

Minnesota Department of Natural Resources

500 Lafayette Road · Saint Paul, Minnesota · 55155-4037

Office of the Commissioner

651-259-5555



July 29, 2009

The Honorable Ellen Anderson
Env., Energy and N.R. Budget Division, Chair
Capital Building, Room 120
75 Rev. Dr. Mr. Luther King Jr. Blvd.
St. Paul, Minnesota 55155-1606

The Honorable Jean Wagenius
Environment and N.R. Finance, Chair
449 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, Minnesota 55155

The Honorable Mary Murphy
Cultural and Outdoor Resources Finance Div., Chair
343 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St Paul, Minnesota 55155

The Honorable Richard Cohen
Senate Finance Committee, Chair
Capitol Building, Room 121
75 Rev. Dr. Martin Luther King Jr. Blvd.
St Paul, Minnesota 55155

The Honorable Dennis Frederickson
Env., Energy and N.R. Budget Division
and Senate Finance Committee
139 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, Minnesota 55155

The Honorable Tom Hackbarth
Environment and N.R. Finance Division
309 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, Minnesota 55155

The Honorable Greg Davids
Cultural and Outdoor Resources Finance Division
283 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, Minnesota 55155

RE: Parks and Trails Budget Analysis

Dear Honorable Chairs and Ranking Minority Members:

This letter is in regards to the Parks and Trails Budget Analysis outlined in Minnesota Laws 2009, Chapter 172, Article 3, Section 6, Subdivision 3, requiring the commissioner of natural resources to submit by August 1, 2009 an estimate for the total amount of funding available for parks and trails for the next 10 and 25 years.

In order to estimate parks and trails funding availability, the DNR conducted a survey of parks and trails providers across Minnesota. This survey asked for information regarding current, 10-year, and 25-year funding estimates as well as funding information for operations, maintenance, and expansion. This online survey was sent to the following organizations:

- All member cities of the League of Minnesota Cities
- All member counties of the Association of Minnesota Counties
- All Metropolitan parks and trails providers
- All Federal Agencies in Minnesota that provide recreational facilities
- Minnesota Department of Natural Resources
- Minnesota Department of Transportation

- Iron Range Resources
- Several Private Organizations, such as the Superior Hiking Trail Association and the North Country Trail Association

There were 144 responses to the survey, which include 84 cities, 38 non-metro counties, 2 state agencies (including the DNR), 6 federal providers, 11 metropolitan parks and trails providers, and 5 private organizations. The estimates in Table 1 are only representative of those organizations that responded.

Survey respondents estimated \$328 million in current total funding for parks and trails from all sources, with \$221 million for operations and maintenance. Most agencies that responded do not separate operations and maintenance, therefore we added them together. \$128 million was identified for park and trail expansion.

Table 1: Parks and Trails Expenditure Estimates (From All Sources)

	Current	10-Years	25-Years
Total	\$ 328,262,995	\$ 4,441,014,829	\$ 11,932,592,172
O&M Combined	\$ 221,245,480	\$ 2,810,105,659	\$ 7,645,258,690
Park Expansion	\$ 77,955,427	\$ 1,120,370,090	\$ 2,550,698,360
Trail Expansion	\$ 50,290,854	\$ 537,957,090	\$ 1,657,271,420

Over 10-years, the survey respondents estimated almost \$4.4 billion will be spent from all sources for parks and trails, with about \$2.8 billion for operations and maintenance and \$1.6 billion for park and trail expansion.

Over 25-years, respondents estimated \$11.9 billion from all sources for parks and trails. Over \$7.6 billion was estimated for operations and maintenance, while \$4.2 billion was estimated for park and trail expansion.

The above estimates are for funding from all sources, including but not limited to natural resources fund, general fund, LCCMR, bonding, user fees, local tax revenue, state aid, federal funds, and Legacy Parks and Trails funds.

Revenue estimates in Table 2 for the Constitutional Amendment Parks and Trails Fund were determined by Minnesota Management and Budget (MMB). Current annual revenue for FY10 is estimated to be \$33.4 million. Parks and Trails Fund revenues are estimated to be almost \$400 million over 10-years and \$1.26 billion over 25-years.

Table 2: Parks and Trails Fund Revenue Estimates (From MMB)

	Current	10-Years	25-Years
Net Receipts	\$ 33,357,000	\$ 398,293,000	\$ 1,262,935,000

This information will be used in the development of the 25-year plan as referenced in statute. It is clear that these new dollars will play an important role and will supplement existing funding. As we continue to collect information we will update the expenditure estimates identified in Table 1.

Sincerely,



Laurie Martinson
Deputy Commissioner