and Trails Legacy Fund appropriation	\$ 30,947
Metropolitan Council bonds	\$ 20,632
Total Grant	\$ 51,579

Table 6: Park Acquisition Opportunity Grant Revenue Sources for acquisition of 0.35 acre Wenz/Clark parcel for Southwest Regional Trail, Carver County

Revenue Sources	Amount
FY 2013 Parks and Trails Legacy Fund appropriation	\$ 9,312
Metropolitan Council bonds	\$ 6,208
Total Grant	\$ 15,520

If these grants are awarded, the unobligated balance in the Parks and Trails Legacy Fund Acquisition Account would be at least \$2,185,856. When combining the balance in the Environment and Natural Resources Trust Fund Acquisition Account to acquire high quality natural lands with no structures on them, the total unobligated balance in both accounts is at least \$4,923,386.

Known Support / Opposition

The request is consistent with the rules for Park Acquisition Opportunity Fund grants as adopted on January 9, 2013. There is no known opposition to the request.

Attachment 1, Letter from Marty Walsh, Carver County for Parcel 1, First Minnetonka City Bank Parcel for Southwest Regional Trail



Carver County Parks

Department of Public Works

11360 Highway 212

Suite 2

Cologne, MN 55322

Phone (952) 466-5250 Fax (952) 466-5223

www.co.carver.mn.us/parks

11360 Hwy. 212, Suite 1

Cologne, Minnesota 55322

Phone (952) 466-5200

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April 12, 2013

Arne Stefferud
Metropolitan Council
390 North Robert Street
St. Paul, MN 55101

Dear Mr. Stefferud:

Carver County intends to purchase land needed to construct the Southwest Regional Trail Connection in Chaska. This parcel identification number is 300340110 and is identified on the attached aerial image. The County will purchase a portion of this parcel at a value of \$59,422.

The total expense related to the acquisition of this parcel is \$68,772. Carver County is requesting a Land Acquisition Opportunity Grant equal to 75% of the acquisition costs or \$51,579. The County will contribute 25% or \$17,193 of the funds needed for the trail right-of-way.

In addition, Carver County requests that its allocation of the 2014 Parks and Trails Funds be eligible to reimburse the County for the local share of trail right-of-way costs for this project.

The below chart provides additional information on costs pertaining to acquiring land needed for the trail.

Item	Anticipated Expenses
Negotiated Purchase Price Based on Appraisal	\$59,443
Closing Cost	\$1,744
Appraisal	\$1,750
Tax Equivalent Payment	\$85
Professional Services	\$4,750
Stewardship Cost (Estimated)	\$1,000
Grand Total	\$68,772

Sincerely,

Martin J. Walsh
Parks Director

Attachment 2, Letter from Marty Walsh, Carver County for Parcel 2, Wenz/Clark Parcel for Southwest Regional Trail



Carver County Parks

Department of Public Works

11360 Highway 212
Suite 2
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Phone (952) 466-5200
Fax (952) 466-5223

April 12, 2013

Arne Stefferud
Metropolitan Council
390 North Robert Street
St. Paul, MN 55101

Dear Mr. Stefferud:

Carver County intends to purchase land and compensate the property owner for the loss of lease payments for a billboard sign. Compensation for land and lease revenue is needed in order to construct a segment of the Southwest Regional Trail in Chaska. The parcel identification number is 300340800 and is identified on the attached aerial image. The parcel has a total acreage of 6.3 acres in size of which the acquisition of .35 acre is needed for the trail. The County will purchase the entire parcel at a value of \$59,860 including the value for lease payments. The value of the land needed for the trail is \$5,510 plus loss revenue from the billboard lease payments of \$6,100. The remaining area of the parcel will be purchased by our County Public Works Department.

The total acquisition cost for the trail is projected to be \$20,693. Carver County is requesting a Land Acquisition Opportunity Grant equal to 75% of the acquisition costs needed for the trail or \$15,520. The County will contribute 25% or \$5,173 of the funds needed for the trail right-of-way.

In addition, Carver County requests that its allocation of the 2014 Parks and Trails Funds be eligible to reimburse the County for the local share of trail right-of-way costs for this project.

The below chart provides additional information on costs pertaining to acquiring land needed for the trail.

Item	Anticipated Expenses
Negotiated Purchase Price for Trial Based on Appraisal	\$5,510
Value of Billboard Lease Payments	\$6,100
Closing Cost	\$1,437
Appraisal	\$1,750
Tax Equivalent Payment	\$146
Professional Services	\$4,750
Stewardship Cost (Estimated)	\$1,000
Grand Total	\$20,693

Sincerely,

 Martin J. Walsh
 Parks Director

Attachment 3: Aerial map of First Minnetonka City Bank and Wenz/Clark parcels proposed for acquisition

Carver County Southwest Regional Trail Connection

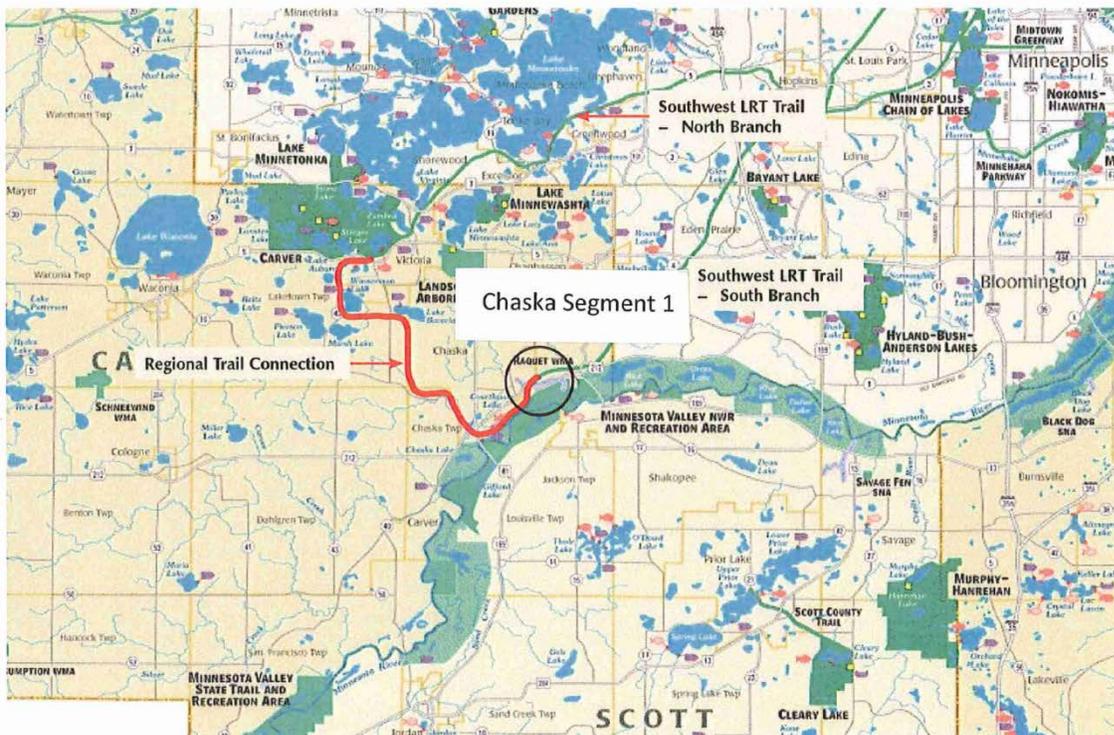


Interest Acquired

-  Fee Title
-  Drainage Easement
-  Temporary Construction Easement

 Carver County Surveying & Mapping
600 East 4th Street
Chaska MN 55318

CARVER COUNTY SOUTHWEST REGIONAL TRAIL CONNECTION CHASKA TO VICTORIA



Attachment 5:

**Park Acquisition Opportunity Fund Grant Totals and Percent Grants
Awarded/Spent by Park Agency (2001-April 2013)**

Park Agency	Total Park Acq. Opp. Grants	%of Park Acq. Opp. Grants	Acres Acquired	% of Acres Acquired
Anoka County	\$,632,891	5.91%	860	40.54%
Bloomington	\$ 500,244	1.81%	1.07	0.05%
Carver County	\$ 2,574,281	9.32%	67.10	3.16%
Dakota County	\$ 3,873,968	14.03%	536.50	25.28%
Minneapolis Park & Rec. Board	\$ 3,233,794	11.71%	9.48	0.45%
Ramsey County	\$ 990,639	3.59%	13.69	0.65%
Scott County	\$ 3,582,674	12.98%	301.56	14.21%
St. Paul	\$ 2,221,918	8.05%	5.09	0.24%
Three Rivers Park District	\$ 5,163,949	18.71%	209.86	9.89%
Washington County	\$ 3,832,858	13.88%	117.38	5.53%
Grand Total	\$27,607,215	100%	2,122.03	100%

**Park Acquisition Opportunity Fund Grant Totals and Percent Grants Awarded by
MPOSC District (2001-April 2013)**

MPOSC District	Total Park Acq. Opp. Grants	%of Park Acq. Opp. Grants	Acres Acquired	% of Acres Acquired
District A Subtotal	\$ 3,343,349	12.11%	64	3.02%
District B Subtotal	\$ 7,246,354	26.25%	394.55	18.59%
District C Subtotal	\$ 500,244	1.81%	1.07	0.05%
District D Subtotal	\$ 3,233,794	11.71%	9.48	0.45%
District E Subtotal	\$ 731,200	2.65%	119.80	5.65%
District F Subtotal	\$ 6,298,699	22.82%	984.87	46.41%
District G Subtotal	\$ 2,379,607	8.62%	11.59	0.55%
District H Subtotal	\$ 3,873,968	14.03%	536.50	25.28%
Grand Total	\$27,607,215	100%	2,122.03	100%