

**1999 Project Abstract**

For the Period Ending June 30, 2001

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**TITLE: S09 Fort Snelling State Park - Upper Bluff Implementation**

**PROJECT MANAGER: John M. Lilly, Regional Manager**

**ORGANIZATION: DNR - Parks and Recreation**

**ADDRESS: 1200 Warner Road, St. Paul, MN 55106**

**WEB SITE ADDRESS: (If applicable)**

**FUND: Trust**

**LEGAL CITATION: ML 1999, Ch. 231, Sec. 16, Subd. 4 (j)**

**FINAL REPORT**

**APPROPRIATION AMOUNT: \$100,000**

**Overall Project Outcome and Results**

The Upper Bluff contains 28 historic buildings with over 380,000 square feet of usable space. This 141 acre site is comprised of the Polo Grounds, Area J and Officer's Row. During the 1997 - 1999 biennium, LCMR appropriated funds to develop a conceptual plan (now called the Reuse Study) for this area.

The redevelopment of the Parade Grounds will result in a state of the art Youth Sports Athletic complex to include four softball, two baseball and seven soccer/rugby fields. This effort will provide a quality facility Minneapolis children need to compete and participate with their suburban counterparts. The facilities will also be available to other Metro area groups through a reservation system. The implementation and management of this complex will be guided by a 30 year lease established and Minneapolis Parks and Recreation Board on January 7, 2001. Several agencies partnered in developing this lease to include National Park Service, State Historic Preservation Office, Dept. of Veteran Affairs, Ft. Snelling State Park Association and Dept. of Natural Resources - Parks. Currently, Minneapolis is in Phase 2 of the new waterline project which will provide service to the entire Upper Bluff area.

The Area J/Officer's Row segment of the Upper Bluff property has been reviewed through a similar Section 106 Historical Review and Environmental Assessment process with National Park Service and the State Historic Preservation Office. This has involved a deed change to allow uses other than just recreational. Other documents prepared to date include the "Program of Preservation and Utilization" and the "Design Guidelines". These all must be approved through the Federal offices before we can prepare lease(s) for prospective tenants. We have been moving forward on the tenant piece also. Based on a 1999 "call for interest" and subsequent user viability study. This study short listed three potential tenants for the project to include: Minnesota Valley Academy, Native Arts High School and Ft. Snelling Academy. The Ft. Snelling Academy board recently decided to close their doors; as such, we are reviewing previous proposals for a replacement.

There have been some additional studies prepared as part of the Upper Bluff project. These include a reuse study of Building 151 (BOQ), a historical study of the entire Upper

**Bluff area and a HABS report for Building 63. An interpretive study of the area will be forthcoming.**

#### **Project Results Use and Dissemination**

**The Reuse Study has been reprinted twice and supplied to a number of parties interested in the Upper Bluff area. Also interviews were offered to twelve interested organizations and nine interviews were held to evaluate their viability. This provided these groups with additional opportunity to offer detail to the proposals and inquire further into potential lease requirements. Inquiries have continued to come in throughout the process and more interest is expected.**

plan for the Upper Bluff area of Fort Snelling State Park.

B. Status of Match Requirement: Not Applicable

## II. PROJECT SUMMARY AND RESULTS:

During the 1997-1999 biennium, LCMR appropriated funds to develop a conceptual utilization plan (now called a Reuse Study) for the Upper Bluff area of Ft. Snelling State Park. The NEW 1999 proposed project would take this plan into the implementation stage. The Ft. Snelling State Park-Upper Bluff - Reuse Study, completed in November, 1998, will be the primary document guiding the implementation phase.

The original LCMR budget request was for \$250,000. The elements (results to be accomplished) of this project are interrelated to the degree that eliminating any one of them, as a result of less funding, will cause the project to be incomplete. The revised implementation strategy will be to complete the original results to be accomplished but reduce the scope of the master plan and marketing efforts to stay within the \$100,000 budget.

**Implementation Strategy:** The future success of the Upper Bluff depends not only on a sound plan, but on a workable approach to management. No other Minnesota State Park faces such tremendous management opportunities and challenges. The opportunities center around the partnerships and programs that can be developed to bring the Upper Bluff back to life. Upper Bluff management must include the expertise and flexibility to create these partnerships. The challenges involve the long-term care of the Upper Bluff and the need to ensure the economic viability of its operations. Through state bonding, innovative funding options, and on site revenue generated by tenants, the Upper Bluff can attain a secure future. Management and governance must be built around the ability to craft partnerships, secure capital investment, attract philanthropic support, lease structures, and secure income from tenants. To develop such a management structure, the Minnesota DNR will need to conduct extensive research of public projects around the country with similar challenges and circumstances. This research, combined with public testimony and consultant analysis, will form the basis for the management approach proposed for the Upper Bluff.

The Upper Bluff contains 28 historic buildings with over 380,000 square feet of usable space. This 141 acre site is on the National Register of Historic Places and is a National Landmark as well.

The Reuse Study suggests that the DNR establish a state chartered management partnership with skills and authorities that supplement existing expertise, particularly in professional areas that are not widely represented in the agency, such as financing, capital improvement, programming and leasing.

The Reuse Study envisions a public/private partnership to achieve the promise of the Upper Bluff. The centerpiece of this management structure could be a state chartered institution that works in partnership with the DNR. This entity would need to be authorized by the state legislature as a public corporation or private nonprofit foundation. Many examples - the Fort Mason Foundation, the Presidio Trust, Salem Partnership, and Pennsylvania Avenue Development Corporation, point to the benefits of well-structured partnerships in implementing public/private projects.

## IIIa. PAST PROGRESS SUMMARY

**Result 1:** *Project management has consisted of informal communications with the Ft. Snelling State Park Upper Bluff Consultation Team (team was responsible for completing the Reuse Study), various private charter schools groups, National Park Service, Minneapolis Park Board, Department of Children Families and Learning, Department of Administration, a private developer/financial advisor, Attorney General's Office, local legislators, Minnesota Historical Society and individuals interested in the reuse*

of the property.

*The appropriate documents have been submitted by the National Park Service that will result in change from Lands to Parks Program to the National Monument Program. This legal change is needed to allow the leasing of the historic buildings for non-recreational uses.*

*No LCMR funds have been budgeted or spent on this effort.*

*Minnesota Statutes 85.34 (1998) was amended by 2000 Minn. Laws ch. 488, art. 3, (23-25). In addition, the session laws include a special provision on the Minneapolis Park Board lease in 2000 Minn. Laws ch. 488, art. 3, (39). In general, the law allows receipts from leasing the historic buildings to be returned to the property for expenses attributable to the leasing and operation of the property.*

**Result 2:** *The master plan for the property is evolving as interested parties submit proposals to the DNR for reuse of the historic buildings. \$10,373 has been expended, mostly for consultant services to complete a financial plan which is needed for lease negotiations with potential tenant and also to assist with establishing tenant/user selection criteria.*

*A review team was brought together in October to review the proposals received from potential lessees. Eleven organizations scheduled interviews and the report was delivered to the Parks Division for further action.*

**Result 3:** *The marketing of the site, for the purpose of finding tenants for the buildings, has occurred primarily through publicity and public awareness of the site that was generated during the public process that resulted in the Ft. Snelling State Park - Upper Bluff Reuse Study and; more recently through the DNR's informal "Call For Interest" efforts. The "Call For Interest" has effectively marketed the site and has generated much media attention that will result in proposals for reuse of the property being submitted to the DNR. The deadline for proposal submission was February 11, 2000.*

*Site preparation has been initiated. The natural resources have been managed to promote return of the Oak Savanna ecotype and open the views to the Minnesota River Valley.*

### **IIIb. FINAL PROGRESS SUMMARY**

*The Minneapolis Park Board and the Minneapolis Water Department have agreed to a three phase plan to upgrade water service to the area. Currently, phase 2 is being implemented which will bring service to Area J and Officer's Row.*

*A Program of Preservation and Utilization and Development Design Guidelines have been prepared for public review and approval by NPS. These documents are part of the deed change process. A framework for long term project management is evolving. A key component of this is legislation that was submitted and passed which will now allow the DNR to collect rent and return it directly to the property for improvements and maintenance of the property. Authority is needed so that there is an ongoing, stable source of funding to provide street and utility maintenance, street lighting repairs and restoration, landscape restoration and maintenance (snow plowing, grass mowing), property manager. The current scenario for long term funding for the reuse of the buildings is to require the tenants (such as charter schools) to fund the improvements to the buildings and then pay the state a nominal rent for the privilege of using state property.*

*Negotiations with the National Park Service (NPS ) have been completed and the Recreational Complex lease with the Minneapolis Park and Recreation Board was approved as of January 17, 2001. Litigation is currently pending in which Ft. Snelling State Park Association is challenging the construction of ballfield fences and lights on the Polo Grounds by Minneapolis Park and Recreation Board. A Plan of Utilization Amendment (for the Recreational Complex) was submitted to the NPS in May, 2000 and was approved on January 5, 2001. Installation of utilities for the complex has begun*

*Representatives of the National Park Service, the Veterans Administration, the Minnesota State Historic Preservation Office, the Minnesota Department of Natural Resources and the Minneapolis Park & Recreation Board have concluded development of a Memorandum of Agreement (MOA) for the development of a youth sports complex within the Fort Snelling National Historic Landmark District. The signed MOA was received and approved by the Advisory Council on Historic Preservation on December 7, 2000.*

*Facilitated meetings with the most viable groups have taken place.*

*This process resulted in the identification of Minnesota Valley Academy, Native Arts High School and Ft. Snelling Academy as potential tenants, subject to the negotiation of satisfactory leases and compliance with other requirements. Fort Snelling Academy has since closed its doors. Once federal documentation is complete, we will begin the process of negotiating leases with Minnesota Valley and Native Arts High School and will proceed to identify other potential tenants.*

*The Historic American Buildings Survey (HABS) was completed on one of the buildings in Area - J in the event of the need for demolition. The State contracted with Minneapolis Park and Recreation Board to complete a historic study, a comprehensive interpretive plan and feasibility study for reconfiguration of the golf course. The historic study and a portion of the golf course reconfiguration (ie Bldg. 151) has been completed.*

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

**Result 1.** Establish a project management team ( Advisory Committee) to guide the realization of the recommendations outlined in the FT. SNELLING STATE PARK - UPPER BLUFF- REUSE STUDY and develop the implementation strategy.

The project management team will be advisory and will include many of the cooperative agencies and citizens outlined in section VII. COOPERATION, in this work program. The LCMR budget is \$0 because the team will consist of volunteers.

The project management will provide advice and recommendations on issues outlined below: The actual results of their work will be reflected in results 2 and 3.

- Coordinate the development of a master plan outlining an approach and timetable for the restoration of 28 historic buildings and for the development of recreation opportunities on the 141 acre site.
- Coordinate public and private interest in securing tenants or developers for the historic buildings and site.
- Marketing the site to appropriate local, regional, and national interests.  
Determine how police and fire protection will be delivered. since the property is within a Federal Military Reservation and not within the boundaries of any local community.
- Determine how site infrastructure will be upgraded and maintained.
- Work with the National Park Service and General Services Administration on deed

- 1997 LCMR funding of \$250,000 for FT. SNELLING STATE PARK UPPER BLUFF - UTILIZATION AND AYH HOSTEL. This was a cooperative project with Hostelling International 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. Hostelling International contributed \$20,000 to this project. Of the total \$250,000 AYH received \$175,000 and Ft. Snelling State Park received \$75,000 for the Reuse Study.

- The 1998 Legislative session appropriated a \$600,000 Capital Improvement grant for the Ft. Snelling International Hostel. This is for renovation for Building #17(which is adjacent to the Historic Fort) on land administered by the Minnesota Historical Society.

#### **1999 LCMR BUDGET BREAKDOWN**

**Personnel:** Consultants will be hired to accomplish the majority of the tasks outlined in the work program.

<b>Consultants:</b>	\$90,000
<b>Equipment:</b>	\$0
<b>Acquisition:</b>	\$0
<b>Development:</b>	\$0
<b>Printing/reproductions:</b>	<u>\$10,000</u>
<b>Total:</b>	\$100,000

#### **VII. COOPERATION:**

Cooperative public/private partnerships will be a requirement for the successful funding and development of the property. Many private and public cooperators were involved in the Reuse Study and will be involved in implementation stage (this project). They include: National Park Service, General Service Administration (GSA), U.S. Department of Defense, Minnesota Legislature, Federal Congressional Delegation, MN Dept. of Tourism, Minnesota Historical Society, The Preservation Alliance of Minnesota, Metropolitan Council, City of Richfield, Minneapolis Park and Recreation Board, Metropolitan Airports Commission, University of Minnesota, Ft. Snelling State Park Association, private museum interests, charter schools, residential academy and private developers (to be identified during the implementation process).

#### **VIII. LOCATION:**

The project is located in Ft. Snelling State Park, Upper Bluff which is a military reservation within Hennepin County and not within the corporate limits of any city.

#### **IX. REPORTING REQUIREMENTS:**

Periodic work program progress reports will be submitted not later than January 1, 2000; June 30, 2000; January 1, 2001. A final work program and associated products will be submitted by June 30, 2001, or by the completion date as set in the appropriation.