

Community Development Committee

For the Community Development Committee meeting of July 17, 2017

For the Metropolitan Council meeting of July 26, 2017

Subject: Parks Acquisition Opportunity Fund Grant for Nine Mile Creek Regional Trail, Three Rivers Park District, (NSP/5309 70th Street West)

District(s), Member(s): 5 – Steve Elkins

Policy/Legal Reference: MN Statutes §85.53 Subd. 3(4) and MN Statutes §473.315

Staff Prepared/Presented: Deb Streets Jensen, Senior Parks Finance Planner 651-602-1554

Division/Department: Community Development Division / Regional Parks & Natural Resources

Proposed Action

That the Metropolitan Council:

1. Approve a grant of up to \$38,687 to Three Rivers Park District to acquire an easement on a parcel at 5309 70th Street West for the Nine Mile Creek Regional Trail;
2. Authorize the Community Development Director to execute the grant agreement and restrictive covenant on behalf of the Council;
3. Consider reimbursing Three Rivers Park District for up to \$12,893 from its share of a future Regional Parks Capital Improvement Program for costs associated with acquisition of this easement; and
4. Inform Three Rivers Park District that the Council does not under any circumstances represent or guarantee that future reimbursement will be granted and expenditure of local funds never entitles a park agency to reimbursement.

Background

Regional Park Implementing Agency. This grant was requested by Three Rivers Park District on October 16, 2016. Because the Council's land acquisition appropriation for state fiscal year 2017 from the Parks and Trails Legacy Fund was exhausted by the request date, this request was delayed until a new appropriation was available. A copy of the Agency's request is attached to this item. The acquisition is located in Edina, in Hennepin County.

Policy. Strategy Two of the Siting and Acquisition policy from the *2040 Regional Parks Policy Plan* states that "*priorities for land acquisition are set by regional park implementing agencies in Council-approved master plans.*"

Funding sources. The Council's Park Acquisition Opportunity Fund (PAOF) provides resources to purchase property and easements via two state sources: the Parks and Trails Legacy Fund (PTLF) and the Environment and Natural Resources Trust Fund (ENRTF). The Council contributes further by matching every \$3 in state funds with \$2 in Council bonds proceeds. Between them, state and Council funds contribute 75% of the purchase price and eligible costs; the Regional Park Implementing Agency (Agency) contributes the remaining 25% as local match. This grant would be funded through PTLF and Council match.

Council review. Staff from the Council's Regional Parks and Natural Resources work unit:

- reviews each PAOF request to ensure that the proposed acquisition complies with state statute and Council policy;
- ensures that all necessary documentation is in place and that the appraisal is reasonable and appropriate; and
- processes requests on a first-come-first-served basis.

Subject property. The subject 7,052-square foot easement area is within the Council-approved boundaries of the regional trail. The property is located at 5309 70th Street West in Edina and is owned by Xcel Energy. Although the property contains the buildings for an Xcel substation, the easement acquisition does not touch or affect the buildings in any way.

Acquisition details. The Park District received a federal transportation grant in the amount of \$6.16 million to construct the east segment of the Nine Mile Creek Regional Trail. The funding was contingent upon the Park District securing and paying for the property rights – or being in the process of condemnation – by June 1, 2015.

If this were a typical easement acquisition, the Council would have approved the grant first, and the Agency would close after the grant was awarded. In condemnation proceedings, the *2040 Regional Parks Policy Plan* provides that *with prior approval from the Council*, an Agency may proceed with condemnation, close on the property, and then request the grant after the final costs have been determined. After preliminary negotiations to purchase the easement were unsuccessful, the Park District notified the Council on March 6, 2015 of its intent to acquire the easement through condemnation. A copy of the notification is attached.

During the course of the condemnation proceedings, a purchase agreement was reached, and the condemnation process was dropped. At the time the agreement was reached, there were no PTLF acquisition funds available, and the Council does not accept PAOF applications unless funds are available. Because the Park District stood to lose the federal funds if it delayed the acquisition, it proceeded and later submitted an application for state fiscal year 2018 PTLF funding.

Therefore, this acquisition represents a sort of 'hybrid' between a typical acquisition and a condemnation. While the *2040 Regional Parks Policy Plan* does not specifically address a 'hybrid' acquisition, staff believes issuing a grant in this situation would be in keeping with the spirit of the Policy Plan: the Park District moved forward with the acquisition in good faith after having received the Council's approval to reimburse them following the condemnation process, and the risk of losing federal funding precluded them from waiting for fiscal year 2018 funding. Staff believes it is in the public interest to make acquisitions from willing sellers whenever possible, and to withhold a grant because an agreement was reached with the seller seems contrary to that interest.

Rationale

This acquisition is consistent with:

- The 2040 Regional Parks Policy Plan;
- Appropriation requirements;
- The Nine Mile Creek Regional Trail master plan, approved by the Council on December 11, 2013 ([business item 2013-313](#)); and
- All requirements of PTLF.

Thrive Lens Analysis

This request is consistent with Thrive’s Livability outcome because it will facilitate construction of a regional trail that will eventually span the communities of Hopkins, Minnetonka, Edina, Richfield, and Bloomington.

Funding

Project budget. When a Regional Park Implementing Agency acquires an easement through condemnation, an appraisal is used to aid in determining the “damages” that will occur when the owner surrenders rights to a portion of the property. The appraised value of the expected damages is \$54,900. The administrative settlement amount was \$49,364. The grant request also includes the cost of the legal services and closing, both of which are eligible costs according to the *2040 Regional Parks Policy Plan*.

Budget item	Requested amount	
Purchase price	\$49,364	
Legal and closing costs	<u>2,207</u>	
Total costs	\$51,571	
Grant structure		
State FY 2018 PTLF PAOF	\$23,207	
Council bonds	15,471	
Grant amount not to exceed		\$38,678
Local match	<u>12,893</u>	
Project total	\$51,571	

Fund balance.

As of July 1, 2017, the combined balance available for PTLF PAOF and Council match was \$2,764,577. There are two other PTLF grant requests before the Metropolitan Parks and Open Space Commission on July 11, 2017. If all three grants are approved, the balance in the fund will be \$2,302,211.

Future reimbursement consideration. The Park District is also requesting that the Council consider reimbursing the Park District’s \$12,893 local match for this acquisition at some point in the future as a part of a regular Capital Improvement Program (CIP). When each Regional Parks Implementing Agency (Agency) prepares its CIP proposals for state bonding cycles, their proposal comprises capital projects that will be accomplished during the grant term; the proposal may also include a request for reimbursement of some of their match dollars from past projects. A request for “future reimbursement consideration” is the mechanism used to obtain the Council’s conditional approval to include the match for this easement acquisition in a future CIP cycle. Because the Council issues bonds to cover exactly 40% of CIP costs for a given state bonding cycle, such reimbursements are limited. The Council is under no obligation to reimburse this amount.

Known Support / Opposition

There is no known opposition. A Metropolitan Parks and Open Space Commissioner questioned whether the acquisition would be subject to legal challenge because it doesn’t conform exactly to the *2040 Regional Parks Policy Plan*. Jonathan Vlaming of Three Rivers Park District and Steve Sullivan of

Dakota County Parks explained that the title to the property passed during the condemnation process, but the valuation portion of the transaction occurred outside of court, with a willing seller.

Metropolitan Parks and Open Space Commission

Meeting date: July 11, 2017

For the Community Development Committee meeting of July 17, 2017

For the Metropolitan Council meeting of July 26, 2017

Subject: Parks Acquisition Opportunity Fund Grant for Nine Mile Creek Regional Trail, Three Rivers Park District, (NSP/5309 70th Street West)

MPOSC District: C – Margie Andreason

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Exhibit List

- Exhibit 1: Three Rivers Park District grant request letter
- Exhibit 2: Images
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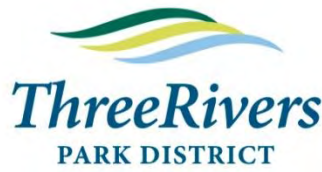
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October 4, 2016

Three Rivers
Park District
Board of
Commissioners

Mr. Emmett Mullin, Manager
Regional Parks and Natural Resources Unit
Community Development Division
390 North Robert Street
St. Paul, MN 55101

Penny Steele
District 1

RE: Park Acquisition Opportunity Grant Fund Request
Nine Mile Creek Regional Trail: Reimbursement Request No. 3

Jennifer DeJournett
District 2

Dear Emmett,

Daniel Freeman,
Vice Chair
District 3

Three Rivers Park District respectfully requests a Park Acquisition Opportunity Grant Fund grant for Nine Mile Creek Regional Trail in the amount of \$38,722 for acquisition of a public trailway easement (Parcel 22) in the City of Edina. It is noted that this request was previously submitted on December 4, 2015; however, the Metropolitan Council did not process the request and the balance of the Parks and Trail Legacy Fund has since be allocated to other acquisition requests. In light of these events, the Park District respectfully requests that this request be processed and forwarded to the Metropolitan Parks Open Space Commission, Community Development Committee, and Metropolitan Council for consideration and approval immediately upon the 2018 Parks and Trails Legacy Fund appropriation and prior to processing and approving any other Parks and Trails Legacy Fund Acquisition Fund requests.

John Gunyou,
Chair
District 4

John Gibbs
District 5

It is also noted that we are re-submitting the initial request to comply with the new grant request system and to correct the initial request amount which inadvertently included the amount of a temporary easement.

Gene Kay
Appointed
At Large

Reimbursement Request Reference Number
For communication and tracking purposes, this request is designated as Nine Mile Creek Regional Trail Reimbursement Request No. 3. Previous and subsequent grant requests follow this precedence.

Steve Antolak
Appointed
At Large

Background
The Park District received a federal transportation grant in the amount of \$6.16 million to construction the east segment of Nine Mile Creek Regional Trail in the City of Edina. This funding source required that all property rights be secured and paid for or in the process of being condemned no later than June 1, 2015.

Boe Carlson
Superintendent

Due to preliminary unsuccessful negotiations, and as required by the federal grant, the Park District commenced condemnation in spring 2015 on four public trailway easements including Parcel 22. The Metropolitan Council was notified of the Park

District's intent to utilize condemnation and seek an Acquisition Opportunity Fund Grant at a later date on March 6, 2015.

Since then, the Park District successfully negotiated the acquisition Parcel 22 on a willing seller basis.

Easement Summary

The table below summarizes the regional trail easement included in this request. As required by the associated federal transportation grant, the Park District provided payment for Parcel 22 upon successful negotiation of the purchase price.

Parcel	Location/Description	Status	Easement Price
Parcel 22	5309 70th Street West, Edina, MN 55439 PID 08-116-21-11-0029 7,052 square feet of permanent easement	Acquired <ul style="list-style-type: none">• Board Approved May 21, 2015• Part of original condemnation package• Settled prior to completion of condemnation	\$49,364.00 <ul style="list-style-type: none">• Paid for in accordance with federal transportation grant

Support Material

The following documentation was previously conveyed to the Metropolitan Council:

- Notification of intent to pursue condemnation
- Park District authorization to file condemnation petition
- Appraisal

Park Acquisition Opportunity Fund Grant Timing

The Park District is requesting that the Park Acquisition Opportunity Grant Fund request be processed and forwarded to the Metropolitan Parks Open Space Commission, Community Development Committee, and Metropolitan Council for consideration and approval immediately upon the 2018 Parks and Trails Legacy Fund appropriation and prior to processing and approving any other Parks and Trails Legacy Fund Acquisition Fund requests.

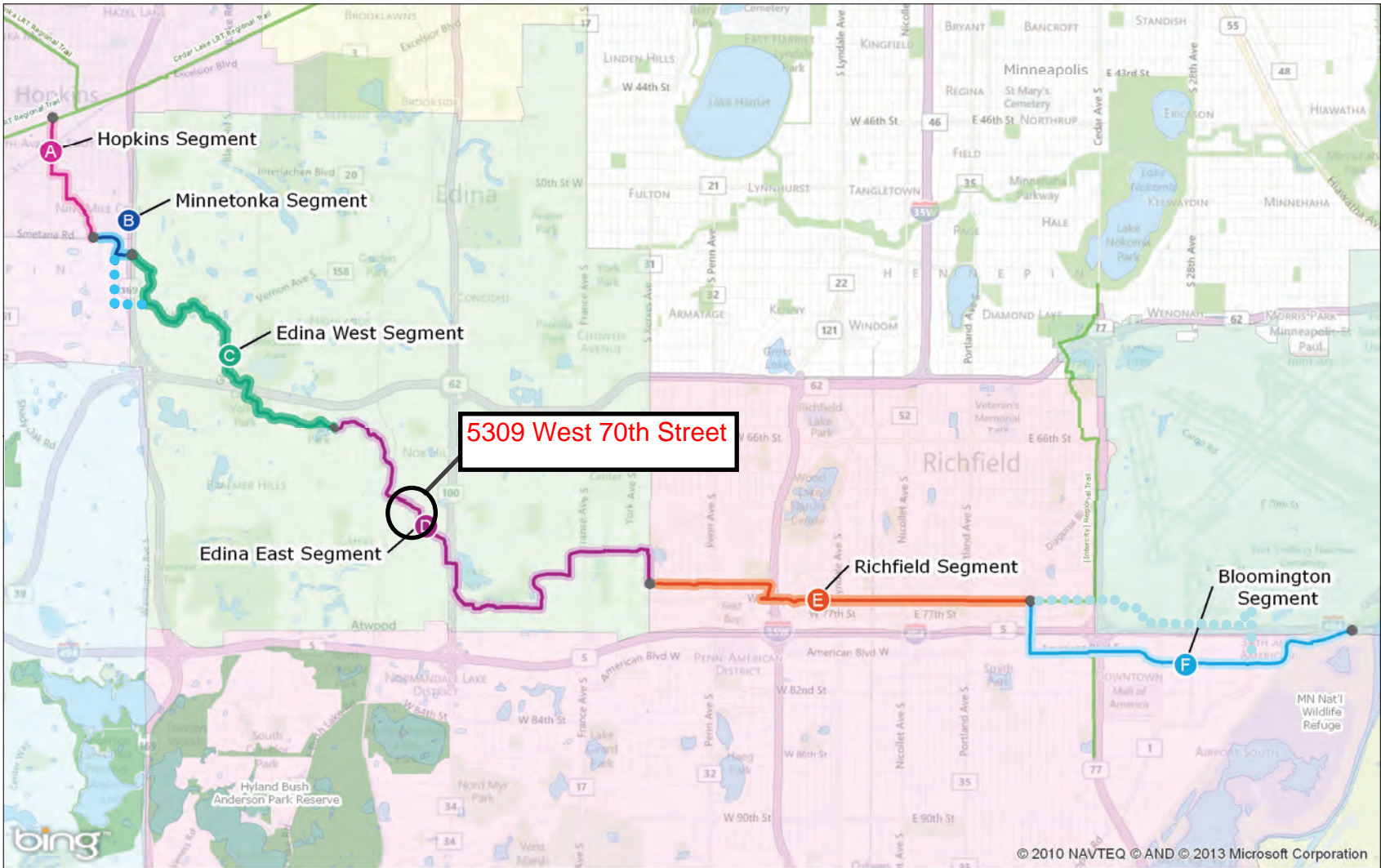
The Park District will provide additional Park Acquisition Opportunity Grant Fund request(s) for the remaining public trailway easements upon completion of successful negotiation or the condemnation process.

Thank you,



Heather Kuikka
Administrative Specialist - Planning

C: Jonathan Vlaming, Associate Superintendent
Kelly Grissman, Director of Planning



Nine Mile Creek Regional Trail | Segment Divisions

Map prepared by Three Rivers Park District Planning Department - KG September 10, 2013

This GIS Data is provided "as is" without warranty of any representation of accuracy, timeliness, or completeness. The user acknowledges and accepts the limitations of the Data, including the fact that the Data is dynamic and is in a constant state of maintenance, correction, and update.

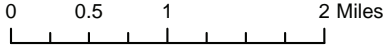


Figure 10
Nine Mile Creek Regional Trail Segment Identification
Source: Three Rivers Park District



- EASEMENT LINE
- - - - - RIGHT-OF-WAY
- ADJACENT PROP. LINE

- PERMANENT TRAIL EASEMENT
7,052 SQ FT
- TEMPORARY TRAIL EASEMENT
3,678 SQ FT

300
DR SLATE 300
343-9302

THREE RIVERS PARK
DISTRICT - NINE MILE
CREEK REGIONAL TRAIL

PARCEL 22
5309 70TH ST. W.
EDINA, MN 55439
NINE MILE CREEK
PERMANENT
EASEMENT ACQUISITION

FILE NO.
127099-22

DATE
10/21/14

HENNEPIN
COUNTY



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Review

Application Details

Print to PDF | Review | Funding Opportunity | Annotations(0)

04280 - 2016 Parks Acquisition Grants

06395 - Nine Mile Creek Regional Trail: Reimbursement No. 3 - 5309 70th Street West
Parks Grants Acquisition

Applicant Information

Primary Contact:

Name:* Ms. Heather Kuikka
Salutation First Name Middle Name Last Name

Title:* Administrative Specialist - Planning

Department:

Email:* Heather.Kuikka@threeriversparks.org

Address:* 3000 Xenium Lane N

* Plymouth Minnesota 55441
City State/Province Postal Code/Zip

Phone:* 763-559-9000
Phone Ext.

Fax:

What Grant Programs are you most interested in?* Parks Grants Acquisition

Organization Information

Name:* THREE RIVERS PARK DISTRICT

Jurisdictional Agency (if different):

Organization Type:

Organization Website:

Address:* RESERVATIONS
 3000 XENIUM LN N

* PLYMOUTH Minnesota 55441-2661
City State/Province Postal Code/Zip

County:* Hennepin

Phone:* 763-559-6700
Ext.

Fax:

PeopleSoft Vendor Number 0000057347A1

Project description

Please limit acquisition requests to a single park or trail

Park or trail name Nine Mile Creek RT-Three Rivers Park District

Master plan

An acquisition request will not be considered complete or added to an ENRTF work plan until the property is included in a Council-approved master plan.

Is the project consistent with a Council-approved master plan? **Yes**

If yes, name of master plan and date of Council approval

Name of master plan

Council approval date - Format: mmddyyyy (Do not enter any punctuation.)

If no, has a master plan amendment been submitted to the Council for review and approval?

Acquisition method

Acquisition method

Condemnation

If the acquisition method is anything other than routine, provide more detail.

*This question seeks a general description of the acquisition method - is this a routine purchase, or does it involve a land donation, park dedication fees, condemnation, or some combination? Please use this space to describe the overall acquisition **project**.*

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Is any portion of the property currently in the public domain? **No**

If yes, describe/name the entity and the portion of the property it owns, as well as why this public-to-public transfer is necessary.

If condemnation will be involved, include documentation of your governing body's authorization (on the Other Acquisition Attachments web page).

If condemnation is involved, date the petition was/will be filed. **02/11/2015**

If condemnation is involved, expected settlement date **05/21/2015**

Are there easements or other encumbrances on any part of the property? **No**

If yes, describe

Closing date

*The Council will process all acquisition requests expeditiously, but we do not guarantee that the approval process will be completed to meet your requested closing date. This date will be considered an **estimate** only. However, the acquisition must be completed during the grant term.*

Estimated closing date **05/21/2015**
Format: mmddyyyy (Do not enter any punctuation.)

Date purchase agreement expires
Format: mmddyyyy (Do not enter any punctuation.)

Appraisal effective date **12/05/2014**

Appraisal information

Appraised value **\$49,364.00**

Amount being offered the seller (net of closing and other costs) **\$49,364.00** **100.0%**
% of appraised value

Appraisal date **12/05/2014**

Who performed the appraisal? **Evergreen Land Services Company**

Who contracted for the appraisal (i.e., was it done at arms' length)? **Short Elliott Hendrickson, Inc.**

Was a survey done? **Yes**

Quality of natural resources - is the property...

...undeveloped?

Fully

Partially

...wooded?

Fully

Partially

...shoreline?

Fully

Partially

Describe the existing natural resources it contains

N/A - Regional Trail Easement in Urban Area

Suggested funding source

For guidance, see the PAOF rules in the 2040 Regional Parks Policy Plan at <http://metrocouncil.org/Parks/Publications-And-Resources/POLICY-PLANS/2040-Regional-Parks-Policy-Plan.aspx>; for **ENRTF fee title acquisition project requirements**, see http://www.lccmr.leg.mn/pm_info/enrtf_fee-title-acquisition-project-requirements.pdf

The Council will review your project specifics and work with you to determine the optimal funding source(s).

Anticipated funding source

PTLF Legacy / Council match

Select as many as apply

Structures currently on the property

Does the property contain ANY structures?

If yes, are there any habitable structures?

No

If yes, what is the plan for the structure(s)?

If there are habitable structures, could they be relocated? If yes, how? If no, why not?

For ENRTF funding only

If this will use ENRTF funding, LCCMR rules require that you describe the selection process used to identify these proposed parcels.

NOTICE: ENRTF funding has specific requirements for disseminating information to the public when property is purchase through the Trust Fund. It is the agency's responsibility to meet those requirements and to provide documentation to the Council BEFORE payment will be made.

Does the property currently contain any revenue-generating businesses?

Yes

If the property contains habitable structures or revenue-generating businesses, describe:

Although the subject property contains buildings, the acquisition does not touch or affect the buildings owned by Northern States Power/Xcel Energy. NSP/Xcel Energy Substation.

Stewardship and minimal access

Describe the stewardship plan.

N/A. This is for a permanent easement.

How will the stewardship implementation be funded?

N/A. Easement only.

Are you requesting funds to provide minimal access to the property (prior to it being open to the public) as part of this grant request?

No

If yes, how will those funds be used?

Local match

Source of local match

TRPD General Obligation Bond Funds

Will you be requesting consideration for

Yes

future reimbursement of any part of your local match?

If yes, how much? \$49,364.00

Sellers and parcels

Seller name	Parcel address	PID	Acres	Date PA signed	Habitable structures?	MN House district	City	County	Met Council district	MPOSC	Latitude	Longitude
Northern States Power Company	5309 70th Street West, Edina, MN 55439	08-116-21-11-0029	0.16	05/21/2015	No	49B	Edina	Hennepin		District C	44.874110	-93.359443
			0.16									

Grant agreement signatories

Full name	Title	If this is an attorney, is the signature 'for form only'?
Boe	Superintendent	

Acquisition Costs

Cost Items	Amount
Purchase price	
Negotiated purchase price	\$49,364.00
Appraisal expenses	
Appraisal	\$0.00
Appraisal review	\$0.00
Environmental expenses	
Phase I environmental site assessment	\$0.00
Phase II environmental site assessment	\$0.00
Environmental contamination remediation	\$0.00
Holding expenses	
Interest	\$0.00
Land stewardship	\$0.00
Land development	\$0.00
Pro-rated share of all property taxes/assessments	\$0.00
Legal services and closing costs	\$2,207.09
Property tax equivalency payment-473.341	\$0.00
Relocation costs to seller	\$0.00
State deed tax/conservation fee	\$0.00
Title insurance	\$0.00
Well disclosure statement	\$0.00
Other holding	\$0.00
Other expenses	
Other expenses	\$0.00
Totals	\$51,571.09

Total Estimated Acquisition Costs

Totals	Total acquisition cost	Total paid with state funds	Total paid with metro funds	Total paid by agency	Total grant amount
Total Estimated Acquisition Cost (calculated after costs above are entered)	\$51,571.09	\$23,206.99	\$15,471.33	\$12,892.77	\$38,678.32

Required Attachments

Attachment	Description	File Name	Type	File Size
Section 1 - REQUIRED FOR ALL REQUESTS				

REQUEST FOR BOARD ACTION

Meeting Date: 05/21/15 Business Item: Unfinished Item Number: **6A**

Division: Planning, Design & Technology Originating Source: Jonathan Vlaming, Assoc. Supt.

Agenda Item: Approval to Purchase Permanent Easement for Nine Mile Creek Regional Trail

Superintendent’s Recommendation:

MOTION TO APPROVE PURCHASE IN THE AMOUNT OF \$57,100.00 FOR 7,052 SQUARE FEET OF PERMANENT EASEMENT AND 9,137 SQUARE FEET OF TEMPORARY EASEMENT AT 5309 WEST 70TH STREET IN EDINA, MINNESOTA FOR THE NINE MILE CREEK REGIONAL TRAIL.

The following information was prepared by Eric Nelson, Senior Manager of Engineering.

Background Information:

The Board authorized staff to acquire easements required to complete the Nine Mile Creek Regional Trail in Edina at its regular meeting on December 18, 2014, with the understanding that finalized permanent easements would be brought before the Board for approval at future meetings.

Since that meeting, staff has been able to reach an agreement with one private property owner where an easement is required (**Reference 6A-1**). A summary of information regarding the purchase is provided below. The permanent easement is eligible for partial funding of up to 75 percent of the purchase price and associated costs through the Metropolitan Council Land Acquisition Grant program.

7100 Ohms Lane

- Trail construction requires 7,052 square feet of permanent easement and 9,137 square feet of temporary easement
- Total appraised value of required permanent easement area: - \$49,400
- Total appraised value of required temporary easement area: - \$5,500
- Offer of \$54,900 was made to property owner
- Counter offer of \$57,100 (4.0 percent above appraised value) made by property owner and accepted by Park District on April 30, 2015.

Relationship to the Vision Plan

The Request for Action supports the following element(s) of the Vision Plan:

- Inspire people to recreate
- Create vibrant places

Relationship to the Policy Statement

The Request for Action supports the following element(s) of the Policy Statement:

- Policy VI – System/Master/Project Planning
 - C. Project Plans
- Policy VII – Land Acquisition
 - B. Method of Acquisition
- Policy IX – Recreation Use
 - B. General Interest Recreation Activities

Reference 6A-1

**NINE MILE CREEK REGIONAL TRAIL
EASEMENT AGREEMENT**

Click below to view/print agreement.

[2015 Board References\05-21 Nine Mile Creek Regional Trail Easement Agreement.pdf](#)

Three Rivers Park District
Nine Mile Creek Regional Trail

Administrative Settlement

Property Owner: Northern States Power

Property Address: 5309 70th Street West
Edina, MN 55439

Type of Taking: **Permanent and Temporary Easements**

Original Offer Date: January 29th, 2015

Proposed Settlement: Increased temporary easement area of 2,652 sf due to a request by the property owner.

Original Offer Amount: \$54,900.00 plus potential temporary extension of \$1,900.00

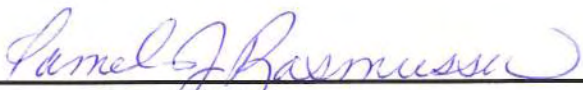
Proposed Settlement Amount: \$7,700.00 (rounded) for the temporary easement and \$2,600.00 (rounded) for the 6 month extension.

TOTAL \$57,100.00 (rounded) plus potential temporary extension of \$2,600.00

Submitted By:

Matthew Storm
Evergreen Land Services, Agent for Three Rivers Park District

Accepted by:



Northern States Power

December 5, 2014

Mr. Toby Muse, PE
Short Elliott Hendrickson, Inc.
10901 Red Circle Drive, Suite 300
Minnetonka, MN 55343-9302



**RE: Appraisal of Partial Acquisition
5309 - 70th Street W.
Edina, MN 55439
Owners: Northern States Power Co.**

Dear Mr. Muse:

At your request, I have made an appraisal of the above-referenced property for the purpose of estimating the just compensation of the Three Rivers Park District's acquisition. It is my understanding that the intended use of the appraisal is to provide the Park District valuation guidance for the acquisition. Because the acquisition is a partial acquisition the appraisal is prepared in a "before and after" methodology in order to estimate the value damages to the property as a result of the acquisition. The compensation for the acquisition is simply the difference between the value of the property prior to the project (before value) and the value of the remaining property after the acquisition (after value). Although the subject property contains building improvements of Xcel Energy service buildings, substation and other business related improvements, the improvements will not be valued since it is the appraiser's judgment that the improvements will not be impacted by the acquisition.

The subject of this report is a 12.90 acre parcel of land located at 5309 - 70th Street W., City of Edina.

The acquisition consists of 7,052 sf of permanent easement for drainage, utility, trail and bikeway purposes, and 6,485 sf of temporary easement for construction purposes that begins on June 1, 2015 and expires on November 30, 2016 (1.5014 years).

Based upon the inspection of the property and after consideration of the many factors influencing market value, it is my opinion that total damages due to the acquisition over a portion of the subject property are **\$ 54,900** as of October 7, 2014.

This appraisal is intended to comply with the Uniform Standards of Professional Appraisal Practice (USPAP). If you have any questions or comments after reading this appraisal report, please feel free to contact me.

A handwritten signature in blue ink that reads "Patricia J. Nolan".

Patricia J. Nolan
MN Certified General Real Property
Appraiser License No. 20243478
651-882-0200



March 6, 2015

Jan Youngquist, Manager
Regional Parks and Natural Resources Unit
Community Development Division
390 North Robert Street
St. Paul, MN 55101

RE: Nine Mile Creek Regional Trail - Notice of Condemnation and Intent to Request
a Park Acquisition Opportunity Fund Grant at a Future Date

Dear Jan,

This letter serves as Three Rivers Park District's notification to the Metropolitan Council of its intent to pursue condemnation of four public trailway easements for Nine Mile Creek Regional Trail in the City of Edina and to seek an Acquisition Opportunity Fund Grant at a later date.

Immediate Request

Please review this request and, at your earliest convenience, confirm receipt and inform me of any concerns. In addition, please review with your legal counsel the Park District's request to potentially seek a retroactive grant if willing seller settlement agreements are reached prior to the completion of the condemnation proceedings and notify me of his/her recommendation.

Condemnation Need and Affected Properties

The associated \$6.16 million Federal Surface Transportation Grant requires that all right-of-way is secured and paid for by June 1, 2015. If this requirement is not met, the Park District is at risk of losing the grant and ultimately not being able to fund construction of the Nine Mile Creek Regional Trail: Edina East Segment. As such the Park District has commenced condemnation for regional trail easements across the properties listed on the following page.

Parcel	Location	Description
Parcel 11	5400 70th Street West, Edina, MN 55439 PID 08-116-21-11-0018	4,919 square feet of permanent easement
Parcel 16	4900 77th Street West, Edina, MN 55435 PID 31-028-24-33-0009	7,228 square feet of permanent easement
Parcel 22	5309 70th Street West, Edina, MN 55439 PID 08-116-21-11-0029	7,052 square feet of permanent easement
Parcel 27	7125 Ohms Lane, Edina, MN 55439 PID 09-116-21-22-0028	2,305 square feet of permanent easement

Park Acquisition Opportunity Fund Grant Requirements

In accordance with the Park Acquisition Opportunity Fund Grant Rules, I am attaching the documentation listed below and will forward the final settlement/award, certificate, and other required documents upon settlement.

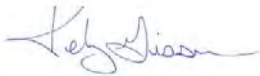
- 1) Agency's authorization to file condemnation petition
- 2) Condemnation petition and intent to file condemnation
- 3) Associated appraisals, appraisal reviews, and offer letters

Settlement Prior to Condemnation Completion

The Park District is still actively negotiating with property owners to reach settlement agreements on a willing seller basis. As such, it is possible that the Park District will reach settlement agreements before the completion of the condemnation. If this happens, the Park District may not be able to reasonably obtain Metropolitan Council approval prior to purchasing the regional trail easement due to the federal grant which requires payment for the easement no later than June 1, 2015. The Park District will keep the Metropolitan Council apprised of any successful negotiation efforts and respectfully requests an opportunity to submit a retroactive grant request should this situation arise.

I would appreciate if you would confirm receipt and inform me of any concerns regarding this notification by the end of next week. As always, thank you for your assistance with the above matter.

Sincerely,



Kelly Grissman
Director of Planning

Enclosures

- C: Boe Carlson, Superintendent
Jonathan Vlaming, Associate Superintendent
Eric Nelson, Senior Manager of Engineering