



PARKS COMMISSION COMMUNICATION

DATE: May 16, 2016

REGULAR

ITEM #: 9

MOTION

AGENDA ITEM: 2017-2021 Parks CIP

SUBMITTED BY: Kristina Handt, City Administrator

BACKGROUND:

A Capital Improvement Program, or CIP, is a multi-year (typically 5 years) capital expenditure plan for a City's infrastructure (such as streets, parks and utility systems), vehicles, equipment and public buildings. It identifies the major projects needed and desired by the community, their potential costs and how they would be financed. Including a project in a CIP does not commit the city to that project. The City Council must specifically authorize each one, and the associated funding, before any project may proceed. When the CIP is reviewed (ideally annually, in conjunction with the budgeting process) projects may go forward as planned, advance ahead of schedule, be removed entirely, or new projects may be added, depending upon changes in circumstances and priorities.

The Minnesota Land Planning Act requires that the implementation plan portion of the Comprehensive Plan include a CIP for major infrastructure needs (transportation, wastewater, water supply, parks and open space) for a five-year time period. Cities often expand the scope of their CIPs to include other capital needs (major equipment replacements, for example) and sometimes look beyond the five-year time period, up to 20 years in the future for some projects. Such projects represent more of a "wish-list" that can be evaluated each time the plan is updated.

As a part of the Comprehensive Plan, the CIP has some legal standing. Minnesota Statutes Chapter 473.865 provides that "a local governmental unit shall not adopt any official control or fiscal device which is in conflict with its comprehensive plan." A fiscal device includes a budget or bond issue; so it is important that the plan and CIP be kept up to date and in synch with city budgets.

The primary benefit of a CIP is as a financial planning tool, to help the city plan for the impact of capital needs on future budgets and property taxes, and to help forecast the need for borrowing to undertake major projects. The information developed as part of the capital planning process can help document the need for various projects and help the City Council sort out competing priorities.

Lake Elmo's CIP includes all capital projects that cost at least \$25,000 and have a useful life span of five years or longer.

ISSUE BEFORE COMMISSION:

What parks improvements should be included in the 2017-2021 CIP? When should they be completed?

PROPOSAL DETAILS/ANALYSIS:

Included in your packet is a spreadsheet listing all of the City parks and trail projects staff is aware of at this time. There were two items from the 2016-2020 CIP that were planned for 2017.

PR-001, Manning Trail trail updates and PR-002, 50th Street trail. Details on them have been provided as they are entered into the City's new CIP software program.

Any other items the Parks Commission would like to see in the 2017-2021 CIP need to be identified. Each member should come prepared to identify their top 5 priorities for the next 5 years.

The commission can then also assign a priority to each project based upon the following framework:

- 1 Critical or urgent, high-priority projects that should be done if at all possible; a special effort should be made to find sufficient funding for all of the projects in this group.
- 2 Very important, high-priority projects that should be done as funding becomes available.
- 3 Important and worthwhile projects to be considered if funding is available; may be deferred to a subsequent year.
- 4 Less important, low-priority projects; desirable but not essential.
- 5 Future Consideration

FISCAL IMPACT:

Depends on project selection. Funds will come from the Park Dedication Fund. The Fund is expected to have a balance of approximately \$770,000 by year end after completing projects in Easton Village, Pebble Park, Sanctuary, and the tennis courts at Oak Land Jr High. The only outstanding funds be expect to collect from developers is about \$107,000 from Hammes.

OPTIONS:

- 1) Commission identifies additional projects to add to the 2017-2021 CIP
- 2) No further projects are added so just the two identified previously would be forwarded on in the review process by Finance and Council
- 3) Commission recommends removal the 50th Street trail