

Metropolitan Parks and Open Space Commission

Meeting date: September 3, 2013

For the Community Development Committee meeting of September 16, 2013

For the Metropolitan Council meeting of September 25, 2013

Subject: Park Acquisition Opportunity Fund Grant for Vermillion Highlands Greenway and Rosemount Greenway Regional Trails (Klein Parcel), Dakota County

District(s), Member(s): Metropolitan Parks & Open Space Commission District H, Barbara Schmidt

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 \$270,000 from the Parks and Trails Legacy Fund Acquisition Account to Dakota County to finance up to 75% of the costs to acquire approximately 8.5 acres in a 100-foot wide, 3,200-foot long greenway corridor easement for the Vermillion Highlands Greenway and Rosemount Regional Greenway Regional Trails. The grant should be financed with:
 - \$162,000 from the FY2014 Parks and Trails Legacy Fund appropriation, and
 - \$108,000 from Metropolitan Council bonds
2. Consider reimbursing Dakota County up to \$90,000 from its share of a future Regional Park Capital Improvement Program for its 25% share of the total acquisition costs. 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

On August 9, 2013 the Council received Dakota County's acquisition opportunity grant request for \$270,000 to finance up to 75% of the estimated total costs to acquire approximately 8.5 acres in a 100-foot wide, 3,200-foot long greenway corridor easement. (Attachment 2)

The greenway corridor is part of the Vermillion Highlands Greenway and Rosemount Regional Greenway Regional Trails. The County is acquiring a conservation easement for the trail corridor, while the City of Rosemount will own the property in fee title. The regional greenway corridor is part of a wider open space greenway to accommodate the trail and greenway as defined in the greenway master plans for the Vermillion Highlands Greenway and Rosemount Greenway regional trails. The 8.5-acre trail corridor is located in the City of Rosemount, MN.

Dakota County's letter (Attachment 1) describes the trail corridor conservation easement acquisition, transfer of ownership, and corridor location. It outlines the corridor conservation easement appraised value, closing costs, title insurance and other acquisition costs. The acquisition costs total \$360,000, and Dakota County requests a park acquisition opportunity fund grant for 75% of the total cost, \$270,000.

The master plans for the Rosemount Greenway regional trail and the Vermillion Highlands Greenway regional trail show this segment of planned trail. Attachment 3 shows the proposed acquisition in context with the greenway trail master plans, and show that the proposed acquisition is consistent with the master plans. The Metropolitan Council approved both master plans on November 28, 2012 (2012-354 and 2012-355).

Dakota County's 25% share of the total acquisition costs is \$90,000, and the County requests that the Council consider reimbursement from a future regional parks capital improvement program. The County's request is consistent with the Park Acquisition Opportunity Grant Rules 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 \$32.6 million has been granted to acquire 2,708 acres.

All park acquisition opportunity grant agreements include an "agreement and restrictive covenant" that park agencies 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.

Funding

The Parks and Trails Legacy Fund balance is \$2,259,152 based on the Metropolitan Council's approval of Ramsey County's grant for the Phalen Kelller Regional Park.

Dakota County's total acquisition costs are \$360,000, as shown in Table 1.

Table 1: Acquisition Costs

Cost Items	Amount
Purchase Price	\$350,000
Appraisal	\$6,000
Taxes, Closing costs and Title Insurance	\$4,000
Total	\$360,000

The Park Acquisition Opportunity Fund grant will be financed with the following revenue sources, shown in Table 2.

Table 2: Acquisition Grant Revenue Sources

Revenue Sources	Amount
Grant Total (up to 75%)	\$270,000
FY2014 Parks and Trails Legacy Fund (60%)	\$162,000
Metropolitan Council bonds (40%)	\$108,000

If the Metropolitan Council approves this grant and the Ramsey County grant, the Parks and Trails Legacy Fund Acquisition Account balance is \$1,989,152.

Known Support / Opposition

The request is consistent with the rules for Park Acquisition Opportunity Fund Grant Rules (MC Item 2012-260). The Council has received no communication of known opposition to the County's grant request.

Attachment 1: Dakota County letter requesting an acquisition grant for the Vermillion Highlands Greenway and Rosemount Regional Greenway Regional Trails



Physical Development Division
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Environmental Resources
Land Conservation
Groundwater Protection
Surface Water
Waste Regulation
Environmental Initiatives

Office of Planning

Operations Management
Facilities Management
Fleet Management
Parks

Transportation
Highways
Surveyor's Office
Transit Office

August 9, 2013

Arne Stefferud
Planning Analyst – Parks
Metropolitan Council
390 North Robert Street
St. Paul, MN 55101

Dear Arne:

Dakota County requests Metropolitan Council consideration authorizing an Acquisition Opportunity Fund ("AOF") grant for the purchase of a regional greenway corridor easement that is included in both the Vermillion Highlands and Rosemount Regional Greenway Master Plans. See enclosed Attachment A: Site Map.

The regional greenway corridor easement consists of a 100-foot-wide, 3,200-foot-long corridor, encompassing approximately 8.5 acres. The cost for the greenway corridor easement is \$350,000. Appraisal, closing, and title insurance costs are estimated to be \$10,000 for a total project cost of \$360,000.

Dakota County requests an AOF grant in the amount of \$270,000, which is 75 percent of the total estimated expenses for this acquisition. Dakota County will match the AOF grant with \$90,000 of its funds. In addition, Dakota County requests that the Metropolitan Council consider reimbursing the County up to \$90,000 for these matching funds from part of the County's share of future regional park capital improvement programs.

Acquisition of this regional greenway corridor easement is part of a broader effort to provide recreational opportunities and protect natural resources and it is useful for the Metropolitan Council to be aware of this context. The regional greenway corridor easement is part of a 143-acre parcel that was acquired by a local bank, Klein Bank,

through the foreclosure process when a development plan failed. Since that time, Dakota County has been in discussions with Klein Bank, the City of Rosemount, and others to explore alternative scenarios that would protect the natural resource values of the larger parcel and provide recreational amenities for the public.

As a result of these discussions, Dakota County will accomplish the following:

1. Acquire the 8.5-acre, 3,200-foot-long regional greenway corridor easement that is subject of this AOF grant request;
2. Acquire an additional easement surrounding the regional greenway corridor easement to protect approximately 29.8 additional acres of open space; and
3. Acquire a continuous 3,200-foot-long shoreland easement around and including most of a 17-acre lake, preventing development within the shoreland easement and providing public access via a non-paved trail along the lake.

Dakota County will pay an additional sum (that is not part of this AOF grant request) to acquire the shoreland easement. Klein Bank will donate the value of the easement on the 29.8 acres of open space surrounding the regional greenway corridor.

The land that will be encumbered by these easements will be owned by the City of Rosemount. Klein Bank will convey title to this land to a wholly-owned subsidiary, RIOU Property 2 LLC, which, in turn, will convey title to the City of Rosemount. A new developer will build residential homes on the balance of the property, respecting the natural resource values and integrating the Rosemount and Vermillion Highland Regional Greenways into the development design.

This AOF grant is based on the following estimated expenses:

Expense Item	Amount
Purchase Price	\$350,000
Appraisal (75% of the total appraisal cost of \$8,000)	\$6,000
Closing and Title Insurance Costs	\$4,000
Total	\$360,000

Accompanying this letter is supporting documentation. Thank you for your consideration of this request.

Sincerely,



Steve Sullivan, Director
Manager
Dakota County Parks



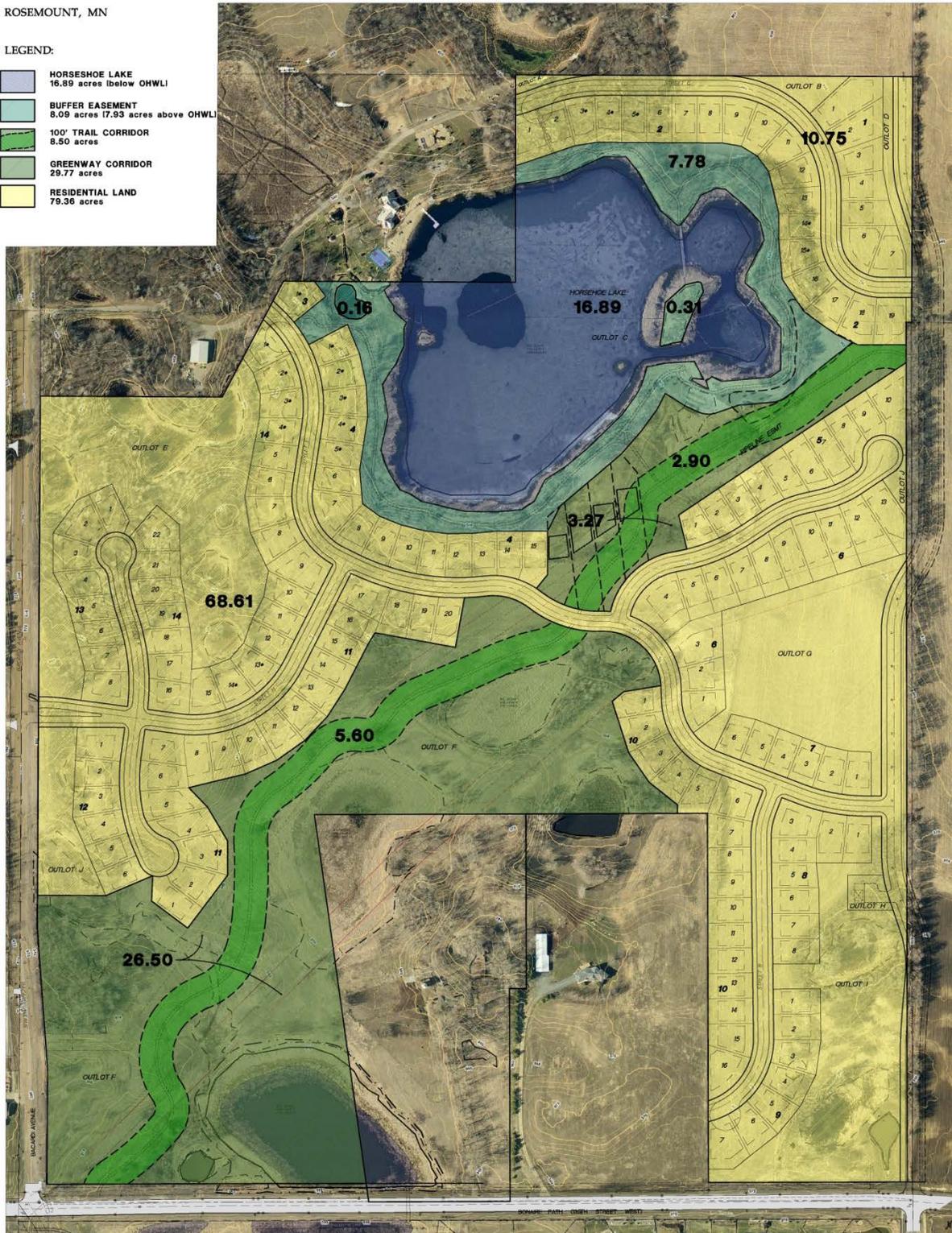
Al Singer, Land Conservation
Dakota County Environmental
Resources

Attachment 2: Dakota County Property Acquisition Trail Corridor and greater Greenway

ROSEMOUNT, MN

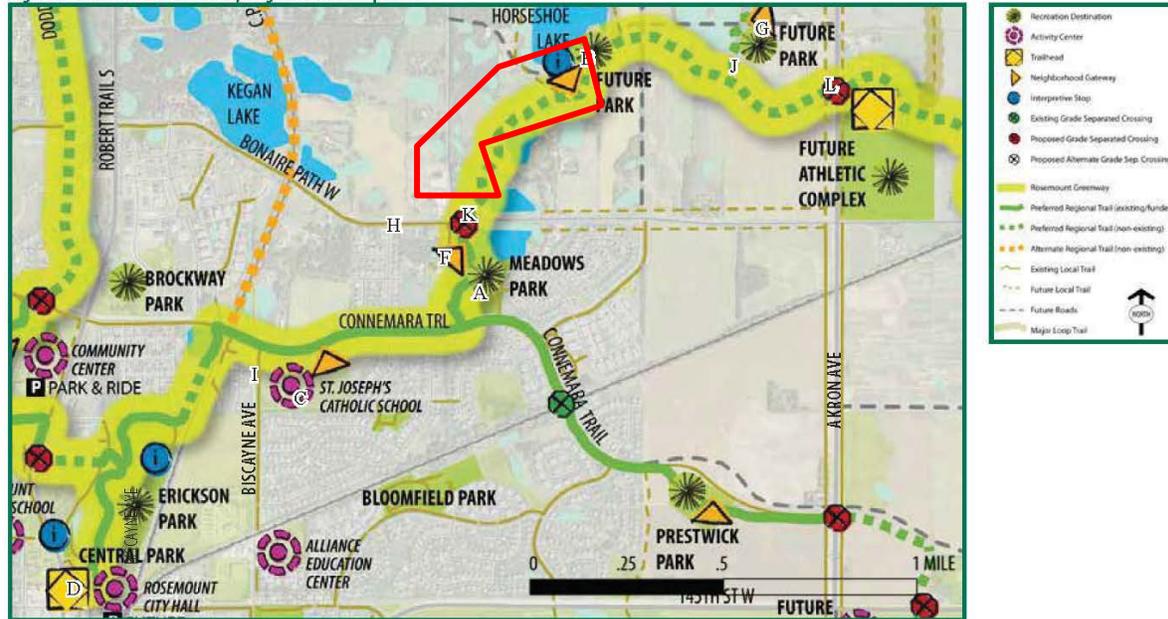
LEGEND:

- HORSESHOE LAKE
16.89 acres (below OHWL)
- BUFFER EASEMENT
8.09 acres (7.93 acres above OHWL)
- 100' TRAIL CORRIDOR
8.50 acres
- GREENWAY CORRIDOR
29.77 acres
- RESIDENTIAL LAND
79.36 acres



Attachment 3: Dakota County Property Acquisition within Rosemount and Vermillion Highlands Greenways

Figure 33. Rosemount Greenway Segment 2 Concept Plan



Downtown Rosemount to Akron Avenue	Activity Centers	Neighborhood gateways	Loop and connecting trails
Recreation destinations	C. St. Joseph's Catholic School	C. St. Joseph's Catholic School	H. Bonaire Path
A. Meadows Park	Trailhead	A. Meadows Park	I. Biscayne Avenue
B & G. Two future parks near Horseshoe Lake	D. Central Park	B & G. Two future parks near Horseshoe Lake	J. Connections to Vermillion Highlands Greenway
	E. Athletic Complex		Grade-separated crossings
			K. Bonaire Path
			L. Akron Avenue