

METROPOLITAN COUNCIL
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DATE: February 21, 2008

TO: Metropolitan Parks and Open Space Commission

FROM: Arne Stefferud, Planning Analyst-Parks (651) 602-1360

SUBJECT: (2008-60) Revised reimbursement grant request for Wabun Picnic Area rehabilitation in Minnehaha Regional Park, Minneapolis Park & Recreation Board

INTRODUCTION

On August 8, 2007 the Metropolitan Council took the following action:

That the Metropolitan Council approve the request to consider reimbursing the Minneapolis Park & Recreation Board (MPRB) up to \$1,059,000 in the 2008-09 regional parks capital improvement program (CIP) for partially financing the renovation of the Wabun Picnic Area in Minnehaha Regional Park... 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. (Agenda Item 2007-224)

On December 12, 2007 the Metropolitan Council adopted its 2008-13 Unified Capital Improvement Program (CIP). The 2008-09 Regional Parks CIP portion of the Unified CIP proposed that \$2.8 million be granted once funds were provided to the MPRB for the renovation of the Wabun Picnic Area. The \$2.8 million grant would be financed with \$1,059,000 of Metro Council bonds to reimburse the Park Board for completed work on the project and in compliance with the August 2007 action described above, and with \$1,741,000 of State bonds as part of the 2008 State bond appropriation for the 2008-09 Parks CIP.

This project is the MPRB's first priority request in the CIP and will likely receive some funding this Spring once the 2008 State bonding bill is enacted and the Council authorizes grants from the 2008-09 CIP financed with the appropriated State bonds and matching Council bonds.

The MPRB has asked that the Metropolitan Council revise the amount to be reimbursed for this project with Council bonds to \$2.8 million instead of \$1,059,000 since it wants to continue construction in mid-March and there is some uncertainty as to whether or not the State bonding appropriation for the Parks CIP will be at a level that fully finances the remainder of the project at \$2.8 million. (See **Attachment 1**, letter from Andrew Lesch, Mpls. Park & Recreation Board)

This memorandum contains a review of the request for reimbursement consideration under applicable terms in Strategy 2(f) of the *2030 Regional Parks Policy Plan*. In this case staff recommends that the Metropolitan Council consider reimbursing the MPRB in a future regional parks CIP the difference between \$2.8 million and what is granted to this project in the 2008-09 Regional Parks CIP later this Spring.

AUTHORITY TO REVIEW

Minnesota Statute Section 473.315 authorizes the “Metropolitan Council with the advice of the Metropolitan Parks and Open Space Commission to make grants from any funds available to it for recreation open space purposes to any municipality, park district or county located wholly or partially within the metropolitan area to cover the cost, or any portion of the cost, of acquiring or developing regional recreation open space in accordance with the [*Regional Recreation Open Space*] *Policy Plan*”.

BACKGROUND

The Wabun Picnic area in Minnehaha Regional Park is used for large group reservation picnic activities. As the MPRB letter states, up to 1,000 persons are accommodated. (See **Attachment 2** for a map of the Wabun Picnic Area in relation to the rest of Minnehaha Regional Park)

On January 28, 1993 the Metropolitan Council approved an updated development master plan for Minnehaha Regional Park (Referral No. 15703-1) and approved \$1 million in grant funds to begin implementing the master plan. From 1993 to 1998 grants totaling \$6,053,000 were authorized to renovate worn out facilities in the park—focusing on the Minnehaha Falls overlook, adjacent picnic areas, internal park roads and parking lots, trails and associated utilities.

REIMBURSEMENT REQUEST ANALYSIS

On July 27, 2005 the Metropolitan Council authorized a \$925,000 grant to the MPRB from its 2004-05 regional parks CIP (SG-2005-067) to continue renovating the park—in this case for, “the renovation of Wabun Drive and Wabun picnic area and to create new park elements within Wabun including trails and picnic/maintenance shelter, plus related landscaping.”

The MPRB awarded a bid to begin work under grant SG-2005-067 but also needed an additional \$3.1 million to completely fund the project. The Minnesota Veterans Home is providing \$300,000 since it benefits from renovation of Wabun Drive—an access road to the Veterans Home. The MPRB proposed to finance the remaining \$2.8 million by cash flowing up to \$1,059,000 of its own funds in 2007 and early 2008 which it wanted the Council to consider reimbursing in the 2008-09 regional parks CIP as part of the MPRB’s allocation. The MPRB also requested \$1,741,000 as part of its 2008-09 regional parks CIP allocation for this project. Following is a table that illustrates total costs of \$4,025,000 and revenue sources for this project.

MPRB Costs and Revenue Sources for renovating Wabun Picnic Area and Wabun Drive in Minnehaha Regional Park

Costs

Estimated costs to renovate Wabun Drive and Wabun Picnic Area. Costs based on construction bid awarded by MPRB for work that began on July 12, 2007

\$ 4,025,000

Revenues

\$ 925,000 Metro Council grant SG-2005-067, which expires on June 30, 2008

\$ 300,000 Minnesota Veterans Home Board

\$ 1,059,000 Portion of \$2.8 million proposed for this project in 2008-09 CIP that MPRB initially financed with its own funds that Metro Council agreed to reimburse with Metro Council bonds in the 2008-09 CIP on August 8, 2007

\$ 1,741,000 Portion of \$2.8 million proposed for this project in 2008-09 CIP to be financed with State bonds. The MPRB may have to finance all or a portion of this amount with its own funds and is seeking reimbursement consideration approval in a future regional parks CIP for the amount that the State does not finance as part of the 2008 State bonding appropriation for the 2008-09 CIP.

\$ 4,025,000 Total Revenues

Strategy 2(f) of the *2030 Regional Parks Policy Plan* states:

Strategy 2(f): Reimbursement

Reimbursement will be considered for development provided the project in question is consistent in timing, scale, type and cost with an approved master plan, that all information required for a development grant is submitted to the Council prior to the regional park implementing agency undertaking the project and that the Council approves the project.

As noted in the August 2007 approval by the Metropolitan Council, this project is consistent with the terms of Strategy 2(f) for the following reasons:

1. The timing, scale and cost of this project are consistent with the development master plan approved by the Metropolitan Council on January 28, 1993 (Referral No. 15703-1).
2. Enough information has been submitted in this request regarding what would be financed with a Council grant to meet the requirements of Strategy 2(f) which were provided for the August 2007 Council action (agenda item 2007-224) and in **Attachment 1**.
3. The MPRB is requesting Metropolitan Council approval for continuing this project prior to undertaking it. It began work on the project on July 12, 2007 using funds from Grant SG-2005-067 and continued work based on the August 8, 2007 action of the

Council to reimburse the Park Board \$1,059,000 via the 2008-09 Parks CIP as part of a \$2.8 million request for the project in the 2008-09 Parks CIP.

The MPRB wants to complete the project and open it on June 2008. Consequently, this may require the MPRB to spend an additional \$1,741,000 of its own funds before the Metropolitan Council provides any grant for the project from the 2008-09 Parks CIP. However, this project is the MPRB's first priority request in the 2008-09 Parks CIP. At the time this memorandum is being prepared, the recommended State bond appropriation in the House of Representatives for the 2008-09 Parks CIP would provide enough funds so that a \$2.8 million grant could be awarded for the project later this Spring. The Senate's recommended appropriation would however only provide enough to grant \$2,544,000. Consequently, the project may be fully funded or partially funded later this Spring depending upon the 2008 State bonding appropriation for the 2008-09 Parks CIP. Therefore, the Council should consider reimbursing the MPRB in a future regional parks CIP, the difference between \$2.8 million and what is granted for the project in the 2008-09 CIP.

CONCLUSIONS

The *2030 Regional Parks Policy Plan* requires that requests for CIP reimbursement consideration are consistent with the terms of Strategy 2(f). This review concludes that the reimbursement consideration request of up to \$2.8 million to fund completing the renovation of the Wabun Picnic Area in Minnehaha Regional Park is consistent with the terms of Strategy 2(f) of the *2030 Regional Parks Policy Plan*. However, the MPRB may receive a grant later this Spring from the 2008-09 Regional Parks CIP that partially or fully funds the \$2.8 million. Therefore, the Council should consider reimbursing the MPRB in a future regional parks CIP, the difference between \$2.8 million and what is granted for the project in the 2008-09 CIP later this Spring. The timing of when the MPRB is reimbursed for any unfunded amount is dependent on when that unfunded amount is financed in a future regional parks capital improvement program. However, 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.

RECOMMENDATION

That the Metropolitan Council consider reimbursing the Minneapolis Park & Recreation Board in a future regional parks CIP, the difference between \$2.8 million and what is granted for completing the renovation of the Wabun Picnic Area in Minnehaha Regional Park as described in the 2008-09 Regional Parks CIP. 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.

Attachment 1: Letter from Andy Lesch, Minneapolis Park & Recreation Board



2-13-08

Arne Stefferud
Metropolitan Council
390 North Robert Street
St. Paul, MN 55101
651-602-1360

Minneapolis Park and Recreation Board

Re: Revised Reimbursement Grant Request for Wabun Picnic in Minnehaha Park

Administrative Offices
2117 West River Road
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Fax: 612-230-6500

Operations Center
3800 Bryant Avenue South
Minneapolis, MN 55409-1000
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Dear Arne:

I'm requesting an increase in the re-imbursement amount approved by the Metropolitan Council item 2007-224 on August 8th, 2007. The following request is for reimbursement of \$2,800,000 of the 2008-13 Metro Regional Parks CIP for site and building improvements in Wabun Picnic within Minnehaha Park. The picnic area accommodates large groups of up to 1000 persons and is closed this year for renovation. Additional funds are needed to maximize the scope of our improvements and to award a contract to the very competitive low bidder. We would like to reopen the park in June of 2008. The project is consistent with the improvement items listed in the 1992 approved Master Plan as described in the section "The Wabun & Omecmee Area, pages 50-64.

The proposed improvements include continued major rehab of the park. This phase includes Wabun Picnic area and all related site elements, and may include such facilities as removals, earthwork, site furnishings lighting, benches, entrance drives, approximately 1 mile of paths, parking, restrooms, shelters, drinking fountain, climbing structures, play structures, storm water management, signage, entry monuments, landscaping, related facilities, and tasks to include design, survey, soil borings, engineering and construction.

We would like you to take action on this request at your earliest convenience. We would also like to begin construction in Mid March on the increased amount.

Thank you for your consideration.

Sincerely


Andy Lesch
RLA Park & Recreation Planner
Planning and Project Management Dept.
Minneapolis Park and Recreation Board
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Minneapolis, MN 55411-2227
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www.minneapolisparcs.org

Attachment 2: Wabun Picnic Area and Wabun Drive in Minnehaha Regional Park

