

# REGIONAL PARKS SYSTEM FUND DISTRIBUTION POLICY



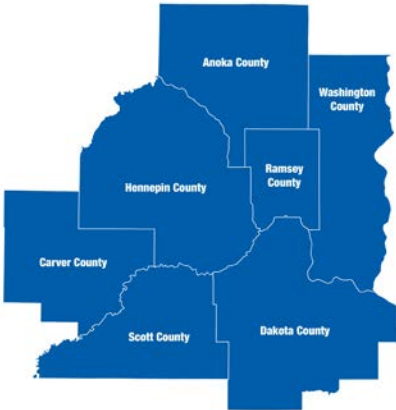
Adopted February 27, 2019

# The Council’s mission is to foster efficient and economic growth for a prosperous metropolitan region

---

## Metropolitan Council Members

Nora Slawik	Chair	Edward Reynoso	District 9
Vacant	District 1	Marie McCarthy	District 10
Lona Schreiber	District 2	Sandy Rummel	District 11
Jennifer Munt	District 3	Harry Melander	District 12
Deb Barber	District 4	Richard Kramer	District 13
Vacant	District 5	Jon Commers	District 14
Gail Dorfman	District 6	Steven T. Chávez	District 15
Gary L. Cunningham	District 7	Wendy Wulff	District 16
Cara Letofsky	District 8		



The Metropolitan Council is the regional planning organization for the seven-county Twin Cities area. The Council operates the regional bus and rail system, collects and treats wastewater, coordinates regional water resources, plans and helps fund regional parks, and administers federal funds that provide housing opportunities for low- and moderate-income individuals and families. The 17-member Council board is appointed by and serves at the pleasure of the governor.

On request, this publication will be made available in alternative formats to people with disabilities. Call Metropolitan Council information at 651-602-1140 or TTY 651-291-0904.

# 1 TABLE OF CONTENTS

2	I. Introduction	1
3	A. Purpose.....	1
4	B. Regional Parks Implementing Agencies .....	1
5	C. Regional Parks System Funding .....	1
6	1. Operation and Maintenance.....	1
7	2. Parks and Trails Legacy Fund Program.....	1
8	3. Park Acquisition Opportunity Fund.....	1
9	4. Regional Parks Bonding Program.....	2
10	D. Annual Review .....	2
11	E. Administrative Guidance.....	2
12	II. Operation and Maintenance	3
13	A. Funding Source .....	3
14	B. Allocation.....	3
15	C. Eligible costs and activities.....	3
16	D. Required Match.....	4
17	III. Parks and Trails Legacy Fund Program	5
18	A. Funding Source.....	5
19	B. Allocation.....	5
20	C. Eligible Projects and Costs.....	5
21	D. Amendments .....	6
22	E. Required Match.....	7
23	IV. Park Acquisition Opportunity Fund Program	8
24	A. Funding Source.....	8
25	B. Allocation.....	8
26	C. Eligible Projects and Costs.....	8
27	D. Eminent Domain.....	9
28	E. Revenue from Nonrecreational and Recreational Uses .....	10
29	F. Unspent Funds.....	10
30	G. Required Match.....	10
31	H. Amendments .....	11
32	V. Regional Parks Bonding Program	12
33	A. Funding Source.....	12
34	B. Allocation.....	12
35	C. Eligible Projects and Costs.....	12
36	D. Revenue from Nonrecreational and Recreational Uses .....	13
37	E. Amendments .....	14
38	F. Future Reimbursement Consideration .....	14
39		



1 **I. Introduction**

2 The Metropolitan Council (Council) administers a variety of funding sources and grant programs for the  
3 betterment of the Regional Parks System. These funds are awarded or passed through to the Regional  
4 Parks Implementing Agencies (Agencies). Legal requirements for these programs vary, and the Council  
5 is responsible for ensuring compliance with all relevant requirements. Agencies are responsible for  
6 knowing and complying with their grant agreements, which may specify additional funding  
7 requirements.

8 **A. Purpose**

9 The Minnesota Constitution, Minnesota Statutes, session law, state appropriations language, and  
10 the *Regional Parks Policy Plan* articulate the structure for the funding sources and programs that  
11 the Council administers. This document establishes the Council’s policies and priorities for the use  
12 of Regional Parks funds, which comply with all relevant authorities. If there is conflict between these  
13 authorities, the hierarchy shall be in the aforementioned order. If any conflict remains, the Council  
14 will seek a legal opinion.

15 **B. Regional Parks Implementing Agencies**

16 [Minn. Stats. § 473.351](#) limits regional parks funding to Agencies and defines them to be:

- 17 • Anoka County
- 18 • City of Bloomington
- 19 • Carver County
- 20 • Dakota County
- 21 • Minneapolis Parks and Recreation Board
- 22 • Ramsey County
- 23 • City of Saint Paul
- 24 • Scott County
- 25 • Three Rivers Park District
- 26 • Washington County

27 **C. Regional Parks System Funding**

28 **1. Operation and Maintenance**

29 The state of Minnesota appropriates money under [Minn. Stat. § 473.351](#) for the cost of  
30 providing for the operation and maintenance (O&M) of waters, lands, and facilities that are part  
31 of the Regional Parks System.

32 **2. Parks and Trails Legacy Fund Program**

33 The [Minnesota Constitution, Article XI, Section 15](#) established the Parks and Trails Legacy  
34 Fund (PTLF) to support parks and trails of regional or statewide significance.

35 **3. Park Acquisition Opportunity Fund**

36 The Council established the Park Acquisition Opportunity Fund (PAOF) to assist Agencies in  
37 acquiring land for the Regional Parks System. The PAOF comprises state and regional funding  
38 sources in two separate accounts:

- 1 • The Parks and Trails Legacy Fund / Park Acquisition Opportunity Fund (PTLF/PAOF)  
2 account funded by state Legacy dollars and regional park bonds. [Minn. Stat. § 85.53](#)  
3 requires that the Council match every \$3 in PTLF land acquisition funds with \$2 in regional  
4 park bonds.
- 5 • The Environment and Natural Resources Trust Fund / Park Acquisition Opportunity Fund  
6 (ENRTF/PAOF) account funded by ENRTF dollars and Council funds. The Council matches  
7 every \$3 in ENRTF funds with \$2 in Council funds for Regional Parks System land  
8 acquisition.

#### 9 **4. Regional Parks Bonding Program**

10 There are two funding sources that are part of the Regional Parks Bonding Program:

- 11 • Regional park bonds issued by the Council for the Regional Parks System.
- 12 • State bonds appropriated for the Regional Parks System.

13 Per the [2040 Regional Parks Policy Plan](#) and Council's Capital Financing Policy, the Council  
14 matches every \$3 of state general obligation bonds with \$2 of regional park bonds.

15 Bonds may be taxable or non-taxable.

#### 16 **D. Annual Review**

17 The Council shall, after consultation with the Regional Parks Implementing Agencies and other  
18 stakeholders and with the advice of the Metropolitan Parks and Open Space Commission, adopt  
19 the Regional Parks Fund Distribution Policy, review the Policy annually, and amend the Policy as  
20 needed.

#### 21 **E. Administrative Guidance**

22 More detailed information and instructions on subrecipient processes and procedures can be found  
23 in the Regional Parks System sub-recipient administrative guide. This document is under  
24 development and will be completed in 2019.

25 The following sections outline funding priorities for each funding source and program.

1 **II. Operation and Maintenance**

2 Since 1985, the state of Minnesota has appropriated money under [Minn. Stat. § 473.351](#) for the cost of  
3 providing for the operation and maintenance of waters, lands, and facilities that are part of the Regional  
4 Parks System.

5 **A. Funding Source**

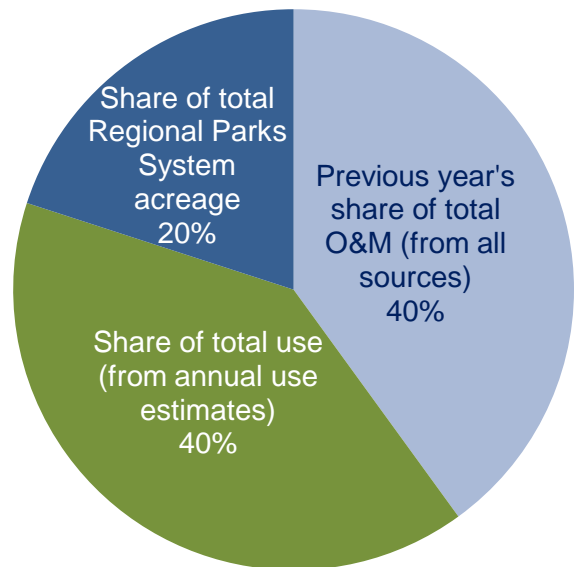
6 The state of Minnesota appropriates money the Council disburses to the Agencies to pay for a  
7 portion of the cost of providing for the operation and maintenance of waters, lands, and facilities  
8 that are part of the Regional Parks System. This money has come from two sources:

- 9 • State appropriations from the General Fund ([Minn. Stat. § 473.351](#))
- 10 • “Lottery in lieu of sales tax” ([Minn. Stat. § 297A.94\(h\)\(3\)](#))

11 **B. Allocation**

12 The Council distributes all Operation and  
13 Maintenance funding to the Agencies according to  
14 a formula based upon [Minn. Stat. § 473.351](#):

- 15 • 40% based on each Agency’s proportion of  
16 total regional system visits as estimated in  
17 the Council’s annual use estimates
- 18 • 40% based on each Agency’s proportion of  
19 total regional system operation and  
20 maintenance expenditures in the previous  
21 calendar year
- 22 • 20% based on each Agency’s proportion of  
23 total regional system land acreage, with  
24 park reserve resource management land  
25 divided by four and excluding the acreage  
26 under any facilities the Council considers  
27 inconsistent with Recreation Activities and Facilities – Strategy 1 of the *2040 Regional Parks*  
28 *Policy Plan* including enterprise facilities



29 **C. Eligible costs and activities**

30 See the Regional Parks System sub-recipient administrative guide for more detailed guidance  
31 about eligible and ineligible costs and activities.

32 Costs cannot be associated with activities or programming inconsistent with Recreation Activities  
33 and Facilities – Strategy 1 of the *2040 Regional Parks Policy Plan*. Additionally, activities within  
34 enterprise facilities, defined in the *2040 Regional Parks Policy Plan* as facilities that are expected to  
35 generate sufficient revenues to cover their own costs such as golf courses, downhill ski areas, and  
36 water parks, are not eligible for Operation and Maintenance funding. These facilities are not eligible  
37 for regional park funds from the Council because enterprise-fund recreation facilities are expected  
38 to raise money for their development and operation in the same way as their private sector  
39 counterparts.

1 **D. Required Match**

2 There is no formal required match although these appropriations fund only a portion of operation  
3 and maintenance expenses.



### 1 III. Parks and Trails Legacy Fund Program

2 In 2008, Minnesota voters passed the Clean Water, Land and Legacy Amendment, which created a  
3 new 3/8ths cent state sales tax to be collected from July 2009-June 2034 to fund the restoration,  
4 protection, and enhancement of Minnesota wildlife; protect clean water; pay for parks and trails; and  
5 preserve Minnesota’s history and cultural heritage through arts and cultural programs. The Parks and  
6 Trails Legacy Fund, one of four Legacy Amendment Funds, supports parks and trails of statewide or  
7 regional significance.

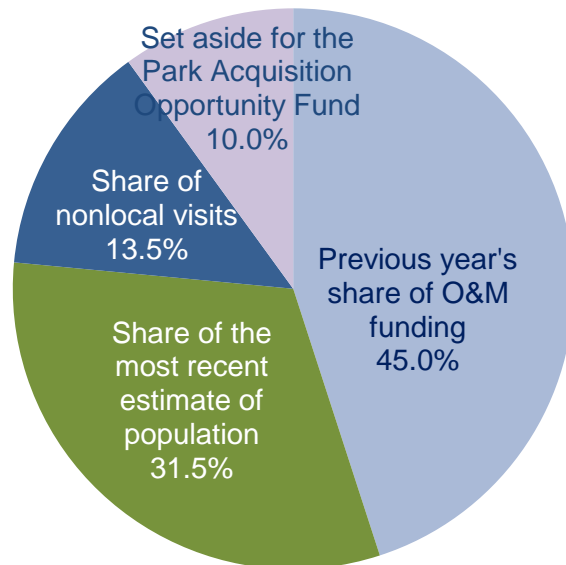
#### 8 A. Funding Source

9 The [Minnesota Constitution, Article XI, Section 15](#) established the Parks and Trails Legacy Fund  
10 (PTLF) to support parks and trails. Per [Minn. Stat. § 85.53](#), this fund supports only parks and trails  
11 of regional or statewide significance. Along with state and Greater Minnesota regional parks and  
12 trails, the Council receives a portion of the PTLF appropriations for the Regional Parks System.

#### 13 B. Allocation

14 The Council distributes PTLF money to the  
15 Agencies according to a formula defined in  
16 [Minn. Stat. § 85.53](#):

- 17 • 45% based on each implementing  
18 Agency’s share of O&M funding  
19 according to the allocation formula in  
20 Minn. Stat. § 473.351, subdivision 3;
- 21 • 31.5% based on each implementing  
22 Agency's relative share of the most  
23 recent estimate of the population of  
24 the metropolitan area;
- 25 • 13.5% based on each implementing  
26 Agency's relative share of nonlocal  
27 visits based on the most recent user  
28 visitation survey conducted by the Metropolitan Council; and
- 29 • 10% set aside for Park Acquisition Opportunity Fund (see more on p. 8).



#### 30 C. Eligible Projects and Costs

31 Consistent with the [Minnesota Constitution, Article XI, Section 15](#), authorizing state statutes  
32 (including [Minn. Stat. § 3.303](#)), and the [2040 Regional Parks Policy Plan](#), all projects submitted for  
33 funding from PTLF must:

- 34 • Be within parks and trails of **regional or statewide significance**.
- 35 • Be consistent with the [Parks and Trails Legacy Plan](#), the foundational document for the  
36 use of PTLF in the state, which specifies four strategic directions for use of all PTLF funds:
  - 37 ○ Connect People and the Outdoors: Develop stewards of tomorrow through efforts to  
38 increase life-long participation in parks and trails.

- Acquire Land, Create Opportunities: Create new and expanded opportunities to serve current and future users.
- Take Care of What We Have: Provide safe, high-quality experiences through regular re-investment in infrastructure and natural resource management.
- Coordinate among Partners: Enhance coordination among the network of public, private, and nonprofit park and trail partners.
- **Be within the boundaries of the Regional Parks System** (for capital projects only – for example, acquisitions, development, and conservation)
  - Outreach activities outside the boundaries of the Regional Parks System are allowable if the Agency can demonstrate a direct tie between the outreach activities and use of the Regional Parks System.
- Be consistent with the **2040 Regional Parks Policy Plan**.
- Be consistent with a **Council-approved master plan** prior to the Council executing a grant agreement (for capital projects only – for example, acquisitions, development, and conservation).
  - Outreach activities outside a Council-approved master plan are allowable if the Agency can demonstrate a direct tie between the outreach activities and use of the Regional Parks System.
- **Supplement, not substitute for, traditional sources of funding.** To ensure compliance with the requirements, projects funded with PTLF funds must:
  - start new projects or programs;
  - continue projects or programs without substituting Legacy funds for other funds; or
  - expand or accelerate projects through the addition of Legacy funds.
- Be substantially consistent with the project descriptions and dollar amounts **approved by each Agency’s elected body**.
- Have been reviewed by the Agency using the **equity toolkit**.
- Have been **prioritized** by the Agency in response to local capital and programmatic needs.

Agencies may use their PTLF allocation for land acquisition, supplementing the Park Acquisition Opportunity Fund although the Council does not match these funds.

## D. Amendments

If there are any unspent funds from a grant after the project is completed, grant agreements list conditions for amendments.

To maximize the efficiency of the work of the Metropolitan Parks and Open Space Commission and the Council, the Council has authorized its regional administrator or their designee to execute minor amendments to Regional Parks System grant agreements. The regional administrator or their designee may execute amendments that:

- Change the term of grant agreements when not otherwise prohibited by law, statute, or funding allocation;

1 • Adjust project amounts within each Agency’s overall share of funds within the Council’s  
2 authorized budget and in an amount not to exceed the regional administrator’s or  
3 designee’s designated signature authority; or

4 • Change grant-funded activities consistent with project scope.

5 Minor amendments must remain consistent with all of the requirements outlined in Section C. Other  
6 amendments may require Council action. Changing the project to a project that the Council has not  
7 previously reviewed and approved always requires Council approval.

8 See the Regional Parks System sub-recipient administrative guide for further information on  
9 amendment requests.

10 **E. Required Match**

11 None.

## 1 IV. Park Acquisition Opportunity Fund Program

2 Established in 2001, grants from the Park Acquisition Opportunity Fund (PAOF) assist Agencies in  
3 acquiring land for the Regional Parks System.

### 4 A. Funding Source

5 The PAOF program has two funding sources:

- 6 • Parks and Trails Legacy Fund (PTLF): 10% of PTLF appropriations are set aside for land  
7 acquisition through the PAOF.
- 8 • Environment and Natural Resources Trust Fund (ENRTF). The ENRTF acquisition  
9 opportunity grant fund is comprised of direct appropriations received by the Legislative-  
10 Citizen Commission on Minnesota Resources (LCCMR) for land acquisition. The LCCMR  
11 establishes the requirements for ENRTF funding, including funding used as part of the  
12 PAOF program.

13 For both accounts, the Council matches every \$3 in state funding with \$2 from Council funds.  
14 [Minn. Stat. § 85.53, subd. 3](#) requires that the Council match PTLF acquisition funding with regional  
15 park bonds; the Council matches every \$3 in ENRTF funds with \$2 in Council funds.

### 16 B. Allocation

17 The Council's PAOF grant program is non-competitive and is awarded based on funding availability.  
18 The Council awards grants on a first-come, first-served basis with the order determined by when  
19 the Council determines that a grant request is eligible and complete.

20 Each Agency is eligible for up to \$1.7 million in PAOF funding per calendar year from each of the  
21 two accounts, provided the total of appropriated funding and associated Council match is sufficient  
22 to fund an acquisition. The maximum amount that each Agency can receive from the PAOF  
23 program is \$3.4 million per year. The maximum amount that an Agency can receive for a single  
24 PAOF grant is \$3.4 million, with \$1.7 million from each account. Agencies can use both  
25 PAOF/ENRTF and PAOF/PTLF in a single acquisition to access the full amount of PAOF dollars  
26 allowable (see the Regional Parks System sub-recipient administrative guide for additional  
27 requirements that may be involved with acquisitions using both funding sources). The Council will  
28 review alternative funding options when there is a lack of PAOF.

### 29 C. Eligible Projects and Costs

30 Consistent with authorizing state statutes and the [2040 Regional Parks Policy Plan](#), all PAOF  
31 grants (both accounts) assist in the acquisition of property that is and will be:

- 32 • ***Within the boundaries of the Regional Parks System;***
- 33 • Consistent with the ***2040 Regional Parks Policy Plan*** or subject to an amendment to ***2040***  
34 ***Regional Parks Policy Plan*** to designate the land as regional recreation open space;
- 35 • Consistent with a ***Council-approved master plan*** or a ***Council-approved acquisition***  
36 ***master plan***;
- 37 • Located fully within ***Council-approved master plan boundaries*** prior to the Council  
38 executing a grant agreement; and

- Reserved for public use in perpetuity for the Regional Parks System.

Consistent with [authorizing state statutes](#) and the *2040 Regional Parks Policy Plan*, all grants from the PAOF / ENRTF must additionally follow LCCMR requirements.

PAOF grants can pay for up to 75% of eligible costs for properties that meet the above requirements. Consistent with LCCMR rules, the Council will not approve any PAOF / ENRTF grant application showing an agreed purchase amount that exceeds 110% of the certified appraised value. For PAOF / PTLF acquisitions, the Council will consider grant applications with an agreed purchase amount of more than 110% of the certified appraised value, but the Agency is responsible for paying the difference between 110% of the appraised value and the agreed purchase price, in addition to its required 25% match.

When funds are not available in the PAOF accounts, Agencies may choose to work with third parties to temporarily acquire and hold eligible properties, for which the Agency may pursue a PAOF grant at later date from the Council to complete the acquisition process.

Acquisition of parcels that can be logically divided may qualify for financing from both the ENRTF account and PTLF account. The amount from each account shall be proportional to the appraised market value of the square footage of each portion. However, the Council may grant additional funds from the PTLF account to finance a portion of the costs of land that qualifies for financing from the ENRTF account if there is not sufficient money in the ENRTF account to fully fund the grant.

Eligible PAOF costs are expenses directly related to the land acquisition consistent with the Council-approved master plan. Grants for acquisition pay for the cost of real estate, relocation assistance, special assessments existing at the time land was designated for the regional system, land stewardship and legal fees and appraisals. Land stewardship is defined as boundary fencing or marking stabilizing or rehabilitating natural resources to aid in reestablishing threatened natural resources or to prevent non-natural deterioration thereof; preventing the deterioration of existing structures; removal of unneeded structures, land forms or attractive nuisances; maintaining or closing existing roads; and developing the unit to support minimal recreational use, including access roads, parking lots, signage and restrooms until capital improvement funds are available. Payment in lieu of local property taxes is an eligible land acquisition grant expenditure. Remediating pre-existing environmental contamination to the level necessary to allow the land to be used for park and recreation purposes is a grant-eligible land acquisition expense under the conditions outlined in the sub-recipient administrative guide. See the Regional Parks System sub-recipient administrative guide for more detailed guidance on eligible and ineligible costs and activities.

#### **D. Eminent Domain**

Occasionally an Agency may need to acquire land by exercising its power of eminent domain by initiating a condemnation proceeding. When land is acquired through the condemnation process, a PAOF grant may be awarded; however, a grant is awarded at the end of a condemnation proceeding. The grant is based on 75% of the final settlement / award and associated grant-eligible costs under applicable provisions of [Minn. Stat. Ch. 117](#) to acquire the land and within the Agency maximum for the fiscal year when the grant is awarded. After filing its condemnation petition with the district court, the Agency must notify the Council that it is acquiring land through condemnation and will be requesting a PAOF grant when the final award is determined. The notification to the Council must include the Agency's authorization to file its petition and the accompanying documents containing its appraisal of the land. In condemnation matters, the final settlement /

1 award and final certification should be submitted to the Council in lieu of a signed purchase  
2 agreement.

3 **E. Revenue from Nonrecreational and Recreational Uses**

4 Lands acquired with regional funds are to be used for Regional Parks System purposes. On  
5 occasion, during but not limited to a period prior to development, land may be used in other ways as  
6 long as these temporary uses are consistent with state law, Council policy and all relevant funding  
7 source restrictions (such as arbitrage rules). Allowable nonrecreational uses depend on the sources  
8 of funding used for the acquisition; contact the Council for specific details.

9 All uses of this kind must be consistent with the Council-approved master plan. Revenue that  
10 Agencies receive from such uses may be used in regional park lands for land stewardship or for the  
11 capital costs of providing recreation opportunities; otherwise, they will be returned to the Council.  
12 Any other use requires prior Council consent.

13 Revenue from recreational uses in Regional Parks System units consistent with the Council-  
14 approved master plan shall be used for park purposes as determined by the Agency. Revenues  
15 generated by nonrecreational uses in regional park lands, consistent with a Council-approved  
16 master plan, shall be used in regional park lands either for stewardship or for the capital costs of  
17 providing regional recreation opportunities, unless the Council consents to another use.

18 Agencies may be required to make an annual report of such revenues when their revenues exceed  
19 an amount determined by the Council (\$2,500 per year). Unused nonrecreational revenues will be  
20 returned to the Council by the end of the year succeeding the one in which they are earned.

21 **F. Unspent Funds**

22 Under the PAOF program, acquisition grants fund “up to” 75 percent of the total estimated  
23 acquisition costs. Therefore, grantees may not reallocate any unspent PAOF funds.

24 **G. Required Match**

25 Agencies must fund *at least 25% of the total estimated acquisition costs as local match*, including  
26 all ineligible costs and all costs over \$1.7 million per account, per year. If, during the course of an  
27 acquisition, an Agency exceeds its upper limit of \$1.7 million for either or both PAOF funding  
28 accounts, the Agency may need to pay more than 25% of the total acquisition costs as its local  
29 match. In this case, both the 25% regular local match and the amount in excess of the regular local  
30 match may be reimbursable through the same procedures for future reimbursement consideration.

31 The local match may be one or more of the following:

- 32 • Non-state funds and non-Council funds provided by the Agency.
- 33 • Reimbursement from an Agency’s future share of Regional Parks Bonding if the cash  
34 contribution is financed with an Agency’s money – that is, from the Agency’s general fund or  
35 other account, but not with a grant from another entity such as a watershed district or local  
36 government aid provided by the state of Minnesota. Based on this rule, if the maximum  
37 grant of \$1.7 million was awarded and the Agency provided a match of \$566,667, any costs  
38 incurred by the Agency above the \$566,667 and paid for with Agency funds for grant-eligible

1 expenses, are also eligible for reimbursement consideration from that Agency's share of  
2 future metropolitan Regional Parks Bonding.

- 3 • The value of a land donation by the seller. The value of the donation is the difference  
4 between the agreed-upon purchase price based on a certified appraised value of the  
5 property and the lower amount the seller agrees to accept as payment for the land. The  
6 certification of the appraised value of the property will be based on a third-party review  
7 appraisal, where the third-party appraiser will perform a field review of the appraisal and  
8 determine if the appraisal met the requirements of the Uniform Standards of Professional  
9 Appraising Practice. Both the appraisal and the review appraisal must be submitted to the  
10 Council as part of the grant request. The cost of the third-party appraisal is a grant-eligible  
11 item.
- 12 • The value of the land that is obtained by a municipality under its park land dedication  
13 ordinance and transferred to an Agency under a fee title or permanent easement agreement  
14 at the same time that the Agency acquires additional land for that park or trail from the same  
15 landowner. The value of the dedicated land is based on a certified appraisal of the property.

16 See the Regional Parks System sub-recipient administrative guide for more detailed guidance on  
17 how Agencies may provide and must document their local match. See more about future  
18 reimbursement consideration on p. 14.

## 19 **H. Amendments**

20 To maximize the efficiency of the work of the Metropolitan Parks and Open Space Commission and  
21 the Council, the Council has authorized its regional administrator or their designee to execute minor  
22 amendments to Regional Parks System grant agreements. The regional administrator or their  
23 designee may execute amendments to PAOF grant agreements that change the term of grant  
24 agreements for up to one year when not otherwise prohibited by law, statute, or funding allocation.  
25 The Council does not consider other amendments to PAOF grants.

1 **V. Regional Parks Bonding Program**

2 The Regional Parks Bonding Program is intended for Regional Parks System acquisition, development,  
3 and redevelopment projects.

4 **A. Funding Source**

5 Two primary funding sources make up the Regional Parks Bonding Program:

- 6 • The Council can issue Regional Parks bonds under authority of [Minn. Stat. § 473.325](#).
- 7 • The State of Minnesota can issue bonds appropriated for the Regional Parks System by  
8 state statute or session law.

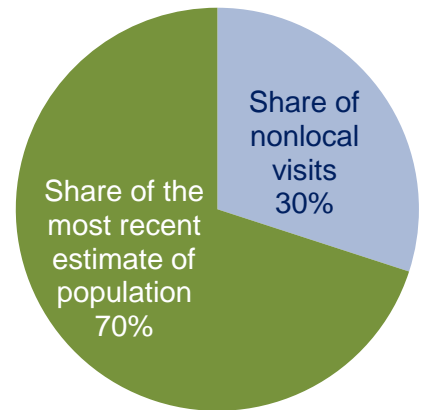
9 Per the [2040 Regional Parks Policy Plan](#) and Council’s Capital Financing Policy, the Council  
10 matches every \$3 of state bonds with \$2 of regional park bonds.

11 Bonds may be taxable or non-taxable. All projects will be subject to applicable bonding rules..

12 **B. Allocation**

13 The Council distributes Regional Parks Bonding Program funds  
14 to the Agencies according to a formula defined in the *2040*  
15 *Regional Parks Policy Plan*:

- 16 • 70% based on the population within the jurisdiction of  
17 each Agency compared to the region’s total population.
- 18 • 30% based on the number of visits an Agency hosted  
19 from people who live outside the Agency’s jurisdiction  
20 (non-local visits).



21 **C. Eligible Projects and Costs**

22 Development in Regional Parks System units should be based on the principle of providing and  
23 maintaining quality public park areas and facilities primarily for residents of the metropolitan area.  
24 The eligibility criteria (not in any priority order) for development, rehabilitation and restoration of  
25 regional parks, park reserves, trails, and special recreation features are:

- 26 • Projects that provide new facilities, rehabilitate facilities, or increase capacity where there is  
27 documented existing or projected high use.
- 28 • Projects continuing a phased high-priority project or one of relatively high priority that is  
29 timed with other public improvement projects to achieve significant economies in cost of  
30 construction.
- 31 • A project providing a specific facility that meets a documented need, is currently not  
32 available, or is significantly under-represented in the system.
- 33 • Regional trails that connect to other trails or regional facilities or extend existing trails.
- 34 • Natural resource restoration, including transforming degraded lands into lands with more  
35 representative native species and historic vegetation patterns. For example, this work may



1 entail the removal of invasive species, restoration of pastureland, or transforming industrial  
2 lands into a more diverse natural landscape.

- 3 • Acquisition of parkland parcels.
- 4 • Reimbursement for parkland parcels as described in Section F below.
- 5 • Matching non-state and non-Council funds to develop/rehabilitate recreation facilities or  
6 restore natural resource areas is encouraged.
- 7 • Projects that provide essential facility improvements and natural resource enhancements to  
8 allow for the initial public use of a regional park once there is adequate demand and  
9 acquisition base to support the development.

10 Consistent with authorizing state statutes and the *2040 Regional Parks Policy Plan*, all grants from  
11 the Regional Parks Bonding Program (both programs) must fund projects that:

- 12 • Are ***within the boundaries of the Regional Parks System***;
- 13 • Are consistent with the ***2040 Regional Parks Policy Plan***;
- 14 • Are consistent with a ***Council-approved master plan*** prior to the Council executing a grant  
15 agreement;
- 16 • Do not allow private use of the acquired property as any private use can jeopardize the tax-  
17 exempt status of the bonds;
- 18 • Have been approved by their local elected boards either individually or as part of a local  
19 capital improvement plans;
- 20 • Have been reviewed by the Agency using the ***equity toolkit***; and
- 21 • Have been prioritized by the Agency in response to local capital needs.

22 Based on the prioritized project lists submitted by the Agencies, the Metropolitan Parks and Open  
23 Space Commission recommends a list of projects to be included as part of the Governor’s state  
24 bonding request to be submitted to the State Legislature.

25 Eligible costs can include land acquisition, construction, and other improvements or acquisitions of  
26 tangible fixed assets of a capital nature. Capital grants funded *entirely* with Council bonds may also  
27 be used to reimburse Agencies for acquisitions or projects under certain limited circumstances (see  
28 the section on Future Reimbursement Consideration on page 14). See the Regional Parks System  
29 sub-recipient administrative guide for more guidance on eligible and ineligible costs and activities.

#### 30 **D. Revenue from Nonrecreational and Recreational Uses**

31 Lands acquired with regional funds are to be used for Regional Parks System purposes. On  
32 occasion, during but not limited to a period prior to development and receiving land proceeds, land  
33 may be used in other ways as long as these temporary uses are consistent with state law, Council  
34 policy, and all relevant funding source restrictions (such as private use rules). Allowable  
35 nonrecreational uses depend on the sources of funding used for the acquisition; contact the Council  
36 for specific details.

37 All uses of this kind must be consistent with the Council-approved master plan. Revenue that  
38 Agencies receive from such uses may be used in regional park lands for land stewardship or for the  
39 capital costs of providing recreation opportunities; otherwise, they will be returned to the Council.  
40 Any other use requires prior Council consent.

1 Revenue from recreational uses in Regional Parks System units consistent with the Council-  
2 approved master plan shall be used for park purposes as determined by the Agency. Revenues  
3 generated by nonrecreational uses in regional park lands, consistent with a Council-approved  
4 master plan, shall be used in regional park lands either for stewardship or for the capital costs of  
5 providing regional recreation opportunities, unless the Council consents to another use.

6 Regional park implementing agencies may be required to make an annual report of such revenues  
7 when their revenues exceed an amount determined by the Council (\$2,500 per year). Unused  
8 nonrecreational revenues will be returned to the Council by the end of the year succeeding the one  
9 in which they are earned.

## 10 **E. Amendments**

11 If there are any unspent funds from the grant after the project is completed, grant agreements will  
12 list conditions for amendments.

13 To maximize the efficiency of the work of the Metropolitan Parks and Open Space Commission and  
14 the Council, the Council has authorized its regional administrator or their designee to execute minor  
15 amendments to Regional Parks System grant agreements. The regional administrator or their  
16 designee may execute grant agreements that:

- 17 • Change the term of grant agreements when not otherwise prohibited by law, statute or  
18 funding allocation;
- 19 • Adjust project amounts within each Agency's overall share of funds within the Council's  
20 authorized budget and in an amount not to exceed the regional administrator's or  
21 designee's designated signature authority; or
- 22 • Change grant-funded activities consistent with project scope.

23 Minor amendments must remain consistent with all of the requirements outlined in Section C. Other  
24 amendments may require Council approval. Changing the project to a project that the Council has  
25 not previously reviewed and approved always requires Council approval.

26 See the Regional Parks System sub-recipient administrative guide for further information on  
27 amendment requests.

## 28 **F. Future Reimbursement Consideration**

29 Defined the [2040 Regional Parks Policy Plan](#), Future Reimbursement Consideration (FRC) allows  
30 Agencies to request Council approval to incur costs, pay those costs from Agency funds, and be  
31 eligible for later reimbursement with Council bonds. Future reimbursements of local match are  
32 made out of the Agency's share of a future regional bonding allocation.

33 MPOSC and the Council must individually consider and approve all requests for Future  
34 Reimbursement Consideration before costs are incurred. The Council's approval of Future  
35 Reimbursement Consideration does not represent or guarantee that the future reimbursement will  
36 be paid; rather, the approval only allows the Council to *consider* reimbursement of the costs at a  
37 later date. The Council is not obligated to provide such reimbursement. The Council must balance  
38 the availability of these reimbursements against the overall need for Council bonds in a given  
39 Regional Parks Bonding funding cycle. If the aggregate request for Future Reimbursement

1 Consideration exceeds the Council’s ability to match at the prescribed level, the Council may  
2 decline any Future Reimbursement Consideration request.

3 If the Council approves a request, the Council’s Treasury Division will compete a reimbursement  
4 declaration to be signed by the Chief Financial Officer. This will allow for reimbursement with bond  
5 proceeds under the tax-exempt bonding rules.

6 Agencies can request Future Reimbursement Consideration to reimburse their costs for:

- 7 • Portions of an Agency’s local match to a PAOF grant, if the Agency specifically requests that  
8 the Council consider future reimbursement of the local match amount as part of its PAOF  
9 grant application;
- 10 • Reimbursement for acquisition of land not designated in the *Regional Parks Policy Plan* at  
11 the time of purchase but subsequently added to the system through a plan amendment;
- 12 • Reimbursement of design costs for large or complex recreation facilities in Regional Parks

13 Requests for Future Reimbursement Consideration for **land acquisition**, in addition to meeting all  
14 requirements for PAOF listed above, must be submitted in writing to the Council and receive  
15 Council approval *before* the Agency acquires the property in fee simple or acquires an option to  
16 purchase. Requests for Future Reimbursement Consideration for **construction or development**  
17 **projects** (including design costs), in addition to meeting all requirements for the Regional Parks  
18 Bonding Program listed above, must be approved by the Council *before* the preparation of  
19 construction documents for a project. See the Regional Parks System sub-recipient administrative  
20 guide for procedures and more detailed guidance on eligible and ineligible costs and activities.





---

390 Robert Street North  
Saint Paul, MN 55101-1805

651.602.1000  
TTY 651.291.0904  
[public.info@metc.state.mn.us](mailto:public.info@metc.state.mn.us)  
[metro council.org](http://metro council.org)

Follow us on:  
[twitter.com/metcouncilnews](https://twitter.com/metcouncilnews)  
[facebook.com/MetropolitanCouncil](https://facebook.com/MetropolitanCouncil)  
[youtube.com/MetropolitanCouncil](https://youtube.com/MetropolitanCouncil)