

**FINAL REPORT**

JUL 18 2000

**Date of Report:** July 15, 2000  
**Date of Work Program Approval:** July 11, 1997  
**Project Completion Date:** June 30, 2000

**LCMR Work Program 1997**

**I. PROJECT TITLE: FT. SNELLING STATE PARK UPPER BLUFF UTILIZATION AND AYH HOSTEL (A1)**

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**Total Biennial Project Budget:**

**\$ LCMR** \$250,000  
**AYH Match:** \$20,000  
**Amount Spent** \$270,000

**A. Legal Citation: ML 1997, [Chap. 216 ], Sec. [ 15 ], Subd. 5 (a).**

**FT. SNELLING STATE PARK  
UPPER BLUFF UTILIZATION AND AYH HOSTEL**

**Subd. 5 (a)** This appropriation is from the future resources fund to the commissioner of natural resources for a cooperative project with Hostelling International and community cooperators to develop a conceptual utilization plan for the Upper Bluff Area, assess buildings for potential hostel use, and complete the design and construction documents for a building or buildings for future renovation as a hostel. This appropriation must be matched by at least \$20,000 on non-state money.

**Legal Citation: ML 1999, [Chap. 231 ], Sec. [ 16 ], Subd. 25.**

**Ft. SNELLING STATE PARK  
UPPER BLUFF UTILIZATION AND AYH HOSTEL CARRYOVER**

The availability of the appropriations for the following projects is extended to June 20, 2000: Laws 1997, chapter 216, section 15, subdivision 5, paragraph (a), Ft. Snelling State Park-upper bluff utilization and AYH hostel.

**B. Status of Match Requirement:** Hostelling International-Minnesota AYH Board of Director's resolution on February 21, 1996 for \$20,000 LCMR Match of Council funds.  
**Match Funds Received by DNR 1/1/98**

## **PROJECT CHANGES TO DATE:**

A. During the Fall of 1997, DNR, MHS and HI agreed to focus all efforts on the site occupied by buildings #17 and #18 as the future location of the hostel. Building #17 would be renovated for the hostel and building #18 would be demolished. These buildings are on property administered by MHS. A pre-design study was completed on building #17, using LCMR funds, in time for the 1998 Legislative Bonding Session.

B. In April 1998, MHS received a grant of \$600,000 from the Minnesota Legislature, to use in conjunction with LCMR funds, to complete architectural design work and complete asbestos abatement of building #17.

C. In December 1998, the DNR completed its portion of the current LCMR project to develop a conceptual utilization plan for the Upper Bluff. They along with MHS and HI-AYH requested an interagency transfer of LCMR project funds from the DNR to MHS.

D. MHS has requested and been granted from LCMR an extension on project completion to June 30, 2000.

## **II & III PROJECT SUMMARY AND RESULTS**

This project completed an evaluation of buildings in the Upper Bluff Area, identified one for an AYH hostel, created the schematic design and partial design development documents for future renovation and identified future cooperators for development of other buildings and property. The development of the Fort Snelling Hostel will provide lodging and easy access for groups, families and travelers to the recreational and educational opportunities the park provides.

Hostelling International has identified Fort Snelling State Park due to its historic buildings, recreational access and beneficial urban location as the site for the first Twin Cities International Hostel. The need for affordable lodging in the Twin Cities to serve youth, schools, civic groups and travelers is at an all time high. Hostelling's unique blend of lodging and educational programs and its successful hostel partnership with the DNR at Itasca State Park all provide an appealing cause for this unique joint venture with the DNR.

The study area included approximately 30 buildings on property owned by the MNDNR and Minnesota Historical Society within the statutory boundary of the State park. Most of the buildings were built around the turn of the century for military use. Being virtually unused for many years, these buildings and the land surrounding them required significant evaluation. As of June 30, 2000 we have completed results #1-5.

Accounting Information as of June 30, 2000

LCMR Lead Agency		Original Budget	\$ Spent	Funds Remaining
DNR	Result 1	\$40,000	\$15,000	\$25,000
DNR	Result 2	\$20,000	\$5,000	\$15,000
DNR	Result 3	\$15,000	\$51,426	(\$36,426)
	<b>Total</b>	<b>\$75,000</b>	<b>\$71,426</b>	<b>\$3,574</b>
AYH	Result 4	\$30,000	\$20,574	\$9,426
	AYH \$ Match	\$20,000	\$20,000	\$0
	<b>Total</b>	<b>\$50,000</b>	<b>\$40,574</b>	<b>\$9,426</b>
AYH	Result 5	\$145,000	\$0	\$145,000
	<b>Total</b>	<b>\$145,000</b>	<b>\$0</b>	<b>\$145,000</b>
<b>Summary</b>	<b>Project Total \$</b>	<b>\$270,000 *</b>	<b>\$112,000</b>	<b>\$158,000</b>

\* Includes \$250,000 LCMR Funds plus \$20,000 AYH Match.

**Result 1. *An infrastructure evaluation to determine the condition of existing utilities and general structural analysis of existing buildings. (DNR)***

The infrastructure analysis and a general structural analysis of the 28 buildings was completed on June 1, 1998. The original LCMR Budget amount was \$40,000 and \$15,000 was spent because much of the work was accomplished as part of result 3.

**Result 2. *An environmental assessment of the buildings and grounds to determine the scope and extent of hazardous materials (asbestos, lead, etc.). (DNR)***

A general environmental assessment of the 28 buildings and grounds was completed on January 22, 1998. The original LCMR Budget amount was \$20,000 and \$5,000 was spent.

**Result 3. *Develop a conceptual utilization plan which identifies community partners (public and private) and proposes a strategy to develop the Fort Snelling Upper Bluff site for increased recreational use and improved educational access. (DNR)***

Early in the planning process it was decided to use a process called an Historical Reuse Study Team to implement result 3. The original LCMR Budget was \$15,000 but \$51,426 was spent to accomplish the project. The Team also felt that some cultural resource documentation was needed and that increased the cost of result 3.

The Ft. Snelling State Park - Upper Bluff Reuse Study Team began their study in November 1997. They interviewed over 30 organizations and individuals interested in the buildings and grounds of the Upper Bluff. They consulted with experts in the fields of archeology, historic architecture, hazardous material abatement, recreation planners, finance and building restoration

to arrive at recommendation for reuse. The draft report with reuse recommendations was completed by September 30, 1998. The final report was published in December, 1998.

**Result 4. *Hostelling International, MNDNR and MHS will select one building on which to focus development efforts for a Fort Snelling Hostel. HI, DNR and MHS will then cooperate in the selection of an architect and/or other necessary design professionals who will conduct predesign studies in order to determine purpose, scope, and cost estimates, including pollution abatement, of the project as well as the location and cost of any additional required parking.***  
(AYH)

With the cooperation of all partners, the building adjacent to Historic Fort Snelling, known as Building #17 and formerly a cavalry barracks, was selected for hostel use. A second connected building, #18, was recommended to encapsule and preserve for future rehabilitation. In January, 1998 an architect completed a Predesign Study and renovation cost estimate for building #17. The Predesign Study was completed in time for the 1998 capital bonding session. This allowed Hostelling International to begin seeking funds for building design and renovation.

The Predesign Study included a general environmental assessment. Pre-Design cost estimates to abate this building of environmental hazards ranged from \$850,000 - \$1,250,000. In February, 1998 a hazardous materials analytical firm was contracted to conduct a more detailed environmental assessment. Upon quantifying hazardous materials in the building, three written estimates on hazardous material abatement were obtained from licensed contractors. The average of the three bids to complete abatement totaled \$340,000.

Due to the completion of the environmental assessment in April, 1998, Hostelling International was able to supply more accurate cost estimates to the Legislature. With this information, Hostelling International was successful in its quest for capital funding allowing MHS to receive a grant totaling \$600,000. The estimated distribution of these (pending final bids) funds was:

Abatement of Building #17	\$340,000
Final Design for Hostel	\$170,000
Secure/Protect Building #17	\$ 45,000
Secure/Protect Building #18	<u>\$ 45,000</u>
<b>Total Appropriation:</b>	<b>\$600,000</b>

Pre-Design Actual Cost	\$24,039 (completed January 1, 1998)
Envir. Assessment Cost	<u>\$16,535</u> (completed April 1, 1998)
Total LCMR Costs	\$40,574
Less HI-Match	<u>\$20,000</u>
<b>LCMR Total \$:</b>	<b>\$20,574</b>

Result 4 was completed at a total cost of \$40,574 which \$20,000 was the Hostelling International matching grant and \$20,574 was LCMR (the \$20,000 HI grant was originally included in Result 5 and was moved to Result 4 because of the requirement to spend the match money first). The original LCMR Workplan budget was \$50,000 with \$40,574 spent on this part of the project.

**Result 5. *Hostelling International, MNDNR and MHS will cooperate in the selection of an architect who will complete the design and construction documents and prepare a renovation cost estimate for the building selected for hostel use.***

DNR and MHS have agreed to transfer the remaining LCMR funds from DNR to MHS. MHS and AYH will encumber the remaining responsibility for the AYH portion of the LCMR project. The paperwork to complete the transfer took over eight months to complete, but funds were transferred in October, 1999.

In December, 1999 Hostelling International and MHS submitted the project RFP for architectural work. In early February, 2000, several architectural firms were interviewed for the hostel project. In March, 2000 one firm was selected and under contract to provide plans, specifications and estimates for the Fort Snelling International Hostel. Funds from both LCMR (1997) and Capital Improvements (1998) were used to complete pre-design, schematic design, and partial design development phases.

According to the results of the Pre-Design study, the final "design cost" estimate for building #17 was approximately \$350,000 (LCMR funds available for this were \$158,000, Capital Improvement funds for \$170,000, and remaining funds from AYH). At the time of this report we have schematic design documents including plans and cost estimates located at LHB Engineers & Architects, 250 Third Avenue North, Suite 450, Minneapolis, MN. When final plans are completed the documents will be housed with the Minnesota Historical Society and Hostelling International.

**See Attachment A:** Timeline for Architectural Selection, Design Documents and Cost Estimates (*adapted from 1998 Pre-Design Study, Miller Dunwiddie Architects*)

The cost estimate for site and building construction is \$5,400,000 (based on cost estimation of Schematic Design). Targeted bid opening for construction is January 1, 2001. The targeted hostel opening is Summer 2002.

#### **IV. OUTLINE OF PROJECT RESULTS:**

**Result 1.** An infrastructure evaluation to determine the condition of existing utilities and general structural analysis of existing buildings.

**LCMR Budget: \$40,000      LCMR Expenditure: \$15,000      Balance: \$25,000**  
**Completion Date: June 1, 1998**

**Result 2.** An environmental assessment of buildings and grounds to determine the scope and extent of hazardous materials (asbestos, lead, etc.).

**LCMR Budget: \$20,000      LCMR Expenditure: \$5,000      Balance: \$15,000**  
**Completion Date: January 22, 1998**

**Result 3.** Develop a plan which identifies community partners, (public and private) and proposes a strategy to develop the Fort Snelling Upper Bluff site for increased recreational use and improved educational access.

**LCMR Budget: \$15,000      LCMR Expenditure: \$51,426      Balance: (\$36,426)**  
**Completion Date: December 30, 1998**

**Result 4.** Hostelling International, MNDNR and MHS will select one building on which to focus development efforts for a Fort Snelling Hostel. HI, DNR and MHS will then cooperate in

the election of an architect and/or other necessary design professionals who will conduct pre-design studies in order to determine purpose, scope, and cost estimates, including pollution abatement of the project as well as the location and cost of any additional required parking.

<b>LCMR Budget:</b>	<b>\$30,000</b>	<b>LCMR Expenditure:</b>	<b>\$20,574</b>	<b>Balance:</b>	<b>\$9,426</b>
<b>AYH Budget</b>	<b>\$20,000</b>	<b>AYH Expenditure:</b>	<b>\$20,000</b>	<b>Balance:</b>	<b>\$0</b>
<b>Completion Date:</b>	<b>January 1, 1998</b>				

**Result 5.** Hostelling International, MNDNR and MHS will cooperate in the selection of an architect who will complete the design and construction documents and prepare a renovation cost estimate for the building selected for hostel use.

<b>LCMR Budget:</b>	<b>\$158,000</b>	<b>LCMR Expenditure:</b>	<b>\$158,000</b>	<b>Balance:</b>	<b>\$0</b>
<b>MHS Budget:</b>	<b>\$170,000</b>	<b>MHS Expenditure:</b>	<b>\$170,000</b>	<b>Balance:</b>	<b>\$0</b>
<b>Completion Date:</b>	<b>June 30, 2000</b>				

**V. DISSEMINATION:** A written report has been prepared by the DNR covering results 1, 2 & 3. This Historic Reuse Report for the Fort Snelling State Park-Upper bluff will be provided to all cooperating partners in the project and all public or private organizations that may have an interest in the development of Fort Snelling's Upper Bluff Area. We have enclosed a map of the Fort Snelling State Park Upper Bluff Area which provides a reference to building location, roads and recreational areas for the parcel. Hostelling International (AYH) has distributed its pre-design study and environmental assessment to all cooperating partners (result 4). These documents are available to anyone upon request. The design documents and plans are also available to anyone upon request (result 5).

## **VI. CONTEXT**

**A. Significance:** Fort Snelling's Upper Bluff is regionally significant for its potential to fulfill recreational and environmental education needs of the Twin Cities and citizens of Minnesota. Its location, which is in the middle of the metropolitan area and includes Historic Fort Snelling and the Fort Snelling State Park Thomas Savage Interpretive Center, offers outstanding regional and statewide opportunities.

The 1992 Future Use Study recognized the value of the property for its recreational and historical significance. The 1997 project served to properly evaluate building condition, identified cooperative partnerships for use of appropriate buildings and the lands surrounding them and effectively determined the legality of an International Hostel within the boundaries of the State Park.

Hostelling International established a successful partnership with the DNR in 1992 with the opening of the Mississippi Headwaters Hostel in Itasca State Park. This hostel's 34 beds provide lodging to over 4,500 visitors annually. The success of this joint venture project, the experience gained and the need for a Twin Cities hostel have encouraged DNR, MHS and AYH to create this partnership. Feasibility studies completed for AYH by the Carlson School of Management have rated Fort Snelling as the premier Twin Cities location for the development of an International Hostel.

In summary, this project provides a comprehensive plan for the future use of Fort Snelling State Park Upper Bluff Area and may provide an anchor tenant to encourage additional appropriate uses for other historic buildings. The development of the Fort Snelling hostel would provide lodging and easy access for groups, families and travelers to the recreational and educational opportunities the park provides.

**B. Time: The project will be completed on or before June 30, 2000.**

Funding to complete the renovation of the hostel facility is not covered in this project. Hostelling International will direct a fundraising campaign, through public and private sources, to complete the necessary renovations and open the hostel at its earliest opportunity.

The future cost of additional development of buildings and property within the Upper Bluff Area will require the cooperation of cities, school districts, DNR, MHS, AYH, public and private partnerships, the legislature and other government agencies.

**C. Budget Context:**

	<b>July 1995- June 1997 Prior Project Expenditures</b>	<b>July 1997- June 1999 State/Non-state Expenditures</b>	<b>July 1999- June 2001 Anticipated Future Expenditures</b>
1. LCMR	\$0	\$92,000	\$158,000**
2. Other State	\$0		\$600,000*
			\$3,600,000***
3. Non-State	\$0	\$20,000	\$2,000,000****
<b>Total:</b>	<b>\$0</b>	<b>\$112,000</b>	<b>\$6,358,000</b>

\* Capital Improvement Funds appropriated in 1998 to MHS for design/construction documents and asbestos abatement of building #17 for a Youth Hostel.

\*\* Remaining LCMR funds that have been extended to June, 2000.

\*\*\* Funds will be requested for construction and restoration of building #17 for a Youth Hostel and preparing the adjacent site. Estimated cost is provided by LHB Architects, June, 2000.

\*\*\*\* Capital/Occupancy funds to be raised by Hostelling International.

**1997 LCMR BUDGET BREAKDOWN**

<b>PERSONNEL: (consultants)</b>	<b>\$250,000</b>
<b>EQUIPMENT:</b>	<b>\$0</b>
<b>ACQUISITION:</b>	<b>\$0</b>
<b>DEVELOPMENT:</b>	<b>\$0</b>
<b>OTHER:</b>	<b>\$0</b>
<b>TOTAL:</b>	<b>\$250,000</b>

**VII. COOPERATION:**

Department of Natural Resources: Parks and Recreation  
Hostelling International, Minnesota AYH  
Minnesota Historical Society  
City of Minneapolis, Minneapolis Park and Recreation Board  
Ft. Snelling State Park Association  
Metropolitan Council

Hostelling International has provided a match of \$20,000 to the project. Other cooperators will contribute their time as advisors in this planning process.

**VIII. LOCATION:** A map of the Fort Snelling State Park Upper Bluff Area is attached.