

METROPOLITAN COUNCIL
390 North Robert Street, St. Paul, MN 55101
Phone (651) 602-1000 TDD (651) 291-0904

DATE: March 21, 2008

TO: Metropolitan Parks and Open Space Commission

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

SUBJECT: (2008-72) Request for reimbursement consideration on development costs at Silverwood Park Special Recreation Feature, Three Rivers Park District

INTRODUCTION

On September 13, 2006, the Metropolitan Council approved the following recommendations regarding Silverwood Special Recreation Feature:

1. Approve the Silverwood Park Special Recreation Feature master plan (Referral No. 19719-1).
2. Inform Three Rivers Park District that purely artistic components such as sculptures at Silverwood Park Special Recreation Feature will not be eligible for regional recreation open space capital improvement funds.
3. Request Three Rivers Park District to submit to the Metropolitan Parks and Open Space Commission and Metropolitan Council updated park development capital costs as design planning moves forward as part of future capital improvement grant requests for Silverwood Park Special Recreation Feature.

In compliance with recommendation 3, the Park District will brief the Commission at the April 1 meeting regarding updated park development capital costs. The Park District has also asked that the Metropolitan Council consider reimbursing \$12,056,000 in future regional parks capital improvement programs for construction of the park. (See **Attachment 1**, letter from Boe Carlson, Three Rivers Park District, and **Attachment 2: Silverwood SRF development -- past expenditures (in shaded area) and work yet to be done -- basis for \$12,056,000 reimbursement consideration request**).

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*.

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 Salvation Army had a camp on the north shore of Silver Lake in the City of St. Anthony from 1922 until they sold the camp to Three Rivers Park District in September 2001. The site consists of 68 acres of land, 3 acres of wetlands, and 49 acres of non-meandered Silver Lake. (See **Attachment 3** for a map of the unit based on the 2006 Development Master Plan concept).

Prior to the sale in January 2001, the Metropolitan Council:

1. Approved the concept of the Salvation Army Camp on Silver Lake in the City of St. Anthony as a special recreation feature.
2. Supported efforts by Three Rivers Park District to acquire the camp, or a portion thereof, as a regional special recreation feature, subject to approval by the City of St. Anthony and Ramsey County.
3. Indicated it would consider reimbursing Three Rivers Park District for the cost of acquiring the Salvation Army Camp, or portion thereof, for a regional special recreation feature in a future regional parks capital improvement program subject to further Metropolitan Council review of information regarding the final outcome of negotiations. The acquisition cost of any land not used for a regional special recreation feature would not be eligible for reimbursement with Council grant funds.

The Council approved the acquisition master plan for this special recreation feature—which encompassed the entire camp—in March 2002 and has authorized grants totaling \$3,432,000 to-date to reimburse the Park District for its net acquisition costs of \$7,379,200 for acquiring the camp since that time.

The Metropolitan Parks and Open Space Commission conducted a review of the development master plan beginning in April, 2006. It focused its attention on the following issues:

1. Does the proposed use of the Silverwood Park site as an environmental education center using art as the medium meet the requirements of Strategy 1(d) Special Recreation Facilities in the *2030 Regional Parks Policy Plan*?
2. What are the cost details of components of the development master plan and do they meet the legislative intent of MS 473.147? That statute directs the Metropolitan Council with the advice of the Commission to generally identify land, which should be acquired by cities, counties or special park districts, which together with State facilities will reasonably meet the outdoor recreation needs of the people of the metropolitan area.

The Commission evaluated both issues extensively at meetings held on April 11, July 11 and August 1, 2006. The Commission received information from the Park District regarding the proposed use of the site as a special recreation feature in the context of Strategy 1(d) Special Recreation Facilities. And, the Commission requested and reviewed detailed cost estimates for developing the park at that time.

In summary the total estimated cost of the special recreation feature's development was \$15.4 million in 2006 dollars. This was broken into two phases that totaled about \$14.5 million for phase 1 and \$920,000 for phase 2. Details of the cost estimate in the 2006 development master plan are shown on Table 1 below.

Table 1: Estimated development costs from 2006 Development Master Plan for Silverwood Special Recreation Feature

Three Rivers Park District			
2006 Master Plan – Estimate Cost Summary (2006 dollars)			
	Phase One	Future Phases	Total Development
SITE ELEMENTS			
General and Site Preparation	\$ 463,317.50	\$ 58,834.00	\$ 522,151.50
Circulation and Parking	\$ 1,087,400.00	\$ 84,600.00	\$ 1,172,000.00
Landscape Features	\$ 1,852,088.00	\$ 514,457.00	\$ 2,366,545.00
Pedestrian Circulation	\$ 1,562,925.00	\$ 130,700.00	\$ 1,693,625.00
Water Features	\$ 393,200.00	na	\$ 393,200.00
Utilities	\$ 223,500.00	\$ 37,950.00	\$ 261,450.00
Sub-Total	\$ 5,582,430.50	\$ 826,541.00	\$ 6,408,971.50
ARCHITECTURAL			
Demolition	\$ 286,150.00	\$ 4,000.00	\$ 290,150.00
Visitor Center	\$ 5,748,750.00	na	\$ 5,748,750.00
Art Studio / Classroom	\$ 1,518,000.00	na	\$ 1,518,000.00
Moving, Rehab, and Abatement	\$ 34,700.00	\$ 5,200.00	\$ 39,900.00
Sub-Total	\$ 7,587,600.00	\$ 9,200.00	\$ 7,596,800.00
Total Site and Architectural Cost	\$ 13,170,030.50	\$ 835,741.00	\$ 14,005,771.50
10% Construction Contingency	\$ 1,317,003.05	\$ 83,574.10	\$ 1,400,577.15
Project Construction Total	\$ 14,487,033.55	\$ 919,315.10	\$ 15,406,348.65

On September 13, 2006 the Metropolitan Council approved the development master plan for the park with two conditions:

1. That purely artistic components such as sculptures at Silverwood Park Special Recreation Feature will not be eligible for regional recreation open space capital improvement funds.
2. That Three Rivers Park District submit to the Metropolitan Parks and Open Space Commission and Metropolitan Council updated park development capital costs as design planning moves forward as part of future capital improvement grant requests for Silverwood Park Special Recreation Feature.

The Park District understood at that time that Metropolitan Council approval of the master plan did not obligate any capital improvement grants from the Council to implement any portion of the approved plan. Additional cost details for projects in the park would be provided to the Commission and the Council when updated cost information was known. That updated cost data is now available and is summarized in **Attachment 2: Silverwood SRF development -- past expenditures (in shaded area) and work yet to be done -- basis for \$12,056,000 reimbursement consideration request.**

REIMBURSEMENT REQUEST ANALYSIS

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.

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 Council-approved development master plan under the following factors:
 - a. The estimated costs for Phase 1 in the 2006 Development Master Plan (\$14.5 million) align with the 2008 budget of \$14 million shown in **Attachment 2**. Please note that the Park District has spent \$1,944,000 for design/engineering work on the project shown in the shaded areas of Attachment 2. Those costs are not eligible for reimbursement consideration.
 - b. The timing and scale of Phase 1 as described in the 2006 Development Master plan align with the 2008 budget shown in **Attachment 2**.
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). In this case, that information is contained in **Attachment 2** and what the Park District staff will present at the April 1 MPOSC meeting.
3. The Park District is requesting Metropolitan Council approval for continuing this project prior to undertaking it. It began design/engineering work on the project in 2006. That work totaling \$1,944,000 which is shown in shaded rows in **Attachment 2** is not eligible for reimbursement consideration. The Park District intends to begin construction this summer.

CONCLUSION

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 \$12,056,000 for construction at Silverwood Special Recreation Feature as shown in **Attachment 2** is consistent with the terms of Strategy 2(f). The timing of when the Park District is reimbursed for any portion of the \$12,056,000 is dependent on when funds are provided in future regional parks capital improvement programs. 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 Three Rivers Park District up to \$12,056,000 for construction at Silverwood Special Recreation Feature as shown in **Attachment 2** in future regional parks capital improvement programs. 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 Boe Carlson, Three Rivers Park District



March 13, 2008

Three Rivers
Park District
Board of
Commissioners

Mr. Arne Stefferud
Metropolitan Council
390 Robert Street N
St. Paul, MN 55101

Dear Arne:

Sara Wyatt
District 1

Marilynn Corcoran
District 2

Mark Haggerty
District 3

Dale Woodbeck
District 4

Rosemary Franzese
District 5

Larry Blackstad, Chair
Appointed

Joan Peters, Vice Chair
Appointed

Cris Gears
Superintendent

At the August 1st, 2006 Metropolitan Park and Open Space Commission (MPOSC) meeting, the Master Plan for Silverwood Special Recreation Feature (SRF) was adopted. That motion adopting the Master Plan also requested that the Park District submit to the MPOSC an updated park development cost estimate as part of the future capital improvement grant request.

Since the adoption of the Master Plan, the Park District has been finalizing preliminary planning and site work for Silverwood SRF. The Park District has also been refining the floor plan for the Visitor Center building and other park improvements, which were identified as Phase I of the park's development. Currently, the construction project is out to bid with an anticipated award in late April 2008.

At this time the Park District is requesting eligibility for future consideration for reimbursement of construction costs of Phase I development of Silverwood SRF in the amount of \$12,056,000. The Park District will provide development details to the MPOSC at the April 1st, 2008 meeting.

Sincerely,

A handwritten signature in black ink that reads "Boe Carlson".

Boe Carlson
Associate Superintendent
Three Rivers Park District
(763) 559-6767

cc: Cris Gears, Superintendent
Don DeVeau, Planning and Development
Mike Horn, Senior Landscape Architect

attachment
BRC/jjs

Administrative Center, 3000 Xenium Lane North, Plymouth, MN 55441-1299
Information 763.559.9000 • TTY 763.559.6719 • Fax 763.559.3287 • www.ThreeRiversParkDistrict.org

Attachment 2: Silverwood SRF development -- past expenditures (in shaded area) and work yet to be done -- basis for \$12,056,000 reimbursement consideration request.

**SILVERWOOD PARK DEVELOPMENT
PROJECT BUDGET**

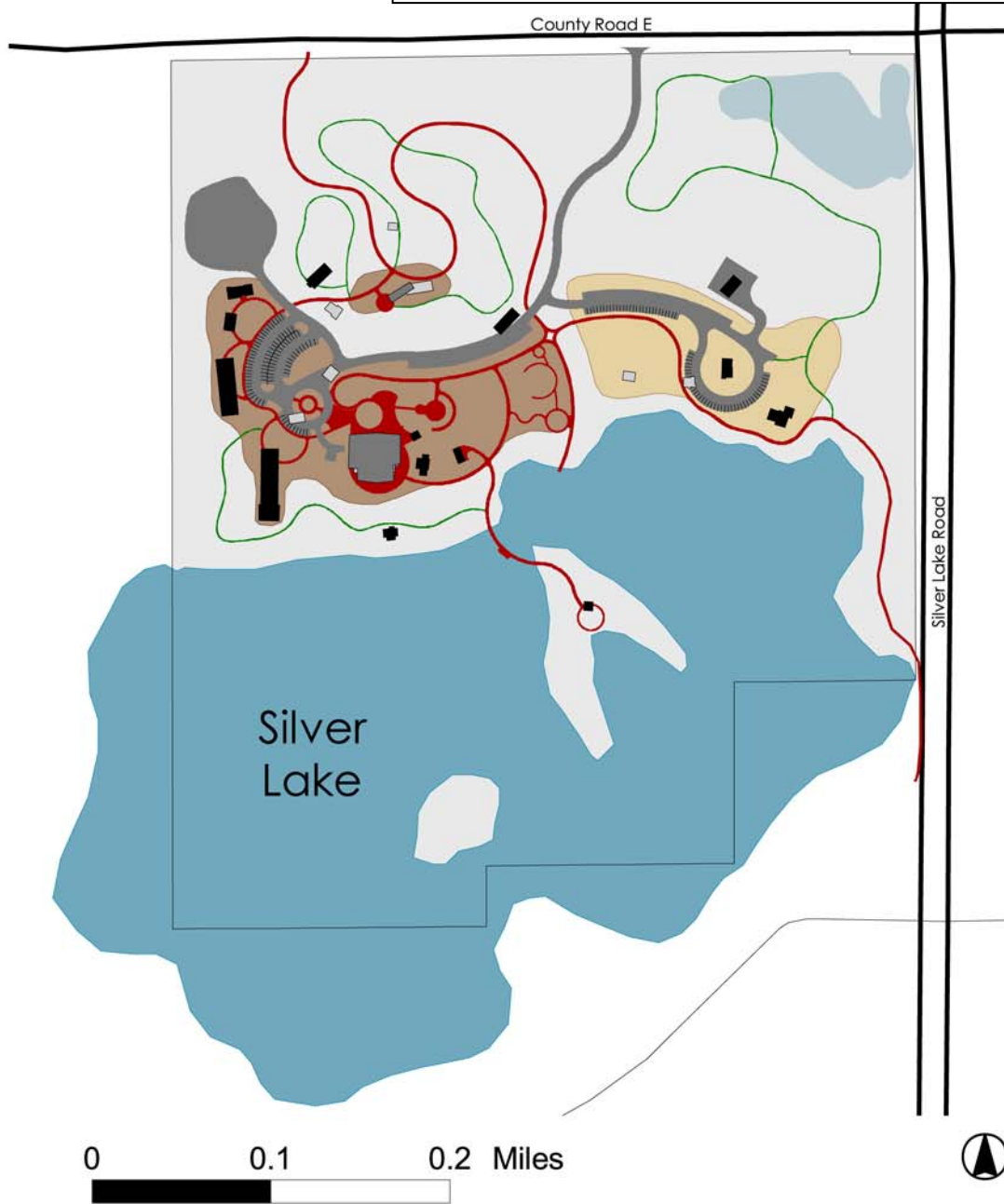
Component	March 2008	Changes to the Project
Preliminary Planning and Site Work		
Park Development Plan (SRF)	\$ 242,000	Completed in 2005-2006
Parking Study (SRF)	\$ 12,000	Completed in 2006
Storm Water Study (SRF)	\$ 15,000	Completed in 2006
Cultural Study (106 Group)	\$ 14,000	Completed in 2006
Demolition Plans and Permit (SRF)	\$ 53,000	Completed in 2006
Demolition (Landwehr)	\$ 426,000	Completed in 2006
Equipment, Testing, and Legal	\$ 96,000	Completed in 2006-2007
Subtotal Preliminary Work	\$ 858,000	
Visitors Center		
Construction costs*	\$ 5,800,000	18% reduction in size and use of Elm Creek-like materials
Design fees @ 8.5% of costs	\$ 493,000	
Additional design fees	\$ 200,000	Estimated costs for multiple redesign options
Subtotal Visitors Center	\$ 6,493,000	
Park Improvements		
Construction costs*	\$ 3,900,000	Refurbish bridge and modify plans Amphitheater and trails
Design fees @ 8.5% of costs	\$ 332,000	
Additional design fees	\$ 61,000	Estimated costs for multiple redesign options
Subtotal Park Improvements	\$ 4,293,000	
Furniture, Equipment, etc.	\$ 645,000	
Project Contingency	\$ 711,000	6.5% to supplement construction contingencies
Total Visitors Center and Park	\$ 13,000,000	
Maintenance Facility Budget	\$ 1,000,000	Will design and build within allocated budget
Total Development Cost	\$ 14,000,000	
Total Re-imburement Request	\$ 12,056,000.00	

*Construction costs include contingencies

Silverwood Park

Recreation Development Map

Attachment 3: Silverwood SRF development concept map 2006 master plan



0 0.1 0.2 Miles



Legend

-  Proposed New Buildings
-  Proposed Building to Remove
-  Existing Building
-  Proposed Non-paved Trails
-  Proposed Roadway
-  Proposed Paved Trails
-  Wetland
-  Lake
-  Phase One Recreation Development Area
-  Future Recreation Development Area
-  Park Boundary

