

METROPOLITAN COUNCIL
390 N. Robert Street, St. Paul, MN 55101

MEETING OF
METROPOLITAN PARKS AND OPEN SPACE COMMISSION
January 9, 2007

COMMISSION MEMBERS PRESENT: Glen Skovholt, Michael Rainville, Barb Schmidt, Richard Jabs, Emily Barbeau, Gary Botzek, Lars Erdahl, Daniel Shlaferman, Natalie Steffen, Metropolitan Council Liaison to the Commission

ABSENT: Robert Wicklund

CALL TO ORDER

Chair Skovholt called the meeting of the Metropolitan Parks and Open Space Commission to order at 4:03 p.m. on January 9, 2006.

APPROVAL OF AGENDA & MINUTES

Commissioner Jabs motioned to approve the, January 9, 2007 agenda and the December 5, 2006 minutes.

Commissioner Schmidt seconded the motion. **The motion carried.**

PUBLIC INVITATION: Invitation to Interested Persons to Address the Commission on Matters Not on the Agenda (Each speaker is limited to a five-minute presentation.)

None.

BUSINESS:

Briefing on Legislative Committees that deal with Regional Park System Issues - Judd Schetnan, Government Affairs Director

Judd Schetnan gave a briefing on the outlook and the makeup of the Legislature. He explained his role at the Capitol, including presenting general fund requests for operation and maintenance (O&M) for the regional park system to the Legislature. He discussed changes at the Legislature in the House of Representatives and the Senate in the Environment Finance Committee and also to the Capital Investment Committee.

Schetnan stated that he doesn't believe that there will be a special session as the two legislative parties are controlled by the same parties. He does expect an emergency bonding bill, however doesn't expect any money for parks. Those dollars will be in the 2008 bonding bill.

Botzek asked about the LCCMR's recommendations. Schetnan stated that he's not ready to comment yet, but would be happy to come back. He did note that \$2.5 million is being recommended for land acquisition for the regional park system, which he felt is great.

Steffen discussed emergency acquisitions and asked Schetnan to keep this in mind. She asked if there is a limited amount that can be used per acquisition. Skovholt stated that there is not.

Skovholt noted that the LCCMR is an annual appropriation, so the biennial amount could be significantly more. He reminded Schetnan that the push for more O&M money is a high priority for us.

Schetnan stated that parks is 'very dear' to Chair Bell's heart. He noted however that when it comes to the Governor's budget, although he cannot make any promises, he doesn't feel we will take any steps back but wants members to recognize that we (the Council) are part of the Governor's Administration.

Appointment of Robert Wicklund as Vice-Chair to the Metropolitan Parks and Open Space Commission - Glen Skovholt, Chair

In accordance with the terms of the MPOSC bylaws, Skovholt appointed Robert Wicklund as Vice-Chairperson subject to approval by the Commission. His term would commence on January 9, 2007—the first meeting of the Commission in January.

Commissioner Schmidt made a motion that the Metropolitan Parks and Open Space Commission approve the appointment of Robert Wicklund as the Commission's Vice-Chair for 2007. Commissioner Rainville seconded the motion. **The motion carried.**

Minneapolis Park & Recreation Board request to amend unfunded portion of the 2006-07 regional parks capital improvement program by replacing funds proposed for Lake of the Isles to Theodore Wirth Regional Park

John Gurban, Superintendent expressed his concern that the Minneapolis Park & Recreation Board (MPRB) was treated unfairly. He feels there needs to be a continuation of the discussion, started by multiple implementing agencies (IA's), that there needs to be a more predictable and an easier to understand system on our capital funding.

Gurban withdrew MPRB's request to take \$1.8 million to fund Theodore Wirth and wants Lake of the Isles back in the CIP. Gurban stated that he wants a discussion with all of the IA's and the Commission to come up with a policy, with less formulas perhaps, to create a more predictable and understandable system of regional park rankings and funding in the Metropolitan Council CIP. He suggested an ad hoc committee to look at this and come back with a recommendation for this Commission prior to the Legislature adjourning this year.

Skovholt agreed that we need a fresh look at the CIP and how it is put together. He stated that the formulas are confusing.

Schmidt asked what the new total for the Lake of the Isles project is. Gurban estimated \$10-11 million, if you include the parkway that surrounds the park - \$4 million without the parkway.

Schmidt asked when the project began. Gurban stated it was 1998 or 1999, after the floods. Schmidt clarified that it has been in the CIP on a continuing basis for several bienniums. Gurban stated that it has.

Rainville asked Gurban to explain why Lake of the Isles is such a mess. Gurban stated that the problem is this never was a lake, but a wetland that was dredged to create a lake.

Skovholt stated that he has asked IA's to help us through this policy discussion and give feedback. He noted that John VonDeLinde, Director of Anoka County Parks and Recreation and also Randy Quale, Bloomington Parks and Recreation submitted written comments, as well as Commissioner Bob Wicklund, who was unable to attend today's meeting.

Bob Bierscheid, Superintendent with the City of St. Paul Parks and Recreation stated that the principal of the prioritization of projects is critical. He stated that the City of St. Paul does believe that the Metropolitan Regional Parks and Open Space System is one of the finest networks of green space and recreational activity areas in the country and they are proud to be one of the operating agencies. He noted that at the same time, they believe that the resources to maintain, rebuild, and grow this system are woefully lacking.

Bierscheid stated that in terms of the MPRB's request and the Commissions' response, St. Paul does not feel that they can speak directly to that because they don't know all of the issues surrounding it, but they would say that 'they have been there in recent times'. Just a few years ago, they were dealing with the Harriet Island / Raspberry Island Regional Park in a similar situation. He stated that they would like to comment on one of the principals of how this situation affects all ten of the implementing agencies. He stated that it is St. Paul's firm position that the

decision of how to best apply the available resources should reside with the elected local officials and their appointed professional staff.

Bierscheid continued that they feel the role of the Metropolitan Parks and Open Space Commission and the Metropolitan Council should be to ensure that the adopted master plans conform to the goals and objectives of the regional park system and that the individual projects are consistent with those plans. He stated that just like Minneapolis, St. Paul experiences (almost on a daily basis) the issue of operating an urban system that is severely challenged by heavy usage, an aging infrastructure, and a critical element that affects our environmental stewardship responsibilities in a very dense and highly developed setting. He respectfully requested that the Commission change the project approval process to allow each implementing agency an opportunity to make their own prioritization and re-prioritization. He stated that they believe that this would ensure that all of the citizens of the twin cities metropolitan area will continue to experience high quality of life provided by the regional parks and open space system.

Steffen commented that this is not the only area that the Metropolitan Council provides grants - she stated that there are federal grants that come through the Council, and regional grants that come through the Council. In thinking about grants that come for special projects through the Transportation Advisory Board, etc., she noted that these involve elected officials. She further noted that elected officials, cities, or counties cannot re-allocate dollars awarded for a specific project to another project. She cautioned that we need to think long and hard on this policy.

Bierscheid stated that he agreed with Steffen's comments; however at the same time he noted that IA's need to be able to seek funding from other sources to accomplish specific projects. He discussed the prioritization of projects. Skovholt summarized that as a starting point for the 2008-2009 CIP, based on the way we've done it in the past, the project that did not receive funding last time goes up to the top. He stated that they may have been on the list for 10-12 years, creeping their way up, but in the meantime there are other issues that come along that the IA's would like to put higher in requesting CIP funds. Bierscheid agreed.

Botzek asked if the IA's can change their list every two years and re-establish their priorities. Skovholt stated that they can. Schmidt clarified that we are at a crossroads right now with the way we had been submitting unfunded projects to the LCMR; now we can't do that.

Jim Luger, Director Washington County Parks and Recreation stated that he has three points that he'd like to discuss.

- What are regional vs. local issues. Are other agencies more appropriate, such as watershed districts, to handle water problems, etc?
- Secondly, the formula – this issue/argument has been going on for years. How the money is distributed, is it fair, etc? He suggested that we may need to look at tax capacities of the individual units of government, if we want to get away from complex formulas.
- Funds – basically if you submit for a project and you cannot spend the funds on that project, the funds should go back into the pot.

Luger stated that if there is a logical, rational way to do this, based on facts and figures, then we should look at it.

Luger went on to state that he personally felt that Arne Stefferud was attacked inappropriately by the MPRB in this case. He noted that Stefferud was not doing anything 'personally,' he was just doing his job. He went on to say that he feels that Stefferud has done a lot of hard work for the Commission and the IA's, as a whole, over the years.

Botzek asked if using tax capacity as a part of the formula, would that imply that this would help the wealthy get wealthier or would we flip the formula and help the poor catch up. Luger stated, in his personal opinion, that if you look at the way the money has been historically distributed, the larger urban areas get the bulk of the money and the systems that are growing, even though they have great tax capacity, really don't get their share of the pie. He stated that he feels we need some means of equalizing the program.

Greg Mack, Director Ramsey County Parks and Recreation commented on MPRB's initial request. He believed the system, with the CIP formulas the way they are, is subject to some manipulation. In his view, the proposal coming forward was an additional piece of manipulation in order to utilize a placeholder to reach down and pick up another priority. He felt that this did not follow the CIP program.

Mack stated that if we follow the white paper the MPRB suggested or an approach like that, he felt that would not be an issue. He cautioned that we've gone from a point of discouraging earmarks to acknowledging earmarks to, if this policy were to change, it would be encouraging earmarks – allowing an agency to put their highest priority as an earmark request and also their highest priority in a CIP request and then be able to switch it later, which would not be the best interest of the entire region.

Mack stated that he looks forward to working with the other agencies in perfecting the proposal that John Gurban brought forward. He stated that he believes that with the LCCMR's approach of looking at acquisition only, this does eliminate potentially 50% of our funding source of the whole CIP program, because it would earmark it only for acquisition. He stated that we need to look at how this impacts funding. Mack pointed out that his agency is nearly fully developed and they depend heavily on redevelopment and development elements and feels this needs to be part of the formula discussion as we move forward.

Schmidt agreed with Mack's comments and stated that she feels it is important that we look at how the CIP is prepared.

Steve Sullivan, Director Dakota County Parks commented that based on the initial request, as he understood it, this may be a duplication of funds; that the \$1.8 million that was derived legislatively is essentially the same funds requested in the CIP and if this was the case – there would be no need for the project to be in the CIP. Based on traditional policy, it would simple roll to the next unfunded priority. He feels this is how this Commission has interpreted the CIP process. He stated that he understands the concern from other agencies, as well as Minneapolis. He felt that Gurban provided some clarity by stating that the project wasn't fully funded and that there were additional dollars that were needed. In that case, it would be okay to go for dollars to augment the CIP request, when the need is equivalent to the two requests or greater.

Sullivan stated looking forward to what should be done next; he feels an equitable, annual appropriation based on agency priorities is a reasonable approach. He agreed that 'now' is the right time to discuss the policy.

Sullivan stated that he would also like to look at the level of funding, however any change to the formula will result in 'winners' and 'losers', so he challenged all of the agencies to find new ways to find dollars. He stated that one scenario might be that despite the politics, there is an untapped funding capacity within the Metropolitan Council. He asked if there is a way to provide incentive to the Metropolitan Council to provide those dollars to the CIP. He gave the suggestion of making the agencies responsible for a portion of the CIP expense – essentially leveraging one another's top dollars to increase 'the pot' and possibly make it a more amenable situation if we were to change how funds were allocated.

Schmidt added that there is precedence for this before the 1986 tax act, the Metropolitan Council's CIP were based much more on the agency's priorities and there were other separate grants that could be put into the CIP. She discussed in the past when there were three separate prioritizations: there were system wide improvements, there were agency priorities, and there was an overriding Metropolitan Council priority. Therefore there is precedence for the agency's priorities to have a significant impact on the CIP.

Boe Carlson, Three Rivers Park District talked about the CIP process and the establishment of the CIP criteria and program that we've done. He stated that the difficulty in the ranking system has been when we look at the overall capital improvement plan, we essentially break it up and everyone is allocated a 'slice of the pie.' At that point, agencies are asked to submit their priorities of projects within that total CIP for a biennium for funding requests. At

that point, that project is ranked against all of the projects in the system, which creates a very delicate balance and sometimes very complicated measuring formula to try to determine how projects should be ranked within categories, within prioritization, how many requests were made in each of the three categories (acquisition, development, and redevelopment) and this has led to a lot of confusion in some cases and the inability to deal with some of the priorities that agencies have on a more regular basis. He echoed comments from Commissioner Schmidt that we are at a crossroads and there are a number of different issues that have led to this. He feels that without having a bonding bill in 2004, with agencies submitting their requests for 2006-2007 we had such a great number of roll-over projects that they were 'locked in the queue', ready to get funded, prior to new projects going forward. At the same time, he noted, the agencies have appreciated the MPOSC's dedication to increasing the capital improvement funds. He noted that while requests grew, however, we saw a reduction in what we received from the state. This led to too many more projects 'locked in the queue', waiting for funding before new projects could be added in. That puts the agencies in a position where they can't be flexible in some cases, and their ability to change priorities, change decisions (as far as what project is going to be done) can be very difficult and in some cases they have to wait many years for a project to happen if they want it funded through the CIP.

Carlson also spoke of the changes to the LCCMR program that is only going to be funding new acquisitions and is it even going to the acquisitions that are 'locked in the queue'. This, again, ties the hands of the agencies because they will not be able to spend down some of the needs that they already have in the system. He felt that all of these issues have led to a storm of things that we need to look at to try to change the capital plan. He feels this is the perfect opportunity to do this. He suggested that the discussion should be to determine what the formula is per agency (the slice of the pie) and at that point, each agency can provide their priority list prior to this Legislative session, in plenty of time for Stefferud to have the information that he needs to bring to the Legislature – to give them real projects in the ground. Carlson stated that timing is a piece of this as well. He noted that it is difficult to go to the Legislature and say "Three River's Park District needs 4 million dollars" without being specific, but each agency can provide that information on an ever changing and ever available situation to try to meet those needs. Carlson noted that at the same time, it will take a lot of work and effort off the Metropolitan Council staff to then take all of those projects together for the capital plan for a five year CIP to begin to rank them, to look at how they fit into the capital plan, and weigh them against each other. When you look at the CIP process that Stefferud goes through, we do the upcoming biennium and we do a five year plan out. He stated that agencies submit project that go out that five year span. Stefferud has to then take all of those together and rank them out to 2011. This is a tremendous amount of work for many projects, that in many cases are never going to happen or will fluctuate, and change and have many opportunities for change over those five years that it becomes very difficult. Carlson suggested that the agencies provide Stefferud with the information, doing the work for him, to assist him in providing the information that he needs for the MPOSC, the Metropolitan Council, and ultimately, the Legislature.

Skovholt responded on Carlson comments about the LCCMR noting that because we don't have sufficient funds to fund many of the projects that need to be funded (specifically in the area of acquisition) we turn to the IA's asking them to agree to buy the land, thereby making it eligible for reimbursement. He noted that there are a lot of reimbursement requests already that need to be honored. At the same time, he noted, that when we go to the LCCMR and say we need money to acquire land that is slipping away from us, it's hard to excite them about granting us money to pay for land that's already been acquired.

Carlson agreed with Skovholt and stated that he feels that with the impact that the LCCMR is trying to make, it's difficult to make an impact on paying back dollars that have already been spent to protect/preserve land. It's more attractive to protecting new acres. The difficulty is if there isn't a method by which agencies can be reimbursed (i.e., through the traditional CIP process), there is no incentive for agencies to invest dollars on their own for the regional amenities that are out there. When properties become eligible, and certainly in a situation where that funding is depleted or there is a cap on funding amounts - we know a million dollars doesn't go far in buying land or land masses that we're looking at. Agencies will have to step up to provide funding and will look to have that reimbursed. This is an asset to the region and to the system. He pointed out that if the system turns around and says "we're not going to pay you back for that," this becomes a real challenge and there isn't much incentive for the

local agency to provide the initial funding. Skovholt agreed and noted that the Council has a responsibility to provide reimbursements.

Skovholt noted that with Gurban withdrawing the request, this has become a discussion of how do we go forward from here. He stated that he would like to talk with some members of the Commission to work on this issue right away.

Draft 2007 Work Plan for the Metropolitan Parks and Open Space Commission - Glen Skovholt, Chair

Beckman gave an overview of the 2007 work plan that will be presented to the Community Development Committee. She stated that this is not a 'binding' work plan, or all inclusive. She noted that it doesn't contain everything that the Commission does, i.e., grants, etc She noted that it lists reviews of Master Plans coming up. Beckman discussed trail planning coordination needs. She noted that this is something we need to look at in 2007. She discussed the need to look at acquisition needs coming forward.

Beckman discussed a park usage survey for 2008 as well as other potential items that may be coming forward.

Beckman discussed an orientation for new members.

Beckman encouraged Commissioners to give feedback if they felt items are missing. She also discussed other items that will be coming forward that are not mentioned on the work plan. Skovholt agreed that this list is not 'all inclusive' and solicited feedback from Commissioners as well. He noted that it is 2008 State Bonds, but it is also 2007 LCCMR, as well as 2008 and 2009 (page 2 of the work plan) and reminded folks that the LCCMR appropriations are no longer biennial.

Steffen stated that orientation of new Commissioners is a good idea, but also felt that education of the Council is important too, i.e., structure of IA's, Park Boards, etc. She suggested a conversation with Judd Schetnan to discuss new faces on committees over at the Legislature and some education over there as well.

Mike Kimble, Minneapolis Park and Recreation Board formally requested that we restart the discussion that began last year regarding each agencies yearly allocations and the ranking system. Skovholt agreed.

REPORTS

Staff: Beckman discussed re-appointments. She noted that we don't have a schedule yet but noted that current Commissioners serve until replaced.

Chair: Skovholt reported that Commissioner Jabs is not seeking re-appointment.

NEXT MEETING

Tuesday, February 6, 2007 at 4:00 p.m. at 390 N. Robert Street, St. Paul, MN in Room LLA.

ADJOURNMENT

Chair Skovholt adjourned the meeting at 5:30 p.m.

Respectfully submitted,
Sandi Dingle, Executive Secretary

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