

C Community Development Committee
For the Metropolitan Council meeting of September 24, 2008

Item: 2008-243

ADVISORY INFORMATION

Date Prepared: September 16, 2008

Subject: Revising scope of two capital grants to partially finance development at Silverwood Special Recreation Feature and in turn reduce future Metro Council CIP reimbursement eligibility amount, Three Rivers Park District

Proposed Action:

That the Metropolitan Council authorizes a change in the scope of grants SG-2006-134 and SG-2006-172 to be used to partially finance development at Silverwood Special Recreation Feature (SRF). This change in scope reduces the potential reimbursement amount the Metropolitan Council would consider for Silverwood SRF development it approved on April 23, 2008 by \$1,531,000 to a new amount of \$10,525,000.

Summary of Committee Discussion / Questions:

The Metropolitan Council is not obligated to provide a specific amount when it allows an amount to be considered for future reimbursement in a regional park agency capital improvement program. Consequently, the Committee amended the recommendation with the addition of the word "potential" reimbursement as shown above. Also, the reference to a reimbursement "obligation" in the August 28 Metropolitan Parks and Open Space Commission memorandum was deleted.

The Committee unanimously approved the amended recommendation.

C Community Development Committee

Business Item
Item: 2008-243

Meeting date: September 15, 2008

ADVISORY INFORMATION

Date:	September 8, 2008
Subject:	Revising scope of two capital grants to partially finance development at Silverwood Special Recreation Feature and in turn reduce future Metro Council CIP reimbursement eligibility amount, Three Rivers Park District
District(s), Member(s):	District 8, Lynette Wittsack
Policy/Legal Reference:	MN Statute 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

That the Metropolitan Council authorizes a change in the scope of grants SG-2006-134 and SG-2006-172 to be used to partially finance development at Silverwood Special Recreation Feature (SRF). This change in scope reduces the reimbursement amount the Metropolitan Council would consider for Silverwood SRF development it approved on April 23, 2008 by \$1,531,000 to a new amount of \$10,525,000.

Background

In 2006, the Metropolitan Council approved two grants that totaled \$1,531,000 for the development of a visitor center at Noerenberg Garden Special Recreation Feature (SG-2006-134 for \$792,000 and SG-2006-172 for \$739,000). Due to design and operational limitations at the Garden, the Three Rivers Park District Board has put that construction project on hold in order to further determine what would be the optimal facility for that location. The Park District has asked that the scope of these grants be revised by using the funds to partially finance construction costs at Silverwood Special Recreation Feature.

Rationale

On April 23, 2008 the Metropolitan Council approved the development plans for Silverwood and said it would consider reimbursing the Park District up to \$12,056,000 in future capital improvement programs for the park's development (Agenda Item 2008-72). Revising the scope of these two grants to allow \$1,531,000 to be used for development at Silverwood would reduce the Council's future expected reimbursement amount to \$10,525,000 as well as efficiently use the grants awarded to the Park District for regional park capital projects.

Funding

The \$1,531,000 of grants are financed with \$812,000 of State bonds appropriated in 2006 and \$719,000 of Metropolitan Council bonds.

Known Support / Opposition

The Metropolitan Parks and Open Space Commission reviewed this proposal at its September 8th meeting and unanimously approved the recommendation. There is no known opposition to this proposal.

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

DATE: August 28, 2008

TO: Metropolitan Parks and Open Space Commission

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

SUBJECT: (2008-243) Revising scope of two capital grants to partially finance development at Silverwood Special Recreation Feature and in turn reduce future Metro Council CIP reimbursement eligibility amount, Three Rivers Park District

INTRODUCTION

In 2006, the Metropolitan Council approved two grants that totaled \$1,531,000 for the development of a visitor center at Noerenberg Garden Special Recreation Feature (SG-2006-134 for \$792,000 and SG-2006-172 for \$739,000). Due to design and operational limitations at the Garden, the Three Rivers Park District Board has put that construction project on hold in order to further determine what would be the optimal facility for that location.

The Park District has asked that the scope of these grants be revised by using the funds to partially finance construction costs at Silverwood Special Recreation Feature. See **Attachment 1**, letter from Boe Carlson, Three Rivers Park District.

On April 23, 2008 the Metropolitan Council approved the development plans for Silverwood and said it would consider reimbursing the Park District up to \$12,056,000 in future capital improvement programs for the park's development (Agenda Item 2008-72). Revising the scope of these two grants to allow \$1,531,000 to be used for development at Silverwood would reduce the Council's future reimbursement obligation amount \$10,525,000 as well as efficiently use the grants awarded to the Park District for regional park capital projects.

This memorandum contains a review of this request under applicable terms in the *2030 Regional Parks Policy Plan* and recommends their approval.

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".

ANALYSIS

These grants were financed with Metropolitan Council bonds and State bonds. In order to consider this request for a change in scope of the grant, Section 6.06 of the grant agreement states:

6.06 Changes in the Development Project. If the Grantee [Three Rivers Park District], for any reason, determines that the Development Project or any portion of it should not be undertaken, or that there should be a change in the scope or costs of the Development Project or any portion of

it, the Grantee shall submit to the Council's Regional Administrator a statement describing the situation and giving the reasons for the Grantee's determination. The Grantee may, simultaneously with the submission of the statement or within a reasonable time thereafter, recommend alternative projects, activities, uses, expenditures, or allocations of grant funds. ...

If the Regional Administrator determines that the Grantee's recommendations may not be immediately approved according to criteria established by the Council, the Grantee and the Council may execute a written amendment to this agreement only as provided in paragraph 6.07 of this article, following appropriate authorization by the Council and the Grantee.

... In determining whether to approve the Grantee's recommendations, the Council shall give full regard to legislative determinations concerning development funding and to the general position that the total grant award herein should ultimately be made available to the Grantee for development.

CONCLUSION

The proposed change in scope of grants SG-2006-134 and SG-2006-172 to partially fund development at Silverwood SRF is consistent with the conditions of section 6.06 because;

1. The Park District has notified the Council why a change should be made in **Attachment 1**.
2. The use of these grants for Silverwood SRF development instead of Noerenberg Gardens SRF development is consistent with the Council's action of April 23, 2008 to consider reimbursing the Park District for development at Silverwood SRF.

RECOMMENDATION

That the Metropolitan Council authorizes a change in the scope of grants SG-2006-134 and SG-2006-172 to be used to partially finance development at Silverwood Special Recreation Feature (SRF). This change in scope reduces the reimbursement amount the Metropolitan Council would consider for Silverwood SRF development it approved on April 23, 2008 by \$1,531,000 to a new amount of \$10,525,000.

Attachment 1: Letter from Boe Carlson, Three Rivers Park District



August 22, 2008

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

Re: Visitor Center at Noerenberg Garden Special Recreation Feature

Dear Arne:

The Metropolitan Council has approved two grants for the development of a visitor center at Noerenberg Garden Special Recreation Feature.

- SG-2006-134, \$ 792,000.00 Noerenberg Garden VC
- SG-2006-172, \$ 739,000.00 Noerenberg Garden VC
\$1,531,000.00

Due to design and operational limitations of the site the Park District Board of Commissioners have put that project on hold, in order to further determine what would be the optimal facility for that location.

Both of the above mentioned grants expire at the end of calendar year 2009. The Park District is requesting the identified project for these grants be shifted from Noerenberg Visitor Center to construction costs for the development of Silverwood Park Special Recreation Feature.

Both of the grants were received as partial reimbursement for acquisition of Silverwood Park. On April 23, 2008, the Metropolitan Council approved reimbursement consideration for \$12,056,000 development of Silverwood Special Recreation Feature. By applying the \$1,531,000 in grant funds from the Noerenberg Garden Visitor Center the future reimbursement amount would be reduced to \$10,525,000.

While the Park District has begun construction on the Silverwood Project, there remains a significant amount of work to be done into 2009 providing ample opportunity to spend the full \$1,531,000. In order to ensure this is the case, the Park District would also respectfully request, if approved, expenditures from the grant would be effective upon final Metropolitan Council approval.

If you have any questions about this request, please contact me at 763-559-6761. Thank you for your consideration of this matter.

Sincerely,

Handwritten signature of Boe Carlson in black ink.
Boe Carlson, Associate Superintendent
Division of Administration

C: Cris Gears, Superintendent
Howard Koolick, Director of Finance/CFO
Don DeVeau, Director of Planning & Development
Administrative Center, 3000 Xenium Lane North, Plymouth, MN 55441-1299
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