

Community Development Committee

Meeting date: April 19, 2010

Business Item

Item: 2010-116

ADVISORY INFORMATION

Date:	March 31, 2010
Subject:	2010 Unified Capital Program Amendment
District(s), Member(s):	All
Policy/Legal Reference:	MS 473.315 and Laws of MN 2010, Chap. 189
Staff Prepared/Presented:	Alan Morris, Principal Financial Analyst (651-602-1446) Arne Stefferud, Planning Analyst-Parks (651-602-1360)
Division/Department:	Community Development Division, Regional System Planning and Growth Strategy

Proposed Action

That the Metropolitan Council:

Amend the 2010 Authorized Capital Program (multi-year authorization) by adding \$29,283,000 in new spending authority for Parks and Open Space;

Amend the 2010 Capital Budget (annual appropriation) by adding \$8,170,500, in new appropriations for Parks and Open Space; and

Approve new projects and transfers between capital projects as detailed in Attachment 1

Background

The proposed capital program and budget amendment includes a number of changes to the adopted Parks and Open Space capital program including:

The addition of 22 capital projects funded with State bonding approved by the 2010 Legislature and regional bond matching funds;

The addition of 4 capital projects funded with State bonds approved by the 2010 Legislature that the Council will pass through to local government entities;

The recognition of 3 land acquisition opportunity grants previously approved by the Council and adjustment to the land acquisition opportunity grant account balances.

Closing Projects:

The proposed amendment recommends the removal of two projects for the Old Cedar Avenue bridge for bike and pedestrian commuter and recreational use from the Capital Improvement Program with total authorization of \$2,300,000. Actual expenditures were zero, leaving the full authorization available for commitment to other projects.

The state bonding bill described below includes a \$2,000,000 pass-through grant to the the City of Bloomington for renovation of the Old Cedar Avenue bridge for bike and pedestrian commuter and recreational use. Prior legislative sessions had appropriated an additional \$2,300,000 for this project in two pass-through grants as noted above.

The proposed amendment consolidates the three grants into one grant and closes the two existing grants.

Reducing Funding Commitments:

The proposed amendment recommends reducing funding commitments to three projects by \$1,746,655. The funding commitments are transferred from the Environmental Trust Fund Acquisition Account and the Parks and Trails Fund Acquisition Account to three land acquisition opportunity grants approved by the Council in October and December of 2009.

Increasing Funding Commitments:

The proposed amendment recommends increasing funding commitments to 29 projects by a total of \$33,329,655. State funding totals \$29,249,993, including \$25,902,000 in new state appropriations from the 2010 state bonding bill, \$2,300,000 transferred from closed projects and \$1,047,993 transferred from the land acquisition opportunity grant accounts. Regional funding totals \$4,079,662, including \$3,381,000 in new regional funding to match state appropriations and \$698,662 transferred from the land acquisition opportunity grant accounts.

On March 15, 2010 the State bonding bill [Laws of MN 2010, Chap. 189] was put into effect. This legislation appropriated \$10.5 million to finance the State's share of the Metropolitan Council's 2010-11 Metropolitan Regional Parks Capital Improvement Program (CIP) adopted in December 2009. That CIP also proposed that the State's appropriation be matched with \$7 million of Metropolitan Council bonds for a total from both sources of \$17.5 million. Details of projects financed with the State bonds and Council bonds which total \$13,283,000 are shown in Attachment 1. Two additional projects that total \$4,217,000 are not included at this time because the affected park agencies (Three Rivers Park District and Washington County) wish to submit a change to the CIP which amends how the funds allocated to those agencies will be spent. A future amendment to the 2010 Unified Capital Program will reflect the Council's consideration of that Parks CIP amendment.

The State bonding bill also appropriated \$16 million for four pass-through grants to local units of government. An appropriation of \$2 million to renovate the Old Cedar Avenue Bridge in Bloomington was added to \$2.3 million of State bonds appropriated in 2006 and 2008. Details of projects financed with pass-through State bonds are also shown in Attachment 1.

Change in Current Year Expenditures:

Based on projected expenditures for the proposed amendments, the 2010 Capital Budget is proposed to be increased by \$8,170,500.

Rationale

This amendment to the 2010 Authorized Capital Program implements the 2010 State bonding bill in accordance with provisions in that law and the Council's adopted 2010-11 Metropolitan Regional Parks Capital Improvement Program. It allows subgrants for projects financed with the State bonds and matching Metropolitan Council bonds to be executed.

The proposed amendment also implements the 2010 State bonding bill line item appropriations for pass-through grants described above.

Funding

The Council will issue \$7 million in regional park bonds to match State bonding approved by the 2010 Legislature. The \$7 million in regional bond issuance was reflected in the 2010-15 Capital Improvement Program (CIP) adopted by the Council in December 2009 and in the fiscal impact analysis completed as part of the CIP. The regional bond issuance and resulting debt service payments and property tax levies are consistent with the Council's goal to keep the property tax impact of Council programs on existing taxpayers' level from year to year.

Known Support / Opposition

The regional park implementing agencies which receive these subgrants support this amendment. The local governments that receive the State bond pass-through grants support this amendment. There is no known opposition to this proposal.