

## Metropolitan Parks and Open Space Commission

Meeting date: June 4, 2013

For the Community Development Committee meeting of June 17, 2013

For the Metropolitan Council meeting of June 26, 2013

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**Subject:** Park Acquisition Opportunity Fund Grant for Doyle-Kennefick Regional Park (Premier Banks parcel), Scott 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

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### Proposed Action

That the Metropolitan Council:

Authorize a grant of up to \$983,489 from the Environment and Natural Resources Trust Fund Acquisition Account to Scott County to finance up to 75% of the costs to acquire the 148-acre Premier Bank parcel for the Doyle-Kennefick Regional Park. The grant should be financed with:

- \$590,093 from the 2012 Environment and Natural Resources Trust Fund appropriation
- \$393,396 from Metropolitan Council bonds

Consider reimbursing Scott County up to \$327,830, its 25% match, from the County's share of a future Regional Park Capital Improvement Program. 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

Scott County has submitted a grant request of \$983,489 to finance up to 75% of the estimated costs to acquire the 148-acre (Premier Bank) parcel for the Doyle-Kennefick Regional Park. The letter from Scott County (Attachment 1) requests the grant, describes the proposed land purchase and provides other property information. The land is located southwest of the intersection of County highways 8 and 87, in Cedar Lake Township. Premier Banks currently owns the property.

The Doyle-Kennefick Regional Park master plan provides the land acquisition history, since the county acquired the initial 400 acres in 2004. Subsequent land acquisitions occurred in 2005 (40 acres) and 2008 (50 acres). The master plan described the acquisition of this parcel and other neighboring parcels that would ultimately define the future park boundary. Therefore, Scott County's acquisition of this parcel is consistent with the Metropolitan Council-approved master plan for Doyle-Kennefick Regional Park master plan (Business Item 2012-131).

Scott County also requests reimbursement consideration of up to \$327,830, its 25% match of the total acquisition costs, from the County share of a future Regional Park Capital Improvement Program. 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).

## 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 to acquire 2,122 acres. If this grant is approved, the balance in the Environment and Natural Resources Trust Fund Acquisition Account is \$246,936 if the \$509,500 grant to Three Rivers Park District (for Kingswood SRF) is granted or \$629,061 if it is not granted.

## Funding

The actual and estimated acquisition costs for the Premier Bank parcel, based on documentation provided by Scott County, total \$1,311,318 as shown in Table 1.

**Table 1:** Acquisition Costs

Cost Items	Amount
Purchase Price	\$1,258,000
Appraisal, Taxes, Closing costs and Title Insurance	\$15,568
Other Estimated stewardship, and associated Acquisition costs	\$35,000
Phase 1 Environmental Assessment	\$2,750
<b>Total</b>	<b>\$1,311,318</b>

Scott County requests that the acquisition of the 148-acre Premier Bank parcel for Doyle-Kennefick Regional Park be financed with the following revenue sources, shown in Table 2.

**Table 2:** Acquisition Grant Revenue Sources

Revenue Sources	Amount
Metro Council -Park Acquisition Opportunity Fund (75%)	\$983,489
Scott County match (25%)	\$327,830
<b>Total:</b>	<b>\$1,311,318</b>

Scott County also requests reimbursement consideration for up to \$327,830 for its required 25% match to the grant. Reimbursement would be financed from Scott County's share of future regional park capital improvement programs. The reimbursement request is permitted under the amended rules for Park Acquisition Opportunity Grants approved by the Metropolitan Council on January 9, 2013.

The timing of when Scott County is reimbursed for any portion of the \$327,830 depends upon 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.

The parcel has no residential structures and qualifies for funding from the Environment and Natural Resources Trust Fund Acquisition Account, one of the two accounts in the Park Acquisition Opportunity Fund. This account funds acquisition of properties having high-quality natural resources and no residential structures, as identified in Council-approved park master plans. The acquisition grant would be financed with the revenue sources shown Table 3.

**Table 3:** Park Acquisition Opportunity Grant Fund Revenue Sources

Revenue Sources	Amount
2012 Environment and Natural Resources Trust Fund Acquisition Account (60%)	\$590,093
Metropolitan Council bonds (40%)	\$393,396
<b>Total Grant</b>	<b>\$983,489</b>

### **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 Scott County requesting grant to acquire Premier Bank Parcel for Doyle-Kennefick Regional Park



May 17, 2013

Mr. Arne Stefferud  
Manager, Regional Parks and Natural Resources Unit  
Metropolitan Council  
390 North Robert Street  
St. Paul, MN 55101  
(via email)

Subject: Acquisition Opportunity Grant Request for Premier Banks Property, Doyle-Kennefick Regional Park

Dear Mr. Stefferud,

I am writing to submit an Acquisition Opportunity Grant Request for an acquisition associated with Doyle-Kennefick Regional Park in Scott County.

*Proposed Land Purchase*

Premier Banks owns approximately 250 acres of land on the southwest corner of CH8 and CH87 in Scott County. The land consists of agriculture, wetlands, woods, rolling hills, and Porter Creek. The bank received the land in foreclosure as a result of the failed St. Catherine on the Lake residential development. The development master planning process for the park analyzed this property for potential inclusion into the planned park boundary. The outcome of this work was a proposal that would incorporate some land into the park while still retaining residential development opportunities on the remainder of the land.

One of the challenges we identified in the master planning process was determining the exact boundary between future residential and park land: it wasn't feasible to determine the exact location of the boundary line because the original development would not likely work in the future due to the community septic system design. As a result, the master plan provided flexibility in finalizing the park boundary to ensure that the boundary would work for both a redesigned residential development and the park. (See pages 84-86 of the Doyle-Kennefick Regional Park Master Plan, attached.)

Scott County Government Center, 200 Fourth Avenue West, Shakopee, Minnesota 55379-1220  
Information 952.496.8475 • Fax 952.496.8496 • [www.ThreeRiversParks.org](http://www.ThreeRiversParks.org) • [www.co.scott.mn.us/parkstrails](http://www.co.scott.mn.us/parkstrails)

Scott County's Parks Improvement Plan estimated the acquisition of 115 acres at \$1,250,000 (\$10,870/acre). After the appraisal and significant negotiations with Premier Banks, including preliminary engineering analysis for the residential development, the proposed purchase would involve approximately 148 acres at a value of \$1,258,000 (\$8,500/acre). Premier Banks requested that the County purchase the additional acreage in order to maximize the development potential on the balance of the property, a concept they believe is marketable in today's economy. *As a result, the boundary line will shift slightly further north and east from what was shown on the master plan, which is consistent with the master plan's discussion about final determination of this line being coordinated with the development plan. (See master plan map and boundary discussion, attached as #32.)*

We believe this approach is justifiable as the final boundary line will incorporate all of Porter Creek and associated wetlands within the park boundary, providing significant restoration and recreation opportunities along the uplands on both sides of the creek. Premier Banks is working on the engineering and plat layout for the development and plans to continue moving forward with their residential development approval process, with subdivision approval being one of the purchase contingencies. The final park boundary will be coordinated with this work, and the final purchase price will be pro-rated based on the final park acreage at the agreed to purchase price of \$8,500/acre.

#### *Natural Lands vs. Land with Structures*

No structures are associated with the Premier Banks property to be acquired, so we are considering this entire purchase natural lands. However, the property does include some agriculture production lands that are considered highly erodible soils. Under the park land acquisition proposal, the land would be converted to natural land cover in the future, offering protection to Porter Creek and the associated watershed from continued erosion due to agriculture production. As we have discussed, we would ask for consideration from the LCCMR that this acquisition be eligible for funding from the Environment and Natural Resources Trust Fund portion of the Acquisition Opportunity Grant Fund if needed. (See site map, attached.)

#### *Acquisition Grant Request*

Scott County is requesting the Metropolitan Council's consideration of an acquisition opportunity grant in the amount of \$983,489 that would fund 75% of the acquisition and associated costs, with 25% local match coming from county funds. In addition, Scott County requests that the 25% local match (\$327,830) be eligible for reimbursement in future Regional Park CIP requests.

Thank you for your consideration of this request. If you have any questions regarding the proposed acquisitions, negotiations or purchase price, please contact me directly at 952-496-8783.

Sincerely,

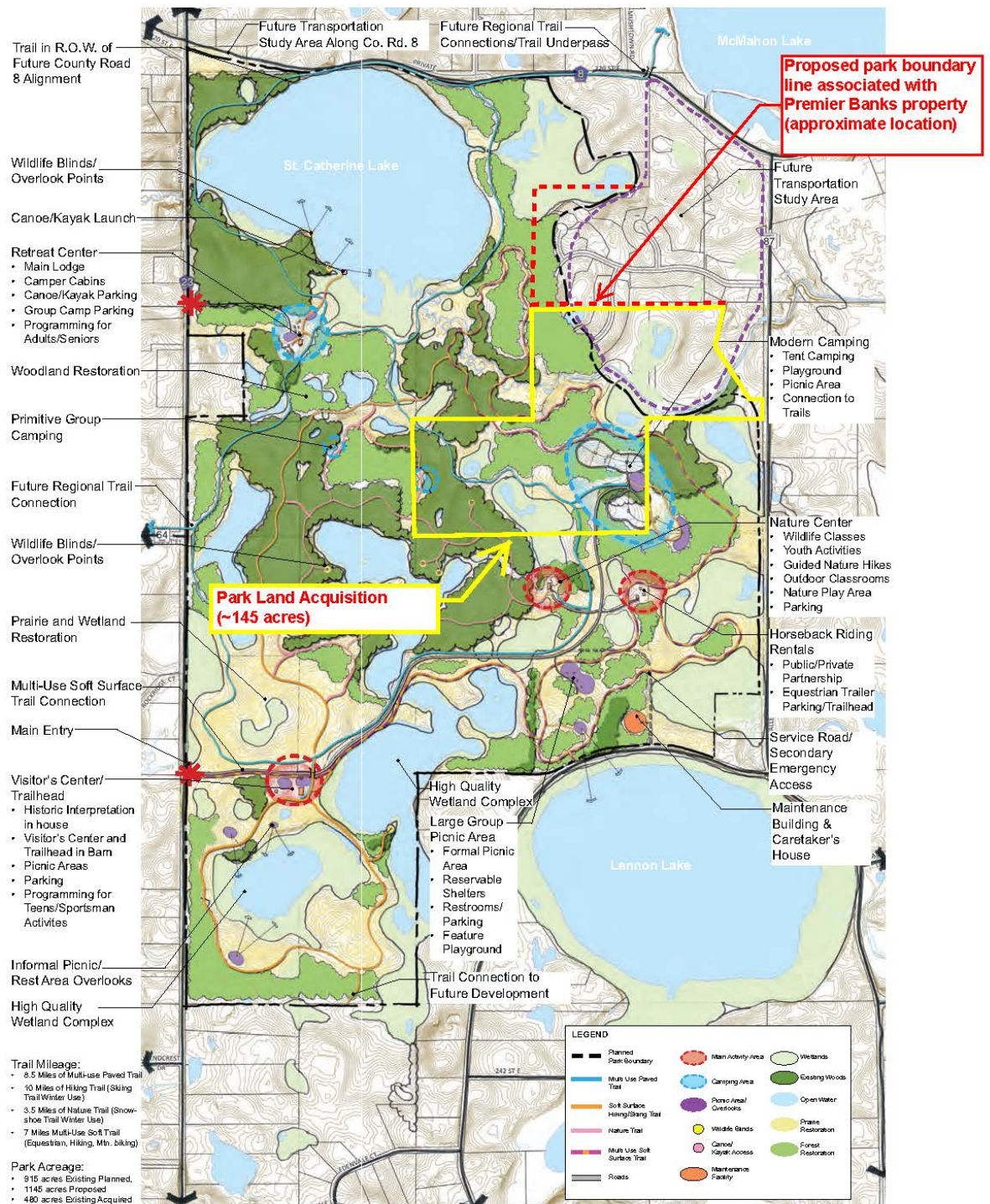


Mark Themig  
General Manager Scott County Parks

#### Attachments:

Map of parcel to be acquired in context of applicable park master plan boundary  
Aerial photo map of the land to be acquired that shows the boundary of the land

# Attachment 2: Scott County Property (Premier Bank) Acquisition in Doyle-Kennefick Regional Park



Master Plan  
*Doyle Kennefick Regional Park*



# Attachment 3: Aerial map of Property (Premier Bank) Acquisition in Doyle-Kennefick Regional Park



PJF 5/17/13

**Premier Banks Property**  
**Doyle-Kennefick Regional Park**



### LEGEND

- Acquisition Area (~148 acres)
- Parcel Lines

### Park Status

- Existing Park Land

0 175 350 700 Feet



**Attachment 4: Park Acquisition Opportunity Fund Grant Totals and Percent Grants Awarded/Spent by Park Agency (Apr 2001 – 2013)**

<b>Park Agency</b>	<b>Total Park Acq. Opp. Grants</b>	<b>%of Park Acq. Opp. Grants</b>	<b>Acres Acquired</b>	<b>% of Acres Acquired</b>
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%
<b>Grand Total</b>	<b>\$27,607,215</b>	<b>100%</b>	<b>2,122.03</b>	<b>100%</b>

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

<b>MPOSC District</b>	<b>Total Park Acq. Opp. Grants</b>	<b>%of Park Acq. Opp. Grants</b>	<b>Acres Acquired</b>	<b>% of Acres Acquired</b>
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%
<b>Grand Total</b>	<b>\$27,607,215</b>	<b>100%</b>	<b>2,122.03</b>	<b>100%</b>