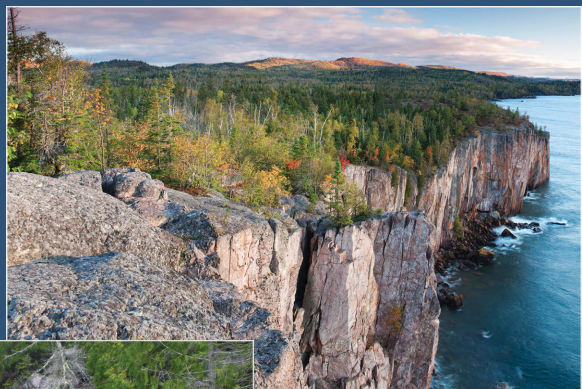


# Parks and Trails Legacy Funding Project

Recommendations from the Work Group  
to the Minnesota Department of Natural Resources

November 2012



Prepared by

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Published: November 2012  
Project Funder: Minnesota Department of Natural Resources

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Greg Mack, *Director of Ramsey County Parks and Recreation*

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November 15, 2012

Commissioner Tom Landwehr  
Minnesota Department of Natural Resources  
500 Lafayette Road  
Saint Paul, MN 55155-4040

Dear Commissioner Landwehr,

On October 2, 2012, the Parks and Trails Legacy Funding Work Group completed their charge to develop a consensus recommendation for the allocation of the Parks and Trails Fund. Enclosed is a copy of the Work Group's Legacy Funding appropriation recommendation for FY 2014 – FY 2019.

While the Work Group explored the possibility of developing a data-driven formula to determine the allocation of Legacy Funds, it soon became apparent that a common set of data to support an allocation formula that could withstand rigorous analysis was not currently available from park and trail provider systems. Data discussed throughout the process included such areas as population, visitation, park acres, trail miles, and operating expenditures.

Despite these challenges, the Parks and Trails Legacy Funding Work Group was able to reach consensus on a six-year allocation strategy. This strategy is rooted in the distribution of Minnesota's population and the traditional roles played by the three state and regional park and trail providers, which seek to meet Minnesota's near-home and destination recreation needs. The recommendation includes capacity building for the Greater Minnesota Regional Parks and Trails Coalition, investments for system-wide initiatives, and separate allocations for each park and trail provider organization. The committee also provided a broad recommendation to guide future funding allocations, once a common set of data from all three systems can be obtained and compared.

Throughout this process, the Work Group incorporated core ideas from the Parks and Trails Legacy Plan. Work Group members also felt strongly that any future allocation should be based on consistent and independent data, should acknowledge present and future needs, and should ensure a wise expenditure of Parks and Trails Legacy dollars to benefit all Minnesotans.

The Work Group expresses strong support for this recommendation, and for its inclusion in the Governor's budget proposal for the FY 2014-2015 Legislature.

Sincerely,


Members of the Parks and Trails Legacy Funding Work Group

CC: Susan Haigh, Chair, Metropolitan Council; Al Liefkort, Greater Minnesota Regional Parks and Trails Coalition 2012 Coalition Chair and Project Manager, 175 Study

**Parks and Trails Legacy Funding Work Group Members**

Representing the  
Minnesota Department of Natural Resources

  
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Tom Ryan  
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Tom Schmitz  
*Parks and Recreation Director, City of New Ulm*

## Executive Summary

Minnesota has a world-class network of parks and trails providing access to pristine lakes and rivers, prairies, forests, paved trails, horse trails and off-road areas. In 2008, Minnesota voters chose to invest in these resources and passed the Clean Water, Land and Legacy Amendment. The Legacy Amendment is funded by a three-eighths of one percent state sales tax. 14.25 percent of the funds raised are dedicated to supporting parks and trails of state and regional significance throughout Minnesota, about \$1.26 billion over 25 years.

Over the first two bienniums Parks and Trails Legacy Funding allocations proved challenging and contentious. There was not clear agreement at the State Legislature or among the parks and trails interests on how best to distribute funds. The 2011 State Legislature passed a law directing the Commissioner of the Department of Natural Resources to convene and facilitate a nine-member working group to develop consensus recommendations for the allocation of the Parks and Trails Fund.<sup>1</sup>

In April 2012, the Minnesota Department of Natural Resources contracted with Environmental Initiative to manage and facilitate a nine-member working group to develop consensus recommendations and accompanying rationale for Parks and Trails Funding allocations for the FY 2014-2015 biennium and beyond. After six meetings, the Parks and Trails Legacy Funding Work Group (Work Group) reached consensus on an interim agreement for Parks and Trails Legacy Funding allocations to the major state and regional providers. The agreement includes the following elements:

### **Establish a Fund to Coordinate Among Partners**

Set aside 0.50% of the total funding allocation to support coordinated activities among the Minnesota Department of Natural Resources, Greater Minnesota Regional Parks and Trails and Metropolitan Regional Parks and Trails. Activities may include: enhanced, integrated, and accessible web-based information for park and trail users; joint-marketing and promotional efforts for all parks and trails of state and regional significance; and support for the activities of the Parks and Trails Legacy Advisory Committee. The Work Group recommends 0.50% for this purpose, but for the first five years, half of this amount (0.25%) should fund capacity building activities in Greater Minnesota, as identified below. This means for FY 2014 – FY 2018, the Coordinate Among Partners Fund will total 0.25%. In FY 2019, the Coordinate Among Partners Fund will total 0.50%.

### **Provide Resources for Greater Minnesota Regional Parks and Trails Capacity Building Activities from the Coordinate Among Partners Fund for Five Years**

For FY 2014-2018, set aside 0.25% of the Coordinate Among Partners Fund to support capacity building efforts for the Greater Minnesota Regional Parks and Trails Coalition. Funding would provide resources for the coalition to determine visitation data, operating expenditures, and implement other outcomes from the Greater Minnesota Regional Parks and Trails Strategic Plan, such as system planning at a regional level.<sup>2</sup> In FY 2019, the total funding for the Coordinate Among Partners Fund will be the full 0.50%.

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<sup>1</sup> Laws of Minnesota, 2011 First Special Session, Chapter 6, Article 3, Section 7(f).

<sup>2</sup> Laws of Minnesota, 2011 First Special Session, Chapter 6, Article 3, Section 3(c)(2).

### **Percentage Allocations for Minnesota Parks and Trails of State and Regional Significance**

After significant and intense deliberations, the Work Group arrived at a recommendation to allocate Parks and Trails Legacy Funds for three bienniums (FY 2014-2019). The recommendation is based on Minnesota's population distribution and an understanding of how Minnesota park and trail provider systems serve the nature-based needs of citizens. The Work Group explored numerous criteria on which to base a funding formula, but in the end determined there was not current, consistent or available data from the three providers, particularly the new Greater Minnesota system. As such, establishing a criteria-based formula to allocate Legacy Funding posed a challenge. The Work Group proposes the following interim recommendation:

- 40% – Minnesota Department of Natural Resources
- 40% – Metropolitan Regional Parks and Trails
- 20% – Greater Minnesota Regional Parks and Trails

### **Increase Flexibility of Parks and Trails Legacy Funding to Greater Minnesota Regional Parks and Trails**

The Work Group recommends broadening eligible uses of grants for Greater Minnesota Regional Parks and Trails to include activities that connect people to the outdoors, such as programming, parks and trails master planning, and marketing activities. This will provide Greater Minnesota the same flexibility in spending Legacy Funds currently available to Minnesota Department of Natural Resources and Metropolitan Regional Parks and Trails.

### **Term of Recommendation**

The Work Group recommends distributing Parks and Trails Legacy Funds utilizing this approach for the next three biennial budgets:

- FY 2014 – 2015
- FY 2016 – 2017
- FY 2018 – 2019

This interim approach will allow for consistent data gathering across all provider systems so future allocations can be made using objective data.

### **Criteria and Process to Consider for Future Allocations**

As part of its ongoing role to ensure implementation of the *Parks and Trails Legacy Plan*, the Work Group recommends the Parks and Trails Legacy Advisory Committee work in partnership with park and trail providers to identify consistent and common sets of data on which to base future allocations. The data should be objective and include such metrics as population, population growth, park acres, trail miles, visitation and operating expenditures.

## Background Information

In 2008, Minnesota voters passed the Clean Water, Land and Legacy Amendment to the Minnesota Constitution to: protect drinking water sources; protect, enhance, and restore wetlands, prairies, forests, and fish, game, and wildlife habitat; preserve arts and cultural heritage; support parks and trails; and protect, enhance, and restore lakes, rivers, streams, and groundwater.

The Legacy Amendment increases the state sales tax by three-eighths of one percent beginning on July 1, 2009 and continuing until 2034. The additional sales tax revenue is distributed into four funds as follows: 33 percent to the Clean Water Fund; 33 percent to the Outdoor Heritage Fund; 19.75 percent to the Arts and Cultural Heritage Fund; and 14.25 percent to the Parks and Trails Fund.

The language of the Legacy Amendment directs the allocation of the Parks and Trails Fund to support parks and trails of regional or statewide significance (i.e., not local city or county parks). There are three primary entities that manage parks and trails of state and regional significance in Minnesota:

- *Metropolitan Regional Parks and Trails*, comprising 51 regional parks and park reserves (54,600 acres) and 38 trails in the seven-county Minneapolis-Saint Paul metropolitan area; owned and managed by ten cities, counties and special districts; coordinated planning provided by the Metropolitan Council.
- *Greater Minnesota Regional Parks and Trails*, comprising 128 regional parks (41,474 acres) and 35 regional trails outside of the seven county metropolitan area; owned and managed by cities and counties; coordination is currently provided by the Greater Minnesota Regional Parks and Trails Coalition, a nonprofit organization.
- *Minnesota State Parks and Trails*, comprising 75 State Park and Recreation Areas (270,000 acres) and 25 State Trails throughout Minnesota; managed by the Minnesota Department of Natural Resources.

Following several years of contentious allocation discussions for Parks and Trails Legacy Funding, the State Legislature identified a need for a more deliberate, collaborative, and consensus-driven process. The 2011 State Legislature directed the Commissioner of the Department of Natural Resources to convene and facilitate a working group of nine members to develop consensus recommendations for the allocation of the Parks and Trails Fund for the FY 2014-2015 Biennial Budget.<sup>3</sup> In April 2012, the Minnesota Department of Natural Resources contracted with Environmental Initiative to manage and facilitate a nine-member working group to develop consensus recommendations for the allocation of the Parks and Trails Fund. Consensus recommendations will be delivered to the Commissioner of Natural Resources for inclusion in the Governor's budget to the State Legislature.

The members of the Work Group were selected through a *Memorandum of Understanding* between the Minnesota Department of Natural Resources, Metropolitan Council, and the Greater Minnesota Regional Parks and Trails Coalition. The *Memorandum* stated that three members from the Parks and Trails Legacy Advisory Committee will serve on the Work Group. Each of the three entities selected one member from the Advisory Committee.

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<sup>3</sup> Laws of Minnesota, 2011 First Special Session, Chapter 6, Article 3, Section 7(f).



The Minnesota Department of Natural Resources, Metropolitan Council, and the Greater Minnesota Regional Parks and Trails Coalition each selected two additional representatives. Members of the Work Group are listed in Appendix A of this document.

The Work Group convened in April 2012 and met once per month through October 2012. Marian Bender facilitated each of the Work Group meetings as well as provided strategic advice and support to the project staff team. Over the course of six facilitated meetings, the Work Group was able to reach consensus on a recommendation for Parks and Trails Legacy Funding. Early in the process, the Work Group established its charge and developed a list of guiding principles. The Work Group charge can be found in Appendix B of this document.

### **Guiding Principles**

The group identified key ideas that informed discussions and the final recommendation, including:

- Keep the *Parks and Trails Legacy Plan* in the forefront of discussions and decisions.
- Base the recommendation on what we know, by using consistent and independent data.
- Acknowledge both present and future needs for Minnesota's parks and trails; allow for flexibility.
- Ensure the recommendation is easy to understand and explain to citizens.
- Ensure parks and trails are for the benefit of all Minnesotans; acknowledge providers bear significant stewardship responsibility for wise expenditures of these resources.

### **Path to Consensus**

While it was the initial intention of the group to define a data-driven formula to determine the allocation of Legacy Funds, it soon became apparent the three provider groups did not have the same amount and level of data in areas the group deemed useful, such as visitation information, park acres, miles of trails, and operating expenditures. Both the Minnesota Department of Natural Resources and the Metropolitan Council have extensive planning and data collection capabilities that have been developed over their years of existence.<sup>4</sup>

The Greater Minnesota Regional Parks and Trails Coalition established their nonprofit status in 2010. Given the age of the organization, administrative capacity to gather sufficient data across the Greater Minnesota system is in the process of being developed. While the Coalition is currently working to define protocols for collecting and reporting data as required by another 2011 Legislative directive<sup>5</sup>, system-wide data for metrics like visitation or operating expenditures are not currently available.

The Work Group discussed a series of approaches as they developed their final recommendation. The consensus recommendation of this group is designed as a short-term agreement, which acknowledges and addresses the discrepancy in data availability. It includes capacity building for the Greater Minnesota Regional Parks and Trails Coalition, investments for system-wide initiatives, and separate allocations for each park and trail provider organization. The Work Group also provided suggestions for future funding allocations once consistent data for all three systems can be obtained and compared.

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<sup>4</sup> The Metropolitan Regional Parks and Trails system was established in 1974. Minnesota's state park system began in 1885 with the legislature authorizing the creation of Minnehaha Falls, which eventually became a city park. Itasca State Park was created in 1891 and the Department of Conservation (the predecessor to the Minnesota Department of Natural Resources) established in 1925.

<sup>5</sup> During the 2011 legislative session, \$175,000 was appropriated for the Greater Minnesota Regional Parks and Trails Coalition to complete a study to: establish protocols to determine the origin of visitors and projection of potential use of Greater Minnesota's regional parks and trails, collect and compile details on facilities within the Greater Minnesota regional park and trail system, and develop evaluation protocol and criteria to determine priorities for park and trail acquisition and development.

## Recommendation for Parks and Trails Legacy Funding Allocations: FY 2014 - FY 2019

### I. Establish a Fund to Coordinate Among Partners

Work Group members recommend a direct appropriation to support “Coordination Among Partners” activities outlined in the *Parks and Trails Legacy Plan: Parks and Trails of State and Regional Significance, A 25-Year Long-Range Plan for Minnesota*.

This appropriation is not to exceed one half of one percent of the total amount and will be subtracted from the total before allocations are made to state and regional park and trail providers. However, to support Greater Minnesota in data gathering and capacity building the Work Group recommended that half of the appropriation (0.25%) be allocated to capacity building for the next five years. The remaining dollars (0.25%) will enable providers from all of the three systems to work together in an effort to better serve Minnesota citizens. An estimated dollar amount for FY 2014 - 2015 is provided below:

	%	PROJECTED FY 2014 FUNDING	PROJECTED FY 2015 FUNDING
Coordinate Among Partners	0.25%	\$100,000	\$103,500

Specific activities to be supported by these funds must benefit all three provider organizations and Minnesota citizens. Examples of activities from the *Parks and Trails Legacy Plan* that would be supported by these dollars may include:

- Provide enhanced, integrated and accessible information for park and trail users.
  - Develop and maintain a comprehensive database of state and regional parks and trails.
  - Develop and maintain a comprehensive website that includes essential information on state and regional parks and trails.
  - Joint marketing and cross-promotion efforts.
- Enhanced coordination among the other Legacy Funds, other agencies, organizations, and nonprofits.
- Nominal administrative support of the Parks and Trails Legacy Advisory Committee.

The Parks and Trails Legacy Advisory Committee has been charged with overseeing the implementation of the *Parks and Trails Legacy Plan*. The Work Group recommends this advisory body work to establish priorities for how the Coordinate Among Partners fund should be spent.

### 2. Provide Resources for Greater Minnesota Regional Parks and Trails Capacity Building Activities from the Coordinate Among Partners Fund for Five Years

The Work Group recognizes that the Greater Minnesota Regional Parks and Trails Coalition needs time and resources in order to increase the quality and quantity of objective data about their system.

To support and implement the efforts defined by the Greater Minnesota Regional Parks and Trails Strategic Plan (175 Study) the Work Group recommends half of the Coordinate Among Partners Fund, 0.25%, support capacity building and data gathering for the Greater Minnesota Regional Parks and Trails system for the next five years. By investing in this system analysis and planning work, future Legacy allocations will be better informed and objectively grounded.

Legacy Funding Work Group members from the Metropolitan Regional Parks and Trails implementing agencies and the Department of Natural Resources offered to support Greater Minnesota as all three strive to plan and build a system that truly serves the needs of all Minnesotans.

	%	PROJECTED FY 2014 FUNDING	PROJECTED FY 2015 FUNDING
Coordinate Among Partners – Capacity Building Activities for Greater Minnesota	0.25%	\$100,000	\$103,500

3. Percentage Allocations for Minnesota Parks and Trails of State and Regional Significance Without current, consistent or available comparable data from each of the three Minnesota park and trail provider systems, establishing a quantifiable, criteria-based formula to allocate funding was determined not to be feasible by the Work Group at this time.

After much discussion and negotiation, Work Group members recommend the model described below, which bases the Parks and Trails Legacy funding allocation on general considerations for how the three systems serve Minnesotans.

Parks and trails of state and regional significance serve two important functions: both as **near-home recreation opportunities** for residents throughout the state, and as attractive **destination opportunities** for visitors from out-of-state or from other areas within the state. Recognizing most recreational use occurs within a 30-minute drive from home, the Work Group recommends 80% of the Legacy Fund be allocated to that function, with the remaining 20% allocated to the destination function.

- A. For the near-home recreation needs, geographically allocate funds based on population. Based on the relatively equal population distribution between the seven-county metropolitan area and the rest of the state, half of the near home allocation is distributed to the metro area and half to the rest of Minnesota.<sup>6</sup>

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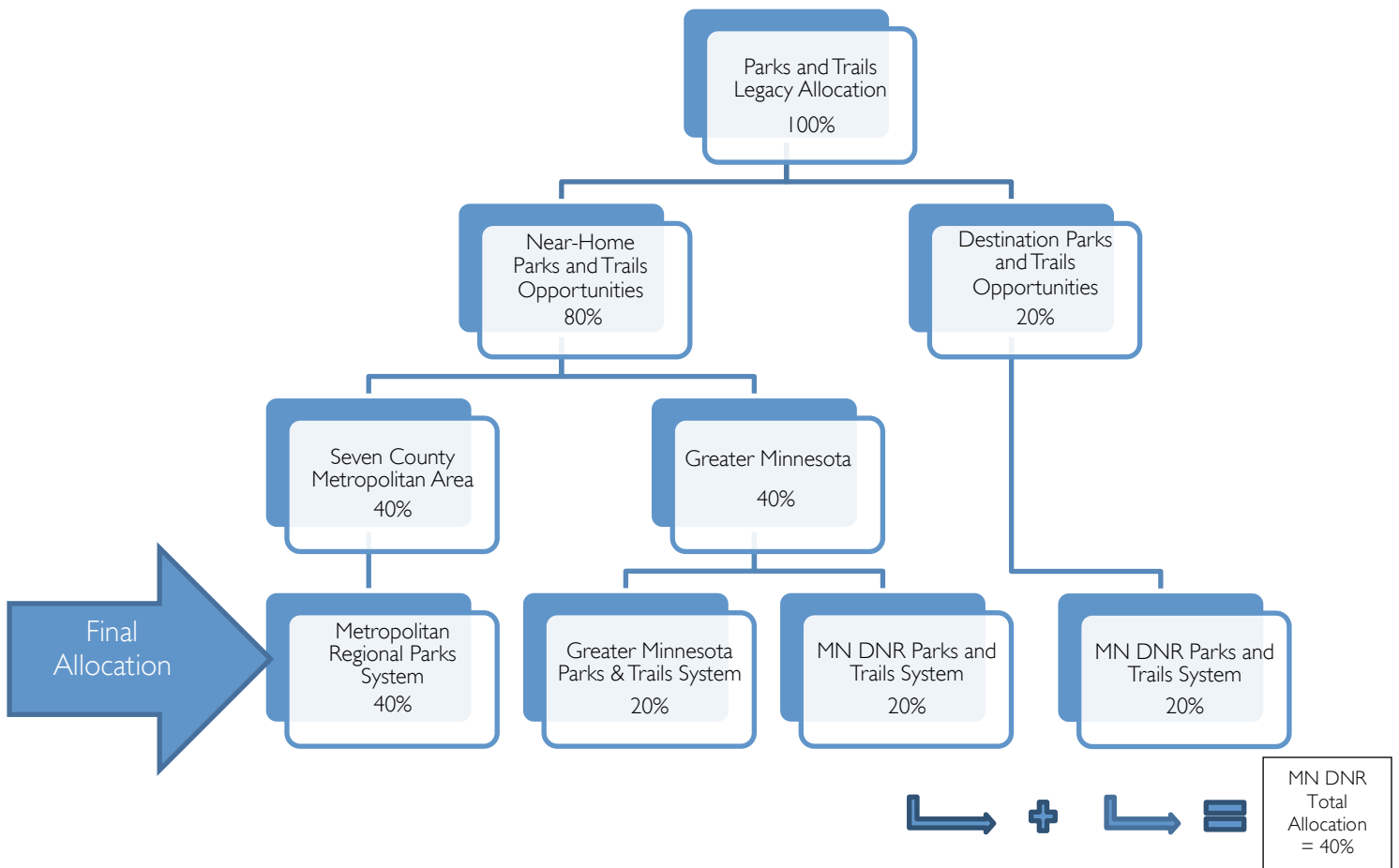
<sup>6</sup> According to the 2010 Census, 53.7% of the population resides in the seven-county Twin Cities Metropolitan Area and 46.3% reside in Greater Minnesota. The Minnesota State Demographic Center predicts Minnesota’s population to grow by 24% between 2005-2035. Of this growth, 54% is projected to occur in Greater Minnesota and 46% in the seven-county metropolitan area.

- 1) Because the Metropolitan Regional Parks and Trails system is the primary provider of near-home recreation opportunities in the seven-county metropolitan region, they receive the entire allocation for near-home recreation opportunities in the region.
- 2) In the rest of Minnesota, there are two primary providers of near-home recreation opportunities: the Minnesota Department of Natural Resources and the Greater Minnesota Regional Parks and Trails System. The near-home allocation for the rest of Minnesota is split between these two providers.

B. The Minnesota Department of Natural Resources, as manager of the State Parks and Trails system, is acknowledged as the primary provider of destination opportunities in the state and thus receives the entire destination opportunities allocation.

Work Group members recommend this model as an interim strategy while additional data is gathered and questions about comparing data among systems can be answered.

### Model for Percentage Allocations to Minnesota Parks and Trails Providers for FY 2014-2019



Using this framework, the Work Group recommends the following allocations, taken after the 0.25% to “Coordinate Among Partners” and the 0.25% to Greater Minnesota Regional Parks and Trails Coalition for capacity building:

	%	PROJECTED FY 2014 FUNDING	PROJECTED FY 2015 FUNDING
Coordinate Among Partners	0.25%	\$100,000	\$103,500

	%	PROJECTED FY 2014 FUNDING	PROJECTED FY 2015 FUNDING
Coordinate Among Partners - Capacity Building for Greater Minnesota	0.25%	\$100,000	\$103,500

	% NET TO BE DISTRIBUTED	PROJECTED FY 2014 FUNDING	PROJECTED FY 2015 FUNDING
Minnesota Department of Natural Resources	40%	\$15,901,000	\$16,493,000
Metropolitan Regional Parks and Trails	40%	\$15,901,000	\$16,493,000
Greater Minnesota Regional Parks and Trails	20%	\$7,950,000	\$8,247,000

*\*Total available funding for FY 2014 - 2015 was obtained from Minnesota Management and Budget (MMB) in June 2012. MMB will release updated projections in November 2012 as part of the regular economic forecast. Dollar amounts are rounded to the nearest thousand.*

#### 4. Increase Flexibility of Parks and Trails Legacy Funding for Greater Minnesota Regional Parks and Trails

Funding for parks and trails of regional or statewide significance in Greater Minnesota is currently distributed through a grant program administered by the Minnesota Department of Natural Resources. Cities, counties, and townships outside of the seven county metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2 are eligible to apply for funds.

In previous allocations and grant funding cycles, Greater Minnesota Regional Parks and Trails were required to provide matching funds of at least 25% of the total project cost in their proposals. A maximum grant size, or cap, was also in place. During the 2011 legislative session, revisions were made removing these requirements from the current grant program.<sup>7</sup>

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<sup>7</sup> Laws of Minnesota, 2011 First Special Session, Chapter 6, SF No. 6.

Currently, local units of government in Greater Minnesota are only able to utilize Parks and Trails Legacy Funding to support the following activities:

- Acquisition
- Development and restoration
- Capital asset management of park and trail facilities of regional or statewide significance

The Work Group recommends broadening eligible uses of grants for Greater Minnesota Regional Parks and Trails to include activities that connect people to the outdoors. This will allow partners in Greater Minnesota increased flexibility to support activities including:

- Education and programming
- Special events
- Marketing and communications
- Preparation of regional parks and trails master plans

This flexibility allows Greater Minnesota to support activities in the same way the Minnesota Department of Natural Resources and Metropolitan Regional Parks and Trails are able to utilize Legacy dollars. The Minnesota Department of Natural Resources and Greater Minnesota Regional Parks and Trails Coalition will work together to continue to develop grant program priorities and administration.

#### 5. Term of Recommendation

The features and needs of Minnesota parks and trails vary widely statewide and will change over time. Work Group members wish to account for these changing needs and acknowledge the input from Minnesota citizens and other stakeholders who participated in the development of the *Parks and Trails Legacy Plan*.

One of the guidelines from the plan states, “Don’t establish a set distribution formula for parks and trails Legacy funds; recognize that funding levels may fluctuate across parks and trails for state and regional significance as well as across the four strategic directions over time to meet changing and evolving needs.”<sup>8</sup>

The Work Group recommends distributing Parks and Trails Legacy Funds utilizing the approach described in previous sections for the next three biennial budgets:

- FY 2014 – 2015
- FY 2016 – 2017
- FY 2018 – 2019

The process recommended by the Work Group should be revisited in 2018 to determine allocations for the FY 2020 – FY 2021 biennium and into the future. This short-term agreement will allow:

- The Parks and Trails Legacy Advisory Committee to review how the Work Group’s recommendation for Parks and Trails Legacy Funding allocation is performing in terms of Minnesota’s progress against goals established in the *Parks and Trails Legacy Plan*.

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<sup>8</sup> Minnesota Department of Natural Resources. Parks and Trails Legacy Plan: Parks and Trails of State and Regional Significance, A 25-year long range plan for Minnesota. 14 February 2011, page 32.

- Greater Minnesota Regional Parks and Trails to continue to develop as a system, including protocols for data gathering, priority setting, and strategic planning.
- Parks and trails providers to agree on “apples to apples” comparisons of various data sets to support future allocations including: population, population growth, park acres, trail miles, visitation and operating expenditures.

## **Next Steps: Recommendation for Future Allocations, FY 2020 – FY 2034**

### 1. Process for Future Allocations

The Work Group recommends the Parks and Trails Legacy Advisory Committee oversee the process of clearly defining the quantifiable, objective data required for the desired future allocation process. Working together, they should identify who will collect and manage the data so it can be reported in a consistent manner across the three systems. Additionally, the Work Group recommends that before the end of this interim recommendation, the Legacy Advisory Committee convene a similar working group with equal representation from all three providers to revisit Parks and Trails Legacy Funding allocations for FY 2020 – FY 2021 and beyond.

### 2. Recommendation for Criteria on Which to Base Future Allocations

The Work Group considered numerous approaches, criteria and other factors to support a recommendation for funding. One of the biggest challenges facing the Work Group was a lack of consistent data across all of the parks and trails systems. Work Group members identified the following criteria to be considered for future funding recommendations. These criteria may be weighted differently, modified or added to, or removed, based on future deliberations.

#### **Population**

*(Source: United States Census Bureau)*

Work Group members agreed population was relevant to include in a formula for funding allocations. United States Census data was the agreed upon source for this information. Using existing population as a factor is important since resources should be allocated based on where Minnesotans live.

#### **Population Growth**

*(Source: U.S. Census Bureau; Minnesota State Demographic Center’s Population Projections)*

There was not agreement in the group about whether this piece of information was relevant or accurate. There was agreement in the group on the rationale behind including this criterion, which was to account for population changes, plan for future growth, and to allocate resources for parks and trails based on where people will live in the future. Population growth was suggested as a way to account for change over time.

Work Group members felt it was important to include criteria to address future needs across Minnesota. Population growth may not be the appropriate factor, but funding allocations in the future should include a piece of criteria, or process to address population growth and change.

## **Park Acres and Trail Miles**

*(Sources: Minnesota Department of Natural Resources, Greater Minnesota Regional Parks and Trails Coalition, Metropolitan Regional Parks and Trails)*

Work Group members agreed park acres and trail miles were relevant to consider in a formula for allocation. There were questions about what information is captured in the data across each of the systems including:

- Do the acres listed for each system account for trail acres as well as park acres?
- Can trail acres be measured in some consistent way across systems?
- How could this data be collected and reported in a consistent manner to allow for an “apples to apples” comparison across systems?

## **Operating Expenditures**

Work Group members agreed operating expenditures were relevant to consider in a formula for allocation. Operating expenditures provide a sense of what exists and needs to be maintained. Data is not currently available from the Greater Minnesota Regional Parks and Trails providers. Additional work is also needed to determine if operating expenditures are captured consistently across each of the systems.

## **Visitation**

Visitation data was determined to be relevant and important to consider for future funding allocations by the Work Group. Data is not currently available from the Greater Minnesota Regional Parks and Trails providers. Additional work is needed to ensure comparable visitation information is being collected across all of the systems.

## **Other Criteria Discussed**

Finally, Work Group members discussed, but did not reach consensus on the following criteria:

- State Sales Tax Generation and Collection
- Value of Existing Infrastructure
- Cultural or Historic Preservation Needs
- Number of Species of Special Concern or Endangered Species (Special natural resource management needs)
- Health Promotion
- Value of Cultural Commodities (timber, corn, soybeans, etc.)

These discussion items have been included as a resource for future funding allocation discussions beyond this process.

## **Next Steps: The Path Forward**

The Work Group recommends the three members who also serve on the Parks and Trails Legacy Advisory Committee (Bob Biersheid, Tom Ryan, and Chuck Kartak) take up the issue of identifying a common set of criteria with the advisory body. Further, the Work Group recommends assembling a team of practitioners from the three systems to develop a common set of criteria on which to base future allocations. They should develop this framework for a common set of criteria by July 2014. At this point, the three provider systems should be able to move forward with data collection requirements to help inform a fair allocation in FY 2020 and beyond.



## Appendix A: Work Group Roster

### Parks and Trails Legacy Funding Project Work Group Roster

Bob Bierscheid

*Retired, Former Director of Parks and Recreation for the City of Saint Paul*

John Gunyou

*Retired, Former City Manager, City of Minnetonka*

Chuck Kartak

*Retired, Former Minnesota Department of Natural Resources, Division of Parks and Recreation Deputy Director*

Joe Kurcinka

*Retired, Former Minnesota Department of Natural Resources Central Region Director*

Greg Mack

*Director of Ramsey County Parks and Recreation*

Erika Rivers

*Minnesota Department of Natural Resources, Assistant Commissioner*

Tom Ryan

*Olmsted County Parks Superintendent*

Pat Sawatzke

*Wright County Board of Commissioners*

Tom Schmitz

*City of New Ulm, Parks and Recreation Director*

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#### Core Team Members

Courtland Nelson

*Minnesota Department of Natural Resources*

Emmett Mullin

*Minnesota Department of Natural Resources*

Arne Stefferud

*Metropolitan Council*

Chuck Wocken

*Stearns County Parks Department/Greater Minnesota Regional Parks and Trails Coalition*

\*Core Team members are advisors to Environmental Initiative staff for the process.

## Appendix B: Work Group Charge

Parks and Trails Legacy Funding Project  
Charge to the Work Group  
Approved June 21, 2012

The 2011 State Legislature directed the Commissioner of the Department of Natural Resources to convene and facilitate a working group of nine members to develop consensus recommendations for the allocation of the parks and trails fund for the FY 2014-2015 Biennial Budget. *Laws of Minnesota, 2011 First special Session, Chapter 6, Article 3, Section 7(f)*.

(f) The commissioner of natural resources shall convene and facilitate a working group of nine members to develop consensus recommendations for the allocation of the parks and trails fund. The working group shall have representatives from metropolitan parks and trails, greater Minnesota parks and trails, and the Department of Natural Resources Parks and Trails Division. The consensus recommendations shall be submitted no later than November 15, 2012, and presented to the governor for consideration in the budget for fiscal years 2014 and 2015.

### Parks and Trails Legacy Funding Project Charge

Environmental Initiative has partnered with the Minnesota Department of Natural Resources to facilitate this process. The charge to Work Group members for the Parks and Trails Legacy Funding Project is to:

Develop consensus recommendations for the allocation of the parks and trails fund for the FY 2014-2015 Biennial Budget. The recommendations should serve as a model for future funding allocations (for example, for the next ten years) and will also include a rationale for why it was chosen. The recommendations may take the form of a process, formula or combination of these elements. The Work Group will not make recommendations for specific projects or for other sources of funding for state and regional parks and trails.

### Process and Outcomes

Minnesota has a world-class network of parks and trails providing access to pristine lakes and rivers, prairies, forests, paved trails, horse trails and off-road areas. In 2008, Minnesota voters chose to invest in these resources and passed the Clean Water, Land and Legacy Amendment. The Legacy Amendment is funded by a three-eighths of one percent state sales tax.

The Parks and Trails Legacy Fund may only support parks and trails of regional or statewide significance. Currently, there is not full agreement on how best to allocate these funds among major state and regional providers: **Metropolitan Regional Parks and Trails, Greater Minnesota Parks and Trails**, and the **Minnesota Department of Natural Resources**. The Work Group is tasked with developing a fair allocation for these funds through a series of facilitated discussions. Work Group members will utilize existing resources, including the Parks and Trails Legacy Plan, to guide decision-making for future allocations.

**Executive Committee:**

Al Liefert - Chair, Douglas County  
Tom Ryan – Vice Chair, Olmsted County  
Marc Mattice – Secretary/Treasurer, Wright County  
Barry Wendorf- Communications, Isanti County



Dave Aker – Region 1, East Grand Forks City  
John Ongaro – Region 2, St. Louis County  
Laird Mork – Region 3, Chisago County  
Tom Schmitz – Region 4, New Ulm City

**Established in 2010**

*Improving the quality of life for the citizens of Minnesota by providing recreational opportunities, promoting legislative funding opportunities, and networking regional parks and trails throughout Greater Minnesota.*

**Who We Are:** The Greater MN Regional Parks & Trails Coalition (GMRPTC) is a non-profit organization representing 714 of the 853 cities and 80 of the 87 counties in MN outside of the metro area; along with numerous other organizations, groups and individuals across greater MN. Present dues paying members are listed on the reverse of this sheet. We’ve been tasked by the voting public to build a comprehensive system of high quality parks & trails in Greater MN and work to reverse current and historic funding inequities. The GMRPTC was formed in 2010 to: become an equal partner with the Metro & DNR as the 3rd leg of the stool, representing existing and future parks and trails of Regional and Statewide significance in Greater MN that are not State Parks & Trails, to address historical funding inequities and to ensure Legacy monies are wisely spent on regional initiatives of highest merit. The GMRPTC is in its infancy and is growing. We are responsible for providing experiences and resources to the public so they can have access to recreation, education & the environment in Greater MN. We have initially, geographically divided ourselves in the same four regions that the DNR has.

**Access to the Outdoors:** With 67% of all outdoor recreation hours happening within 30 minutes of your home, Greater MN regional parks & trails help fill out the State’s Outdoor Recreation System needs by providing close-to-home nature opportunities in regional parks and on regional trails. Investments in outdoor recreation facilities create “close-to-home” outdoor recreation opportunities that are so vital to Greater MN communities. These programs also leverage county and city resources to invest in our outdoor heritage; this includes perpetual maintenance of parks and trails. Approximately 84,000 of MN’s 87,000 square miles are in Greater MN.

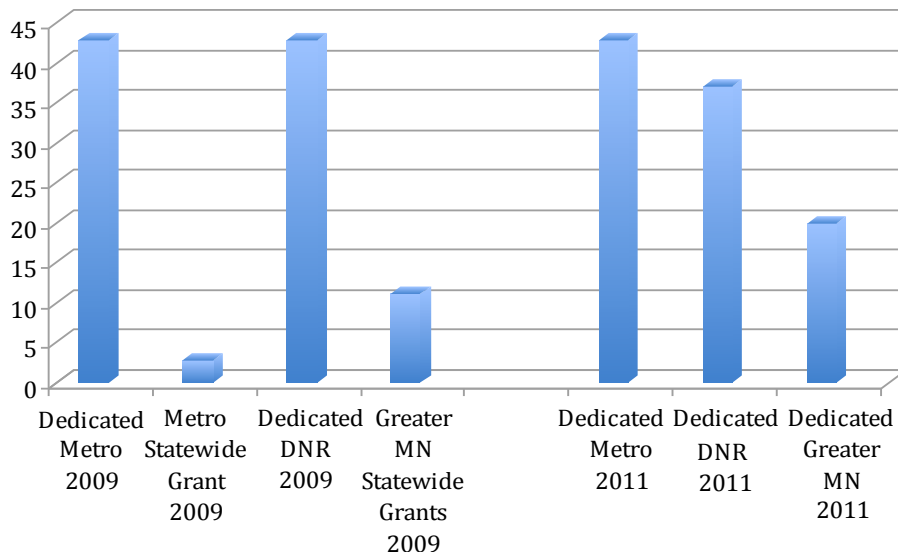
**Regional Parks & Trails:** The U of M inventory states the following are currently administered by Greater MN cities & counties: 128 Regional Parks **totaling 41,474 acres** & 35 Regional Trails **totaling 489 Miles**

**Funding History for Regional Parks & Trails in Greater MN:**

Investments in Greater MN regional parks and trails have been lacking for decades and require much fiscal catch-up to meet basic needs.

FY 02 - FY 09 received \$7.8 million in funding.  
FY 10 - FY 11 received \$8.8 million in funding.  
FY 12 - FY 13 received \$15 million in funding.

Over \$79 million in preliminary needs for some of the known Greater MN projects.



## Parks and Trails Legacy Funding Metropolitan Regional Park and Trail System

**Background** MN Statutes 473.147, enacted in 1974, established the Metropolitan Regional Park System to function as state parks and state trails within the Metro Area. Today the system consists of 54,600 acres in 39 regional parks, 12 park reserves, 7 special recreation features and 38 regional trails (308 miles). All system elements are defined by the Regional Parks System and Policy Plan prepared by the Metropolitan Council and guided by park and trail master plans prepared by the park agency that owns/manages that unit and approved by the Metropolitan Council. The park policy plan establishes uniform policies and criteria (minimum standards) for all system elements. In 2011 this System hosted **43,924,400** visits based on random sample count data plus data on visits to special events (more than 300 visits) and camping registrations.

Ten implementing agencies own and manage parks and trails in the System. They are: The Counties of Anoka, Carver, Dakota, Ramsey, Scott and Washington; the Cities of Bloomington and St. Paul; the Minneapolis Park & Recreation Board; and Three Rivers Park District. In 2010 these agencies collectively expended **\$88,223,782** to operate and maintain the System.

**2030 Regional Parks Policy Plan** The most recent version of the Park Policy Plan and accompanying System Plan was adopted in 2010. The plan identifies future system additions and projects the costs of acquisition and development of the System (see Table 4-6, below).

**Table 4-6: Combined Estimated Acquisition and Development Costs for the Regional Parks System, 2010-2030 (2010 dollars)**

Category	Acres		Estimated Acquisition Cost		Estimated Development Cost		Total Estimated Acquisition and Development	
	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Existing system	0	0	\$0	\$0	\$223,569,447	\$248,896,177	\$223,569,447	\$248,896,177
In-holdings	0	2,500	\$0	\$55,500,000	\$0	\$8,720,000	\$0	\$64,220,000
A) Boundary adjustments	93	93	\$1,987,500	\$2,186,250	\$324,384	\$324,384	\$2,311,884	\$2,510,634
B) Conversions	90	90	\$0	\$0	\$313,920	\$313,920	\$313,920	\$313,920
C) New units to 2030	4,465	7,630	\$24,183,750	\$26,602,125	\$15,573,920	\$26,613,440	\$39,757,670	\$53,215,565
D) Completing the system	873	2,123	\$10,713,750	\$15,536,250	\$3,045,024	\$7,405,024	\$13,758,774	\$22,941,274
E) Study Areas which may be added to Park System	478	478	\$0	\$0	\$1,667,264	\$1,667,264	\$1,667,264	\$1,667,264
<b>TOTAL</b>	<b>5,999</b>	<b>12,914</b>	<b>\$36,885,000</b>	<b>\$99,824,625</b>	<b>\$244,493,959</b>	<b>\$293,940,209</b>	<b>\$281,378,959</b>	<b>\$393,764,834</b>

Notes: High per-acre costs of in-holdings are due to the fact that most of the land is riverfront or lakefront and in or near densely populated areas. Some parcels may not be acquired if the public benefit is not worth the cost of acquisition. Some land may be donated or partially donated by selling the land to the park agency below market value. Acquisition costs shown here are 75% of total costs to reflect potential State and Metro Council funding for acquisition, with the remaining 25% financed by the regional park agencies with their own local funding or other non-State funding sources.

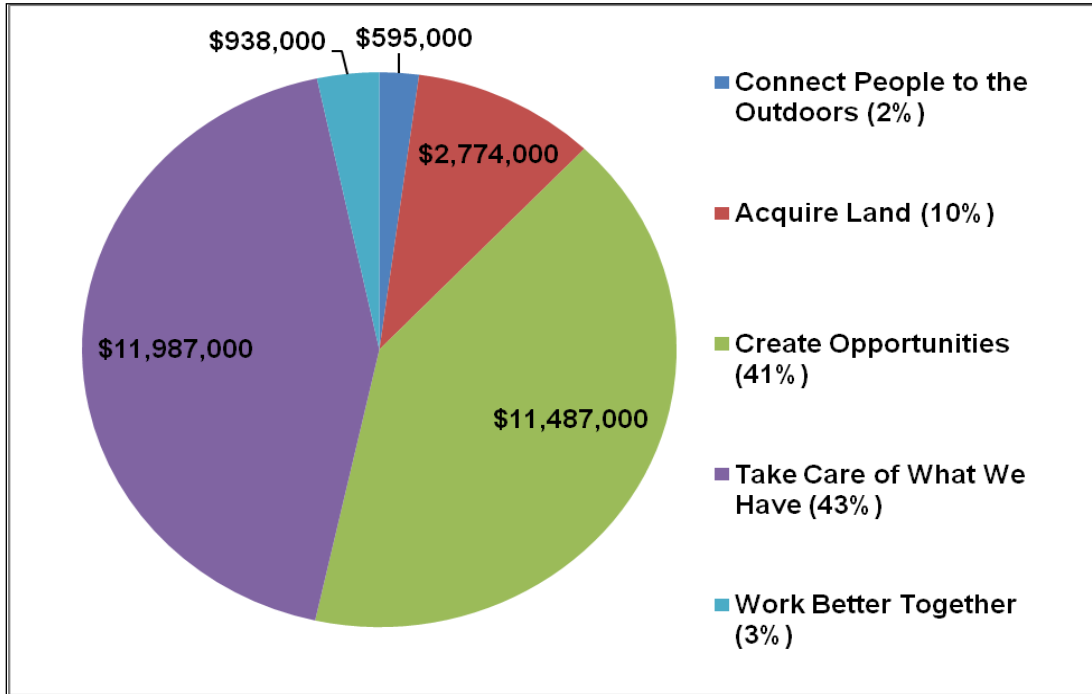
Estimated rehabilitation and development costs are based on the assumption that the cost per acre in the next 20 years will be the same annual average as actual costs in the past 36 years and pro-rating it for 20 years (\$3,488 per acre). Based on the 2030 Regional Parks Policy Plan projections, the estimated annual cost for acquisition and development is \$14 to \$20 million. These projections do not include ongoing rehabilitation and natural resource management costs and the projections do not factor inflation into the calculation.

**Legacy Parks and Trails Fund Appropriations** The 25-Year Parks and Trails Legacy Plan [Feb. 14, 2011] calls for investing the Parks and Trails Fund under the following strategic directions:

- **Connect people to the outdoors** (e.g. improved marketing, increase access)
- **Acquire land** (e.g. acquire land within existing park boundaries and new parks)
- **Create opportunities** (e.g. build new recreation and visitor support facilities)
- **Take care of what we have** (e.g. renovate and maintain existing infrastructure)
- **Work better together** (e.g. inter-agency coordination to create a seamless park and trail system. This also includes preparation of regional park and trail master plans developed in cooperation with affected local units of government and the general public)

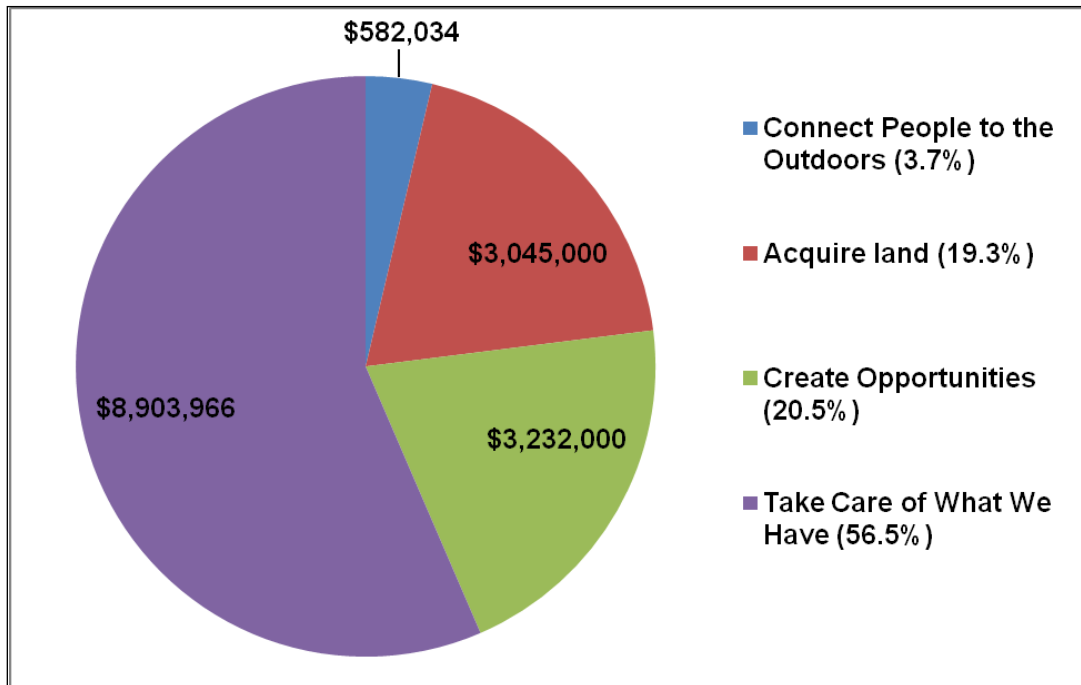
The chart below illustrates how the FY 2010 and FY 2011 appropriations were expended consistent with these strategic directions for the Metropolitan Regional Park System.

**Fiscal Years 2010-11 Appropriation Expenditures  
on Parks and Trails Legacy Plan Strategic Directions (\$27,281,000)**



The chart below illustrates how the FY 2012 appropriation will be expended consistent with these strategic directions.

**Fiscal Year 2012 Appropriation Expenditures  
on Parks and Trails Legacy Plan Strategic Directions (\$15,763,000)**



# Division of Parks and Trails

**Our vision** is to create unforgettable park, trail, and water recreation experiences that inspire people to pass along the love for the outdoors to current and future generations.



- State Parks** preserve, perpetuate and interpret Minnesota's crown jewels.
- State Recreation Areas** provide a broad spectrum of recreation opportunities that draw visitors from across the state.
- State Trails** connect units of the outdoor recreation system to communities and showcase iconic Minnesota landscapes.
- Water Recreation Program** provides recreational access to water from protected harbors on the North Shore to fishing piers on community lakes.
- Motorized Recreation Program** works with communities and volunteers to sustainably manage facilities and trails.

## Statewide Travel and Economic Benefit

- 61% of state park visitors travel more than 50 miles from home.
- 70% of users surveyed on the Root River State Trail traveled more than 50 miles from home.
- 38% of state park visitors come from the Twin Cities metro area; 16% come from out of state.
- 33% of users surveyed on the Paul Bunyan State Trail were from the Twin Cities metro area.
- State park visitors contribute an estimated \$250 million to local economies annually.



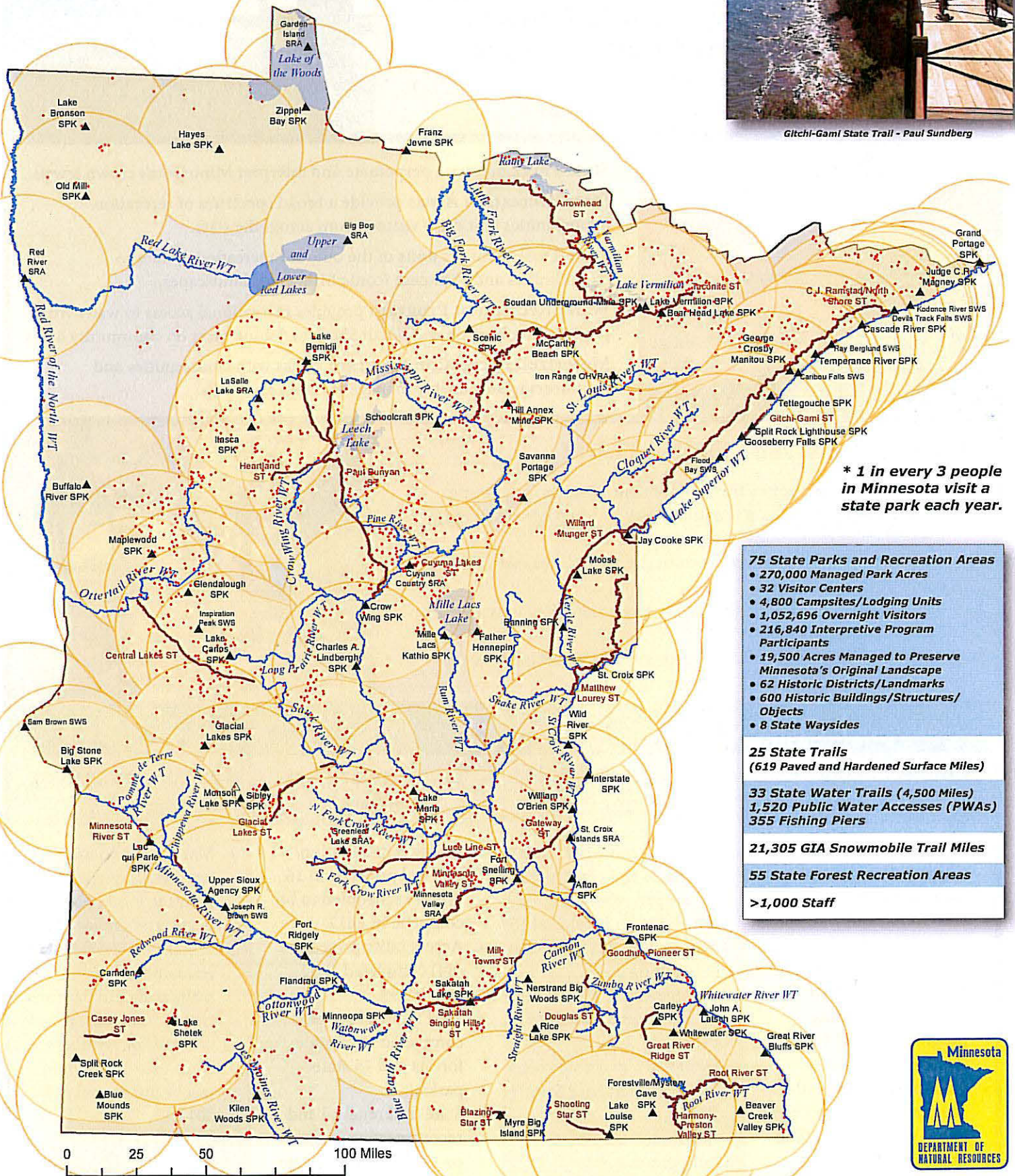
## Creating a Legacy

Connect people to the outdoors	Acquire land, develop opportunities	Take care of what we have	Coordinate among partners
<ul style="list-style-type: none"> <li>• Addition of a Naturalist Corps (30 seasonal naturalist trainees), 4 year-round and 2 seasonal naturalists served a quarter million program participants in 2010.</li> <li>• I Can! skill building programs served 10,000 participants in 2010.</li> <li>• Communications with motivating messages were heard by over 23 million times.</li> </ul>	<ul style="list-style-type: none"> <li>• Upgraded more than 1,600 campsites and constructed 12 camper cabins.</li> <li>• Purchased and installed 15 replacement piers and five new fishing piers.</li> <li>• Completed the master plan for Lake Vermilion State Park.</li> <li>• Designed a new trail center for Bear Head Lake State Park.</li> <li>• Completed major campground improvements at Lake Shetek State Park.</li> </ul>	<ul style="list-style-type: none"> <li>• Bridge rehabilitation/renewal projects on 16 bridges scheduled to be complete in 2012.</li> <li>• Accessibility projects (44) completed at 32 state parks.</li> <li>• Trail renewal projects completed in 19 state forests and 15 state parks.</li> <li>• State trail renewal and reconstruction projects on 24 miles of five state trails.</li> </ul>	<ul style="list-style-type: none"> <li>• More than \$7.5 million provided through 28 grants to local units of government for acquisition, development, restoration, and maintenance of park and trail facilities of regional or statewide significance.</li> <li>• More than \$15 million will be distributed in FY 2012-13.</li> </ul>

# Minnesota State Parks and Trails Recreation within 30 Miles of Home



Gitchi-Gami State Trail - Paul Sundberg



**\* 1 in every 3 people in Minnesota visit a state park each year.**

- 75 State Parks and Recreation Areas**
  - 270,000 Managed Park Acres
  - 32 Visitor Centers
  - 4,800 Campsites/Lodging Units
  - 1,052,696 Overnight Visitors
  - 216,840 Interpretive Program Participants
  - 19,500 Acres Managed to Preserve Minnesota's Original Landscape
  - 62 Historic Districts/Landmarks
  - 600 Historic Buildings/Structures/Objects
  - 8 State Waysides
- 25 State Trails**
  - (619 Paved and Hardened Surface Miles)
- 33 State Water Trails (4,500 Miles)**
  - 1,520 Public Water Accesses (PWAs)**
  - 355 Fishing Piers**
- 21,305 GIA Snowmobile Trail Miles**
- 55 State Forest Recreation Areas**
  - >1,000 Staff**



▲ State Parks    — State Trails    — State Water Trails    • PWAs    30 Mile Radius (state parks and trails only)