

# C Community Development Committee

Meeting date: February 19, 2008

## ADVISORY INFORMATION

**Date:** February 7, 2008  
**Subject:** Request for Acquisition Opportunity Grant to partially finance the acquisition of Lakeside Ballroom in Lake Waconia Regional Park and request for reimbursement consideration in future regional parks CIP for local match, Carver County  
**District(s), Member(s):** District 4, Craig Peterson  
**Policy/Legal Reference:** MS 473.315  
**Staff Prepared/Presented:** Arne Stefferud, Planning Analyst– Parks (651-602-1360)  
**Division/Department:** Community Development/Regional Systems Planning and Growth Strategy, Parks

## Proposed Action/Motion

That the Metropolitan Council:

1. Authorize a grant of \$1,000,000 to Carver County comprised of \$600,000 from the 2007 State Environment and Natural Resources Trust Fund appropriation and \$400,000 of Metropolitan Council bonds in the State Acquisition Grant Account of the Park Acquisition Opportunity Fund. The grant will partially finance the lakeshore land associated with the Lakeside Ballroom Parcel in Lake Waconia Regional Park as shown on Attachment 2.
2. Allow up to \$1,530,000 of costs incurred and financed by Carver County for acquiring the Lakeside Ballroom Parcel minus the lease revenue the County receives from the seller to be eligible for reimbursement consideration in a future regional park 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.

## Background

Carver County has negotiated the purchase of a 2.94-acre parcel within the boundary of Lake Waconia Regional Park, hereafter referred to as the Lakeside Ballroom property. The cost to purchase the property and to finance related costs for the appraisal and other items is \$2,530,000. The County has requested an Acquisition Opportunity Grant to finance \$1,000,000 of the acquisition cost, and to have the County's share of financing the acquisition up to \$1,530,000 be considered for reimbursement in a future regional parks capital improvement program. This request is based on "Option 1: Existing Rules" for distributing grants from the Park Acquisition Opportunity Fund adopted on January 9, 2008. (See **Attachment 1**, letter from Marty Walsh, Carver County Parks Director)

On February 6, the Metropolitan Parks and Open Space Commission considered the County's request against the rules for distributing grants from the Acquisition Opportunity Fund adopted on January 9, 2008. The Commission commended Carver County Parks Director for his work in negotiating the

acquisition of this parcel. The Commission asked how much land was left to purchase for the park. Mr. Walsh stated that two parcels remain to be acquired—Parcel 4 and 5 shown on Attachment 2. Parcel 4 is 1.5 acres and Parcel 5 is 19.25 acres.

## **Rationale**

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, county or Park District 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*”.

## **Funding**

The County has requested an Acquisition Opportunity Grant to finance \$1,000,000 of the acquisition cost, and to have the County’s share of financing the acquisition up to \$1,530,000 be considered for reimbursement in a future regional parks capital improvement program.

## **Known Support / Opposition**

Carver County negotiated this acquisition with a willing seller. There is no known opposition to the acquisition. Additionally, at its meeting on February 6, the Metropolitan Parks and Open Space Commission unanimously approved the recommendations above, with one abstention by Commissioner Reinhardt, who is employed by Carver County.

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

**DATE:** January 28, 2008

**TO:** Metropolitan Parks and Open Space Commission

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

**SUBJECT:** (2007-352) Request for Acquisition Opportunity Grant to partially finance the acquisition of Lakeside Ballroom in Lake Waconia Regional Park and request for reimbursement consideration in future regional parks CIP for local match, Carver County

**INTRODUCTION:**

Carver County has negotiated the purchase of a lakeshore parcel within the boundary of Lake Waconia Regional Park, hereafter referred to as the Lakeside Ballroom property. The cost to purchase the property and to finance related costs for the appraisal and other items is \$2,530,000. The County has requested an Acquisition Opportunity Grant to finance \$1,000,000 of the acquisition cost, and to have the County's share of financing the acquisition up to \$1,530,000 be considered for reimbursement in a future regional parks capital improvement program. (See **Attachment 1**, letter from Marty Walsh, Carver County Parks Director)

This memorandum analyzes the request against the rules for distributing grants from the Acquisition Opportunity Fund adopted on January 9, 2008 and the reimbursement consideration policy 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, county or Park District 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*".

**ANALYSIS:**

The Lakeside Ballroom parcel is 2.94 acres and has 215 feet of shoreline on Lake Waconia. This parcel is within the approved master plan boundary of Lake Waconia Regional Park. (See **Attachment 2** for the location of the Lakeside Ballroom parcel in relation to the remainder of the park).

Carver County negotiated a purchase price of \$2.5 million for the Lakeside Ballroom parcel. The County also anticipates additional grant eligible costs related to the purchase of the property to be up to \$30,000 (e.g. appraisal, property tax equivalency payment, closing costs). Therefore, the total cost to purchase the property is \$2,530,000 as shown below.

Purchase Price:	\$ 2,500,000
Additional grant eligible costs including County's costs for appraisal, legal services, and property tax equivalency payment	\$ 30,000
<b>TOTAL:</b>	<b>\$ 2,530,000</b>

The Lakeside Ballroom parcel acquisition costs of up to \$2,530,000 is proposed to be financed under “Option 1: Existing Rules” for distributing Park Acquisition Opportunity Grants as adopted by the Metropolitan Council on January 9, 2008 as follows:

Metropolitan Council Acquisition Opportunity Fund (up to 40%)	\$ 1,000,000
Carver County funds eligible for CIP reimbursement consideration (60% or more)	<u>\$ 1,530,000</u>
<b>Total Acquisition Cost</b>	<b>\$ 2,530,000</b>

Based on the appraisal used to purchase the parcel, the purchase price of \$2.5 million consists of the value of the lakeshore land and the value of the building on the land as shown below:

Land Value:	\$ 2,125,500
Building Value	<u>\$ 375,000</u>
<b>Total Purchase Price</b>	<b>\$ 2,500,000</b>

The Council’s grant would help partially finance the cost of the lakeshore land—not the building. The \$1 million grant would be financed with \$600,000 from a \$2.5 million 2007 Environment and Natural Resources Trust Fund (ENRTF) appropriation and \$400,000 of Metropolitan Council bonds.

**Background on Acquisition Opportunity Fund**

In May 2007 the Legislature appropriated \$2.5 million of Environment and Natural Resources Trust Fund revenue (ENRTF) that must be used to acquire land for the regional park system. The appropriation has rider language prohibiting its use for buying residential structures associated with a park land acquisition and it required the Metropolitan Council to provide a \$1.66 million match with bonds issued by the Metropolitan Council. The Council requested this appropriation in 2006 with the intent to use it to partially finance the Acquisition Opportunity Fund.

On September 12, 2007 the Metropolitan Council created two accounts for the Acquisition Opportunity Fund and recognized grants financed from those accounts. Following are tables illustrating the current balances in these accounts.

**State Acquisition Grant Account financed with State and Metro Council revenues (1/24/2008)**

State Env. Trust Fund appropriation from 2007	Metro Council bond match to State Env. Trust Fund	Grants financed with State Env. Trust Fund	Grants financed with Metro Council bond match	Balance State Env. Trust Fund	Balance Metro Council bond match	Balance of combined State and Metro Council funds
\$2,500,000	\$1,666,000	\$709,256	\$472,838	\$1,790,744	\$1,193,162	\$2,983,906

**Land Acquisition Opportunity Account financed only with Metro Council bonds for parcels that don’t qualify for State Acquisition Grant Account financing (1/24/2008)**

Metro Council bonds	Grants financed with this account	Balance in this account
\$4,783,001	\$517,450	\$4,265,551

The combined balance as of January 24 for both accounts in the Fund is \$7,249,457.

The Metropolitan Council has granted \$7,363,239 to date from the Park Acquisition Opportunity Fund as shown in Table 1. The acquisition of 1,195 acres has been partially financed with these grants.

**Table 1: Park Acquisition Opportunity Fund Grants approved as of January 24, 2008**

<b>Amount Granted</b>	<b>Park Agency</b>	<b>Project Description</b>
\$99,966	Dakota County	Acquire Wasserman and Klink parcels at Spring Lake Park Reserve. Dakota County eligible for reimbursement consideration up to \$180,882 in a future regional parks CIP. Approved November 15, 2001.
\$521,000	Mpls. Park & Rec. Board	Acquire 3.3 acres (Parcel B of Riverview Supper Club site) as part of "Above the Falls—Master Plan for the Upper River in Minneapolis". Other matching funds were from federal grant and watershed district. Approved April 24, 2002.
\$731,200	Three Rivers Park District	Fund a portion of the costs to acquire Silver Lake SRF, which was acquired in September 2001 after 2002-03 CIP was adopted. Remaining costs eligible for reimbursement consideration in future regional parks CIP. Approved April 24, 2002.
\$140,000	Ramsey County	Acquire permanent trail easement on Burlington Northern/Santa Fe railroad right of way for the Bruce Vento Regional Trail. Ramsey County eligible for reimbursement consideration up to \$35,000 in a future regional parks CIP. That reimbursement was part of the funded 2004-05 CIP. Approved August 14, 2002.
\$500,000	Washington County	Acquire three parcels totaling 27.4 acres at an estimated cost of \$1.87 million in Big Marine PR. Grant is 40% of the projected \$1.25 million gap after other Council acquisition grants were spent. Washington County eligible for reimbursement consideration of up to \$750,000 in a future regional parks CIP. Approved December 12, 2002.
\$126,638	Dakota County	Acquire 1.1-acre Medin parcel in Lebanon Hills RP. Dakota County eligible for reimbursement consideration of up to \$189,957 in a future regional parks CIP. Approved January 29, 2003.
\$135,200	Anoka County	Acquire 579 acres from St. Paul Water Utility for addition to Rice Creek Chain of Lakes Park Reserve. Grant financed 40% of market value (not sale price) of land. Water Utility discounted the sale price, which was counted as part of the 60% match to this grant. Approved April 23, 2003.
\$153,703	Three Rivers Park District	Acquire 5 acre Rask parcel in Lake Rebecca Park Reserve. Park District eligible for reimbursement consideration of up to \$235,200 in a future regional park CIP. Approved Dec. 17, 2003.
\$26,479	Anoka County	Acquire 80-acre Birkeland parcel in Rice Creek Chain of Lakes Park Reserve. Balance of costs financed with watershed district grant and partial donation. Approved February 2004.
\$370,000	Three Rivers Park District	Acquire 17-acre Brakemeier parcel in Lake Minnetonka Regional Park. Balance of funds (\$810,000) provided by MN Dept. of Transportation. Approved May 12, 2004.
\$83,060	Carver County	Acquire 39.04 acres related to Lake Waconia Regional Park. Grant finances 40% of the \$207,649 funding gap remaining to buy the land. Rest of the costs financed with a previously authorized Metro Council grant (\$456,130) and County funds (\$124,589). County amount eligible for reimbursement consideration in a future regional park CIP. Approved August 11, 2004.
\$184,109	City of Bloomington	Acquire .5 acre residential lot 9625 E. Bush Lake Road for Hyland-Bush-Anderson Lakes Park Reserve. Bloomington and Three Rivers Park District eligible for reimbursement consideration of up to \$138,081 each in a future regional park CIP. Approved September 22, 2004

<b>Amount Granted</b>	<b>Park Agency</b>	<b>Project Description</b>
\$49,435	Washington County	Acquire 0.81 acre parcel within the boundary of Big Marine Park Reserve. Washington County would be eligible for reimbursement consideration of up to \$74,152 in a future regional park CIP. Approved September 22, 2004.
\$433,333	Scott County	Acquire 80 acres within the Doyle-Kennefick Regional Park as a match to a DNR Metro Greenways grant of \$650,000. Approved Nov. 10, 2004.
\$950,000	Anoka County	Acquire 115 acres within Rice Creek Chain of Lakes Park Reserve from St. Paul Water Utility. Land cost discounted 79% from market value and thus grant finances remaining 21%. Approved April 13, 2005.
\$41,080	Ramsey County	Acquire 3.5 acre Duell parcel in Battle Creek Regional Park. Ramsey County would be eligible for reimbursement consideration of up to \$61,620 in a future regional park CIP. Approved May 25, 2005
\$279,431	Dakota County	Acquire 2.5 acre Pryor parcel in Lebanon Hills Regional Park. Dakota County would be eligible for reimbursement consideration of up to \$419,146 in a future regional park CIP. Approved June 29, 2005.
\$154,124	Washington County	Acquire 5 acre Goossen parcel in Big Marine Park Reserve. Washington County would be eligible for reimbursement consideration of up to \$231,185 in a future regional park CIP. Approved July 27, 2005
\$151,093	Dakota County	Acquire 0.68 acre Skoglund parcel in Lebanon Hills Regional Park. Dakota County would be eligible for reimbursement consideration of up to \$226,639 in a future regional park CIP. Approved September 28, 2005
\$149,069	Washington County	Acquire 5-acre Melbostad parcel in Big Marine Park Reserve. Washington County would be eligible for reimbursement consideration of up to \$223,603 in a future regional park CIP. Approved October 26, 2005.
\$20,953	Washington County	Acquire .45-acre Taylor parcel in Big Marine Park Reserve. Washington County would be eligible for reimbursement consideration of up to \$31,430 in a future regional park CIP. Approved August 23, 2006.
\$354,799	Three Rivers Park District	Acquire 20-acre Weinkauff parcel in Lake Rebecca Park Reserve. Three Rivers Park District would be eligible for reimbursement consideration of up to \$532,199 in a future regional park CIP. Approved May 23, 2007.
\$9,023	Washington County	Acquire 1.5 acre Hohlt parcel in Big Marine Park Reserve. Washington County would be eligible for reimbursement consideration of up to \$13,534 in a future regional park CIP. Approved April 25, 2007.
\$1,000,000	Scott County	Acquire 61-acre Cedar Lake Farm Resort parcel in Cedar Lake Farm Regional Park. Scott County would be eligible for reimbursement consideration of up to \$3,526,192 in a future regional park CIP. Approved May 23, 2007.
\$400,841	Carver County	Partially finance acquisition of 43.94 acres for Lake Waconia Regional Park. Carver county would be eligible for reimbursement consideration of up to \$601,263 in a future regional park CIP. Approved August 8, 2007
\$182,094	Washington County	Partially finance acquisition of 8.19 acre Katarik parcel for Grey Cloud Island Regional Park. Washington County would be eligible for reimbursement consideration of up to \$273,141 in a future regional park CIP. Approved October 24, 2007
\$116,609	Ramsey County	Partially finance acquisition of 3 acre Parcel #6 for Battle Creek Regional Park. Ramsey County would be eligible for reimbursement consideration of up to \$174,913 in a future regional park CIP. Approved December 12, 2007.
<b>\$7,363,239</b>	<b>Total funds granted as of January 24, 2008</b>	

Based on the grants approved to-date, the updated balance of the fund is \$7,249,457 as shown in Table 2 below.

**Table 2: Updated Balance to Park Acquisition Opportunity Fund prior to grant for Lakeside Ballroom Parcel in Lake Waconia Regional Park**

\$2,400,000	Original amount in park acquisition opportunity fund
\$3,357,000	Additional Council bonds added to fund in June 2003
\$340,334	Additional Council bonds added that were not needed to match State funds for natural resource restoration grants. Added in December 2003
\$15,362	Additional funds added from closed grants as part of amendment to 2005 Unified Capital Budget on May 11, 2005
\$3,000,000	Additional Council bonds authorized to be added to Fund in July 2006
\$2,500,000	ENRTF appropriation added in July 2007
\$3,000,000	Additional Council bonds authorized to be added to Fund on December 12, 2007
<b>\$14,612,696</b>	<b>Total funds available</b>
-\$7,363,239	Granted as of January 24, 2008 (For details see Table 1 above)
<b>\$7,249,457</b>	<b>Balance of Acquisition Opportunity Fund</b> (Before granting any funds for Lakeside Ballroom Parcel in Lake Waconia Regional Park)

**Rules for distributing grants from Park Acquisition Opportunity Fund**

On January 9, 2008 the Metropolitan Council adopted rules that govern the distribution of the Park Acquisition Opportunity Fund. Those rules are indicated below in italic font. The following findings indicate that these rules have been met for Carver County’s request to acquire the Lakeside Ballroom Parcel in Lake Waconia Regional Park.

*A. Grants from the Park Acquisition Opportunity Fund may only be awarded to finance a portion of the cost to acquire land within Metropolitan Council-approved master plan boundaries, and only after the requesting regional park implementing agency has used available acquisition grant funds previously provided by the Metropolitan Council.*

The County’s request is consistent with this rule because the land in question is within the Metropolitan Council-approved master plan boundary for Lake Waconia Regional Park, and the County has no other acquisition grant funds previously provided by the Metropolitan Council to finance this acquisition.

*B. Any interest cost on a contract for deed or other timed payment plan is not eligible for grant funding. The value of a discounted sale (i.e. the difference between the appraised value and a reduced sale price) is not counted as part of the cost to acquire land and is not included as part of a local match to the grant.*

There is no contract for deed or other timed payment plan proposed to acquire this land. Thus no interest costs are being incurred by the County. There is no discounted sale of this land.

*C. Grants from the Park Acquisition Opportunity Fund may finance a portion of the actual cost to acquire land after deducting any Metropolitan Council grants used to finance a portion of the cost in one of two options as chosen by the requesting regional park implementing agency:*

Option 1, Existing Rule:

*The Park Acquisition Opportunity Fund Grant finances up to 40% of the net cost of acquiring the land which is defined as the purchase price—not the appraised value; legal fees, appraisal costs and other closing costs incurred by the park agency; the property tax equivalency payment due to the city or township; and stewardship costs.*

*That portion of the remaining 60% or more of the net cost to acquire the land as defined above that is financed by regional park implementing agency funds—not grants from other sources--may be eligible for reimbursement consideration in future Metropolitan Council regional park capital improvement programs.*

*The maximum grant(s) available to a park agency under Option 1 is \$1 million.*

Carver County's request is for a grant under Option 1, Existing Rule. The County is requesting \$1 million, which is 39.5% of the \$2,530,000 total cost to acquire the land. That amount is consistent with this rule.

Option 2, Revised Rule:

*The Park Acquisition Opportunity Fund Grant finances up to 75% of the net cost of acquiring the land which is defined as the purchase price—not the appraised value; legal fees, appraisal costs and other closing costs incurred by the park agency; the property tax equivalency payment due to the city or township; and stewardship costs.*

*A maximum contribution of 25% of the net cost of acquiring the land as defined above that is financed by regional park implementing agency funds—not grants from other sources--is not eligible for reimbursement consideration by the Metropolitan Council. Any contribution above 25% that is financed with regional park implementing agency funds is eligible for reimbursement consideration by the Metropolitan Council.*

*The maximum grant(s) available to a park agency under Option 2 is \$1.7 million.*

The Option 2, Revised Rule is not applicable in this case.

*D. Once a park agency chooses an option for an Acquisition Opportunity Grant, it is limited to using that option and associated agency limit for any future grants until these rules expire on June 30, 2008.*

With the approval of this \$1 million grant, Carver County could not receive another grant from Acquisition Opportunity Fund until after June 30, 2008.



**Status of remaining acquisition opportunity funds**

If \$1,000,000 was granted, there would be \$6,249,457 remaining for future acquisition opportunities as shown in Table 3.

**Table 3: Updated Balance to Park Acquisition Opportunity Fund if a grant is awarded for Lakeside Ballroom Parcel in Lake Waconia Regional Park**

<b>\$7,249,457</b>	Balance of acquisition opportunity fund before granting any funds for Lakeside Ballroom Parcel in Lake Waconia Regional Park (For details see Table 2 above.)
<b>-\$ 1,000,000</b>	Proposed funding for Lakeside Ballroom Parcel in Lake Waconia Regional Park
<b>\$6,249,457</b>	<b>Updated balance of Park Acquisition Opportunity Fund</b>

As noted earlier, this acquisition grant is proposed to finance only a portion of the land value of this parcel. The State Acquisition Grant Account would have a new balance of \$1,983,906 as shown in Table 4. .

**Table 4: Balance for State Acquisition Grant Account financed with State and Metro Council revenues if \$600,000 of State Funds and \$400,000 of Metro Council bonds used to acquire to land associated with Lakeside Ballroom parcel**

State Env. Trust Fund appropriation from 2007	Metro Council bond match to State Env. Trust Fund	Grants financed with State Env. Trust Fund and \$600,000 for this proposed grant	Grants financed with Metro Council bond match and \$400,000 for this proposed grant	Balance State Env. Trust Fund	Balance Metro Council bond match	Balance of combined State and Metro Council funds
\$2,500,000	\$1,666,000	\$1,309,256	\$872,838	\$1,190,744	\$793,162	\$1,983,906

**Reimbursement eligibility for Carver County funding of the acquisition**

As noted above, Carver County has requested eligibility for reimbursement consideration of up to \$1,530,000 in a future regional park CIP to acquire this parcel under “Option 1: Existing Rules” for distributing grants from the Acquisition Opportunity Fund adopted by the Metropolitan Council on January 9, 2008. The request must comply with the terms of Strategy 2(f) of the *2030 Regional Parks Policy Plan* regarding reimbursement eligibility to acquire land. The applicable excerpts from that policy states:

**Strategy 2(f): Reimbursement**

**Reimbursement will be considered for early acquisition of land currently designated as regional recreation open space by the Metropolitan Council in the *2030 Regional Parks Policy Plan* if the acquisition is in full agreement with a Council-approved master plan as required under MN Statutes 473.313 and the regional park implementing agency received Council approval prior to undertaking the acquisition.**

...

**If these conditions are met as required by MN Statutes 473.147, and 473.313 the Council will consider reimbursing the park agency via a grant as permitted under MN Statutes 473.315 for the following costs:**

- a) Appraisal costs incurred by the acquiring park agency or entity under contract with the agency
  - b) Surveying costs incurred by the acquiring park agency or entity under contract with the agency
  - c) Legal fees incurred by the acquiring park agency or entity under contract with the agency
  - d) Fees for service provided by an entity under contract by the park agency to negotiate and purchase the land or obtain an option to purchase
  - e) Principal payments made towards the purchase price including principal payments on a contract for deed or bond, or payments made on an option to purchase
  - f) 180% of township or city taxes due on the parcel at the time of closing as required by MN Statute 473.341
- ...

**The Metropolitan Council will use best efforts to implement this reimbursement policy as described above. 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.**

This acquisition is consistent with the terms of Strategy 2(f) because the parcel is consistent with a Council-approved master plan and is consistent with “Option 1: Existing Rules” for an Acquisition Opportunity Fund grant. As noted in Strategy 2(f), approval of this project at this time does not commit the Council to finance the requested reimbursement in the regional parks CIP.

**Lease of ballroom building and future re-use**

The ballroom building is used for large group meetings, dances and receptions. It will be leased back for at least one year to the seller. Since the County will obtain lease revenue from the building from the seller, the lease revenue will reduce the net cost to the County for acquiring the parcel. Therefore, the reimbursement amount the County is seeking consideration for funding in future regional park capital improvement programs is up to \$1,530,000 minus the amount the lease revenue from the seller the County receives.

Carver County will conduct a re-use study on the building to determine how the building would be used in the future. There are no plans to remove the building at this time.

**CONCLUSIONS:**

1. Carver County’s request for a \$1 million grant from the Park Acquisition Opportunity Fund to partially finance the land value portion of the Lakeside Ballroom Parcel in Lake Waconia Regional Park is consistent with the conditions under “Option 1: Existing Rules” for an Acquisition Opportunity Fund grant.
2. Since the grant will only partially finance the land value of this lakeshore parcel, the grant can be financed with \$600,000 from the 2007 ENRTF appropriation and \$400,000 of Metropolitan Council bonds from the State Acquisition Grant Account in the Acquisition Opportunity Fund.
3. Carver County’s request to be eligible for reimbursement consideration of up to \$1,530,000 minus the lease revenue it will receive from the seller in a future regional park CIP is consistent with the conditions of Strategy 2(f) Reimbursement in the *2030 Regional Parks Policy Plan*.

**RECOMMENDATIONS:**

That the Metropolitan Council:

1. Authorize a grant of \$1,000,000 to Carver County comprised of \$600,000 from the 2007 State Environment and Natural Resources Trust Fund appropriation and \$400,000 of Metropolitan Council bonds in the State Acquisition Grant Account of the Park Acquisition Opportunity Fund. The grant will partially finance the lakeshore land associated with the Lakeside Ballroom Parcel in Lake Waconia Regional Park as shown on Attachment 2.
2. Allow up to \$1,530,000 of costs incurred and financed by Carver County for acquiring the Lakeside Ballroom Parcel minus the lease revenue the County receives from the seller to be eligible for reimbursement consideration in a future regional park 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: Acquisition Opportunity Fund grant request letter from Marty Walsh,  
Carver County**



**CARVER COUNTY PARKS**

11360 Highway 212 West, Suite 2  
Cologne, MN 55322-8017  
Phone (952) 466-5250 Fax (952) 466-5223  
www.co.carver.mn.us/parks

Division of Public Works

11360 Highway 212 West, Suite 2  
Cologne, MN 55322-8017  
Phone (952) 466-5250  
Fax (952) 466-5223

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

Dear Arne:

Carver County intends to purchase land and property within the boundary of Lake Waconia Regional Park for regional park purposes. This parcel is identified as parcel No. 2 on the attached surveyors Exhibit. The parcel is 2.94 acres in size, has approximately 215 feet of lakeshore and a building that is currently being used as a ballroom/banquet facility.

The County is requesting a Land Acquisition Opportunity Grant of \$1,000,000. The agreed purchase price is \$2,500,000. In addition, the County will have other costs above the purchase price such as tax equivalent payment, consulting services, and related closing costs. The approximate cost for these additional items shall approach but are not likely to exceed \$30,000. The total cost for acquiring parcel No. 2 is projected to be \$2,530,000.

The County also requests reimbursement for costs not covered by a Land Acquisition Opportunity Grant in future CIP requests to the Metropolitan Council.

Carver County does not have any land acquisition grants for Lake Waconia Regional Park that have not already been committed to this project.

Sincerely,

Martin J. Walsh  
Parks Director

**Attachment 2: Parcel 2 (Lakeside Ballroom parcel) in relation to boundary of Lake Waconia Regional Park**

