

Metropolitan Parks and Open Space Commission Report

For the Community Development Committee meeting of June 7, 2021

For the Metropolitan Council meeting of June 23, 2021

Subject: Gale Woods Farm Special Recreation Feature, Park Acquisition Opportunity Fund (Olson), Three Rivers Park District

Proposed Action

That the Metropolitan Council:

1. Approve a grant from the Parks and Trails Legacy Fund of up to \$459,375 to Three Rivers Park District to acquire the vacant rural residential 27.87-acre Olson property adjacent to Gale Woods Farm, just west of Woodedge Road in Minnetrista, for Gale Woods Farm Special Recreation Feature.
2. Authorize the Community Development Director to execute the grant agreement and restrictive covenant on behalf of the Council.

Summary of Committee Discussion/Questions

Jessica Lee, Senior Parks Planner, presented the staff report to the Metropolitan Parks and Open Space Commission at its meeting on June 3, 2021. Kelly Grissman and Heather Kuikka from Three Rivers Park District were in attendance and responded to questions. Emmett Mullin, Regional Parks Manager, and Nicole Clapp, Senior Grants Administrator, also responded to questions.

Chair Tony Yarusso asked about the current legacy balance. Ms. Lee responded that there is approximately \$663,000 available from the FY21 Parks and Trails Legacy Fund (PTLF) Park Acquisition Opportunity Fund (PAOF) account along with minimal amounts of funds from previous fiscal year balances. Commissioner Peichel asked for an overview of the PAOF program for the new commissioners. Ms. Lee gave a brief overview of the first-come, first-served program that funds high quality acquisitions for the Regional Parks System using a mix of PTLF, Environment and Natural Resources Trust Funds (ENRTF), and Council funds.

Commissioner Moeller asked about the small balance of PAOF funds remaining, and whether or not we would be expecting more funding for FY2022. Mr. Mullin responded that the State Legislature is currently considering two ENRTF appropriations that are dependent on the legislature resolving their current budget discussions. In addition, the State Legislature is considering FY2022 and 2023 Parks and Trails Legacy funds for this important program. Commissioner Harris asked if the remaining Legacy balance will be rolled over, and Mr. Mullin responded that yes, the Legacy funds will carry over into the next fiscal year.

Commissioner Harris also asked if there will be access to the parcel and the park from the Dakota Rail Regional Trail. Ms. Kuikka responded that the trail runs alongside the property and there is also a formal trail connection to the park at the main parking lot.

Chair Yarusso recommended the action be amended to include the funding source, the Parks and Trails Legacy Fund. The Metropolitan Parks and Open Space Commission voted unanimously to recommend the proposed action as amended.

Metropolitan Parks and Open Space Commission

Meeting date: June 3, 2021

For the Community Development Committee meeting of June 7, 2021

For the Metropolitan Council meeting of June 23, 2021

Subject: Gale Woods Farm Special Recreation Feature, Park Acquisition Opportunity Fund (Olson), Three Rivers Park District

MPOSC District: District B, Robert Moeller

Council District, Member: 3, Christopher Ferguson

Policy/Legal Reference: Minn. Const. art. XI, sec. 15; Minn. Stat. § 473.315; *2040 Regional Parks Policy Plan*, Chapter 4, Siting and Acquisition Policy- Strategy 1; Chapter 5, Planning Policy- Strategy 1; Chapter 8, Finance Policy- Strategy 7.

Staff Prepared/Presented: Jessica Lee, Senior Parks Planner (651-602-1621)

Division/Department: Community Development

Proposed Action

That the Metropolitan Council:

1. Approve a grant of up to \$459,375 to Three Rivers Park District to acquire the vacant rural residential 27.87-acre Olson property adjacent to Gale Woods Farm, just west of Woodedge Road in Minnetrista, for Gale Woods Farm Special Recreation Feature.
2. Authorize the Community Development Director to execute the grant agreement and restrictive covenant on behalf of the Council.

Background

Regional Park Implementing Agency (Agency) and Project Request

Three Rivers Park District requested this grant on April 15, 2021, to fund the acquisition of a 27.87-acre property for Gale Woods Farm Special Recreation Feature. A copy of the Agency's request is attached to this item as Exhibit 2 with application details in Exhibit 3. Gale Woods Farm Special Recreation Feature is located in southwest Hennepin County.

Subject Property

As shown in Exhibit 1, the subject property is within the Council-approved boundary of Gale Woods Farm Special Recreation Feature. The property is heavily wooded with small pockets of wetlands. The parcel does not contain any structures and is zoned for agriculture. Stewardship needs are minimal and will include vegetative cleanup, removal of any invasive plants, and native plant restoration. Additionally, the parcel is bordered on the south by the Dakota Rail Regional Trail.

Park Acquisition Opportunity Fund (PAOF)

The Council's Park Acquisition Opportunity Fund (PAOF) Program provides funding 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 by matching every \$3 in state funds with \$2 in Council funds. The \$3 to \$2 match is required at the program level, not individual project level. This project will be funded with PTLF.

State and Council funds contribute up to 75% of the purchase price and eligible costs; the Regional Park Implementing Agency (Agency) contributes the remaining 25% as local match.

Project budget

The appraised value of the property is \$595,000, and the Seller has agreed to 100% of the appraised amount. See Exhibit 6 for more information on the appraisal. The total project cost including legal fees, taxes, and stewardship is \$612,500, as shown below.

Table 1. Project budget

Budget item	Requested amount
Purchase price	\$595,000
Stewardship	\$6,200
Appraisal, legal fees, taxes	\$11,300
Total costs	\$612,500
Grant structure	
Grant amount	\$459,375
Local match	\$153,125

Acquisition Details

This is a straightforward, fee simple transaction. There are no easements or lease constraints on the property.

Rationale

Council staff conduct review of each PAOF request on a first-come-first-served basis under the following standards:

- the proposed acquisition complies with state statute and Council policy
- all necessary documentation for the acquisition is in place
- the appraisal is reasonable and appropriate

This acquisition is consistent with:

- The *2040 Regional Parks Policy Plan*
 - Planning Policy Strategy 1 requires that before an Agency can receive a grant for acquisition, the proposed project must be consistent with a Council-approved master plan. The Council approved the Gale Woods Farm Special Recreation Feature master plan amendment on February 24, 2021 ([Business Item 2021-38](#)). The proposed acquisition is consistent with the approved amendment, which expanded the boundary to include the Olson property that is the subject of this request.
 - Siting and Acquisition Strategy 1 prioritizes the acquisition of lands with natural resource features, access to water, and/or restoration potential for the Regional Parks System. The subject property is heavily wooded, has minimal restoration needs, and will be added to the existing natural resource features at Gale Woods Farm.
 - Finance Strategy 7 authorizes the use of PAOF as the funding mechanism for the acquisition of Regional Park lands and matching every \$3 in state funds with \$2 in Council bonds.
- All requirements of PTLF. This funding aligns with the goals of the *25-year, Parks and Trails Legacy Plan*, strategic direction of “Acquire land – create opportunities.”

Thrive Lens Analysis

This request is consistent with Thrive's Livability and Stewardship outcomes. The Council's investment in Gale Woods Farm Special Recreation Feature will provide additional access to outdoor recreation, enhance quality of life, and further protect natural resources.

Funding

The Council will fund this grant through Parks and Trails Legacy Funds. Funds are available in the Council's Authorized Capital Program.

Three Rivers Park District will provide a local match of \$153,125.

Known Support / Opposition

The Board of the Three Rivers Park District first approved the purchase of this property on April 16, 2021. The Council requested an appraisal update which resulted in an amended purchase agreement. The amendment to the purchase agreement was signed and approved by the Board on May 20, 2021, as shown in Exhibit 4. There is no known opposition associated with this acquisition or grant.

Exhibit List

- Exhibit 1: Images
- Exhibit 2: Grant request letter
- Exhibit 3: Grant application
- Exhibit 4: Board approval to purchase property
- Exhibit 5: Purchase agreement
- Exhibit 6: Appraisal excerpt

Exhibit 1 – Images

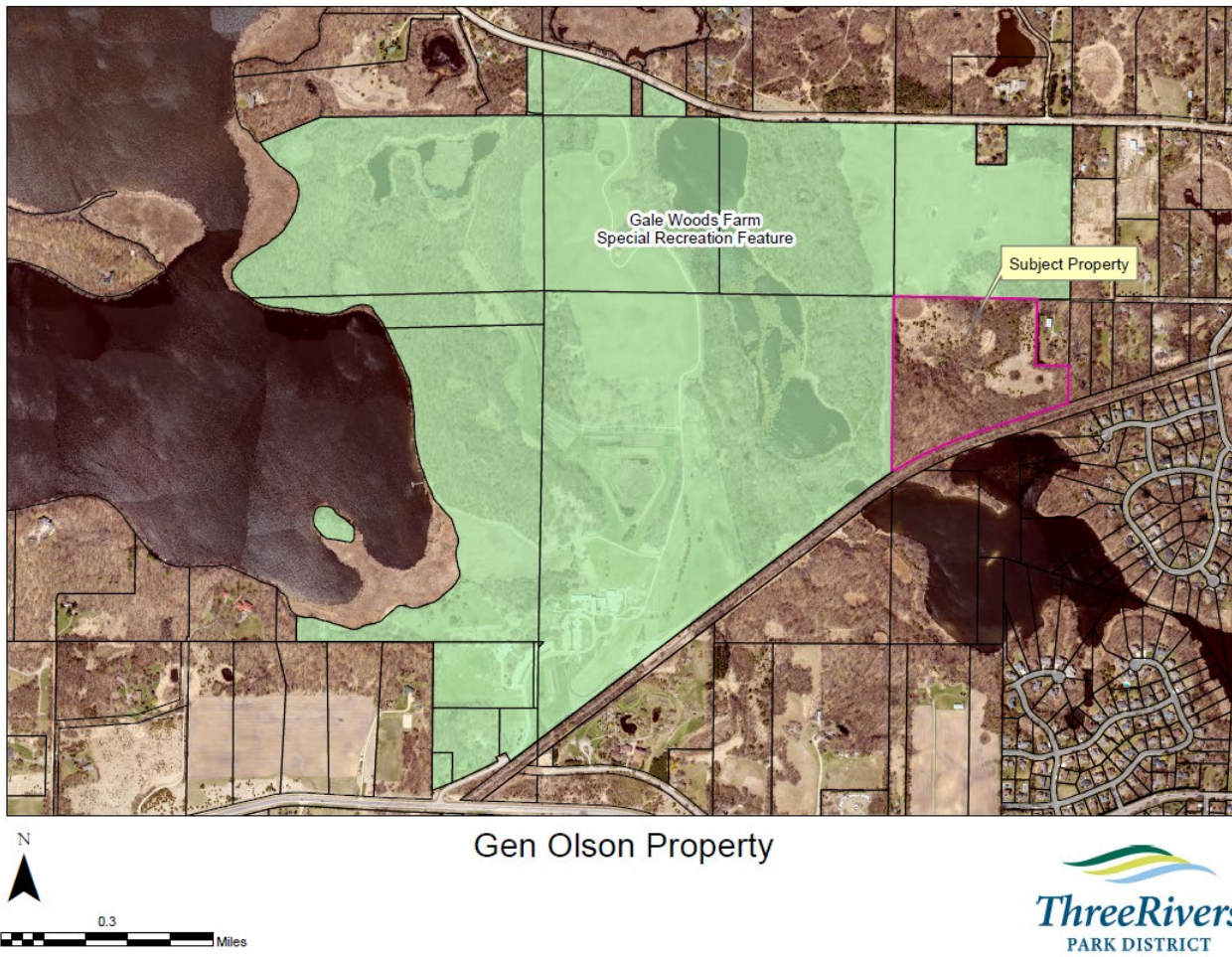


Figure 1. Map of Gale Woods Farm Special Recreation Feature with the Olson property outlined in red



Figure 2. Oblique aerial of the Olson property, outlined in red, extracted from the Day Group appraisal report



April 15, 2021

Three Rivers
Park District
Board of
Commissioners

Marge Beard
District 1

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

Jennifer DeJournett
District 2

RE: Park Acquisition Opportunity Grant Fund Request
Gale Woods Farm: Olson Property
36 Address Unassigned
Minnetrista, MN
PID: 22-117-24-12-0002

Daniel Freeman
Vice Chair
District 3

Dear Emmett,

Three Rivers Park District respectfully requests a Park Acquisition Opportunity Grant for Gale Woods Farm SRF (Gale Woods) in the amount of approximately \$459,375 for acquisition of 27.87 acres located in the City of Minnetrista. Please process this request and forward to the Metropolitan Parks Open Space Commission, Community Development Committee and Metropolitan Council for consideration and approval.

John Gunyou
Chair
District 4

Background Summary

John Gibbs
District 5

Staff have been working with the property owner for several years working in the background to update the 2040 Regional Parks Policy, amend the Gale Woods SRF Master Plan and obtain municipal consent for the acquisition. All of these steps are now complete, and Three Rivers and the property owner successfully negotiated a purchase agreement reflective of the appraised value.

Steven Antolak
Appointed
At Large

Natural Resource Summary

The additional property offers comparable natural resources value to Gale Woods parkland already owned by Three Rivers and will be managed similarly to the broader park.

Gene Kay
Appointed
At Large

The subject property is mostly undeveloped open space with mature maple-basswood trees. The park master plan calls for the majority of the parcel to be retain its natural habitat with native plantings, buckthorn removal, and protect wetlands.

Boe Carlson
Superintendent

Funding Request and Timing

Three Rivers requests FY2021 Parks and Trails Legacy Fund and Metropolitan Council acquisition funding consideration at the Council's earliest opportunity in preparation with a pending closing date of June 24, 2021.

Administrative Center, 3000 Xenium Lane North, Plymouth, MN 55441-1299

Thank you for your continued assistance through this process.

A handwritten signature in blue ink that reads "Heather Kuikka". The signature is fluid and cursive, with the first name "Heather" being more prominent than the last name "Kuikka".

Heather Kuikka
Planning Administrative Specialist

C: Jonathan Vlaming, Associate Superintendent
Kelly Grissman, Director of Planning
Jessica Lee, Metropolitan Council



Application

15205 - 2021 Park Acquisition Opportunity Fund Program - Final Application

15908 - Gale Woods - Gen Olson Property
Parks Grants Acquisition

Status: Under Review

Submitted Date: 04/16/2021 7:33 AM

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
 Fax:
 PeopleSoft Vendor Number 0000057347A1

Ext.

Project description

PAOF grants are limited to a single park or trail. Do not mix properties from more than one park or trail on a single request.

Park or trail name Gale Woods Farm SRF-Three Rivers Park District

Master plan

An acquisition request will not be considered complete 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 Gale Woods Master Plan Amendment 02/24/2021

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 Fee title

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**.*

Does this acquisition involve eminent domain? No

Eminent domain

If eminent domain is being used:

(1) you must upload a copy of the notice your Agency provided to the Council that the petition to the Court was filed.

(2) Include documentation of your governing body's authorization (on the Other Acquisition Attachments web page).

When was the Council notified of your intention to use eminent domain?

Date the petition was filed.

Settlement date

Public domain

Note that ENRTF funding cannot be used for acquisitions of property already in the public domain unless a minimum of 12 LCCMR commissioners approve the transaction. If this is a public domain acquisition and if you propose using ENRTF, be sure your closing schedule accommodates planning to be included on a future LCCMR agenda.

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.

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 standard one-year grant term unless prior approval is obtained from the Council or the grant term is amended.

Estimated closing date 06/24/2021
 Format: mmddyyyy (Do not enter any punctuation.)

Type of agreement Purchase Agreement
 i.e., purchase agreement, offer letter, etc.

Date agreement expires 07/01/2021
 Format: mmddyyyy (Do not enter any punctuation.)

Relocation costs

Payment of relocation costs is required by both state and federal law, unless the seller waives those rights. Please consult with Agency attorneys to determine applicability for this acquisition. If the seller has waived relocation rights, you must upload an executed copy of the waiver.

Does the requested grant amount include relocation costs? No

Appraisal

The appraisal must have an effective date within one year of the date the purchase agreement is signed. The appraisal **MUST** list the Metropolitan Council as an intended user, and the intended use must include "negotiation and grant reimbursement."

Appraisal effective date 05/06/2021

Appraised value \$595,000.00

Amount being offered the seller (net of closing and other costs) \$595,000.00 100.0%
 % of appraised value

Who performed the appraisal? Day Group, LLC

Who contracted for the appraisal (i.e., was it done at arms' length)? Three Rivers Park District

Survey

Was a survey done? No

Quality of natural resources - is the property...

...undeveloped? Yes
 Fully Partially

...wooded? Yes
 Fully Partially

...shoreline?
 Fully Partially

Describe the existing natural resources it contains

The parcel is zoned agricultural and contains tillable acreage. It is heavily wooded with small pockets of wetlands.

Known opposition

Is the Agency aware of any opposition to this acquisition? No

If yes, explain:

Encumbrances

To your knowledge, are there any current or anticipated assessments or liens on property? No

If yes, describe.

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

If yes, describe

Clear title

To your knowledge, does the current owner have clear title to the property? Yes

If not, what must be done to clear the title, and when will that be completed?

Suggested funding source

For guidance, see the PAOF rules in the 2040 Regional Parks Policy Plan at <http://metro council.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

Funding source comments, if desired

Structures currently on the property

Does the property contain ANY structures? No

If yes, are there any habitable structures? No

Does the property currently contain any revenue-generating businesses? 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?

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

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.

Local match

Source of local match

Three Rivers will pay for it using our Land Acquisition, Development and Betterment Fund.

Will you be requesting consideration for future reimbursement of any part of your local match?

Yes

If yes, how much? \$153,125.00

Grant agreement signatories

Full name	Title	If this is an attorney, is the signature 'for form only'?
Boe R. Carlson	Superintendent and Secretary to the Board	
Eric Quiring	General Counsel	Yes

Acquisition Costs

Cost Items	Amount	State funds	Metro funds	Match funds
Purchase price				
Negotiated purchase price	\$595,000.00	\$267,750.00	\$178,500.00	\$148,750.00
Appraisal expenses				
Appraisal	\$4,500.00	\$2,025.00	\$1,350.00	\$1,125.00
Appraisal review	\$0.00	\$0.00	\$0.00	\$0.00
Environmental expenses				
Phase I environmental site assessment	\$0.00	\$0.00	\$0.00	\$0.00
Phase II environmental site assessment	\$0.00	\$0.00	\$0.00	\$0.00
Environmental contamination remediation	\$0.00	\$0.00	\$0.00	\$0.00
Holding expenses				
Interest	\$0.00	\$0.00	\$0.00	\$0.00
Land stewardship	\$6,200.00	\$2,790.00	\$1,860.00	\$1,550.00
Land development	\$0.00	\$0.00	\$0.00	\$0.00
Pro-rated share of all property taxes/assessments	\$200.00	\$90.00	\$60.00	\$50.00
Legal services and closing costs	\$3,500.00	\$1,575.00	\$1,050.00	\$875.00
Property tax equivalency payment-473.341	\$50.00	\$22.50	\$15.00	\$12.50
Relocation costs to seller	\$0.00	\$0.00	\$0.00	\$0.00
State deed tax/conservation fee	\$2,000.00	\$900.00	\$600.00	\$500.00
Title insurance	\$1,000.00	\$450.00	\$300.00	\$250.00
Well disclosure statement	\$50.00	\$22.50	\$15.00	\$12.50
Other holding	\$0.00	\$0.00	\$0.00	\$0.00
Other expenses				
Other expenses	\$0.00	\$0.00	\$0.00	\$0.00

Totals \$612,500.00 \$275,625.00 \$183,750.00 \$153,125.00

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)	\$612,500.00	\$275,625.00	\$183,750.00	\$153,125.00	\$459,375.00

Required Attachments - Acquisition

Attachment	Description	File Name	Type	File Size
SECTION 1 - All of the following are required to BEGIN review unless otherwise indicated				
1.0 Grant request letter (REQ'D)	Grant request letter	Grant Reimbursement Request Letter_Olson.docx	docx	623 KB
2.0 Master plan documentation (REQ'D)	Master Plan Amendment	04-15 Gale Woods Master Plan Amendment.pdf	pdf	5.1 MB
3.0 RECORDED Governing Board action authorizing grant request (REQ'D)	Board Action. Will update once recorded.	Board Action Olson Property Purchase Agreement at Gale Woods Farm.docx	docx	1.8 MB
4.0 Signed purchase agreement/instrument (REQ'D)	Unsigned Purchase Agreement (placeholder)	04-15 Olson Property Purchase Agreement at Gale Woods Farm.docx	docx	30 KB
5.1 Appraisal report (REQ'D)	Appraisal	2019_Olson_Report_9-17-19.pdf	pdf	9.5 MB
5.2 Appraisal review report (NOT req'd)				
5.3 Client's instructions to appraiser (REQ'D)	Instructions to Appraiser	Initial Proposal_Day Group.pdf	pdf	182 KB
5.4 Title documentation (Req'd before finalization)				
6.1 Phase 1 ESA (if land may be contaminated or have abandoned wells)				
6.2 Phase II environmental assessment report (required if indicated in Phase I)				
7.0 Survey report (NOT req'd)				
8.0 Legal description in Microsoft Word that includes PIDs and, if available, address	Legal Description	Legal Description and PID.docx	docx	15 KB
9.0 Land stewardship plan	Stewardship Plan	stewardship plan.docx	docx	15 KB
10.0 Relocation description and estimated costs OR signed waiver of relocation rights				
SECTION 2 - Condemnation only - all required for eminent domain				
11.1 For condemnations, copy of notice to Council advising court filing				
11.2 Condemnation or administrative settlement				
11.3 Documentation of when petition was filed with court				
SECTION 3 - Matching grant				
12.0 If this grant will serve as match to another grant, copy of other grant is required				
SECTION 4 - Required images & GIS information				
13.1 Aerial photo showing park/trail boundary with parcel overlay (REQ'D)	Full map with parcels	Gen Olson Acquisition_Full Map.pdf	pdf	2.8 MB
13.2 For trails, parcel map showing trail route (Required for trails)				
13.3 Image documenting location of property within RPS unit (REQ'D)	Property location	Gen Olson Acquisition_expanded map.pdf	pdf	3.3 MB
13.4 GIS shape-file for property (REQ'D)	Shape File	GenOlson.zip	zip	14 KB

SECTION 5 - Invoices

WebGrants - Metropolitan Council

14.1 Invoices: State deed tax or conservation fee (REQ'D)	State Deed Tax Estimate	Additional Met Council Info.docx	docx	14 KB
14.2 Invoices: Current property tax statement with pro-rated share of tax due (REQ'D)	Pro-rated Taxes Owed (approximate dependent on closing)	Hennepin County _ E-check property tax payment.pdf	pdf	83 KB
14.3 Invoices: Tax equivalency payment (REQ'D)	tax eequivalency	Tax Equivalency Payment.pdf	pdf	102 KB
14.4 Invoices: Phase 1 environmental assessment (Required if claimed in application)				
14.5 Invoices: Phase II environmental assessment (Required if claimed in application)				
14.6 Invoices: Appraisal (Required if claimed in application)	Appraisal Invoice	Invoice_Olson_9-17-19.pdf	pdf	116 KB
14.7 Invoices: Appraisal review invoice (Required if claimed in application)				
14.8 Invoices: Title insurance (Required if claimed in application)	Title Invoice	Additional Met Council Info.docx	docx	14 KB
SECTION 6 - Estimated costs				
15.1 Estimated costs: Itemized ESTIMATE of closing costs	Closing cost placeholder	Additional Met Council Info.docx	docx	14 KB
15.2 Estimated costs: Land stewardship	Land stewardship estimate	Additional Met Council Info.docx	docx	14 KB
15.3 Estimated costs: Minimal access development				
15.4 Estimated costs: Other (NOT req'd)				

Additional attachments

File Name	Description	File Size
Grant Request Letter.pdf (192 KB)	Revised grant request letter	192 KB
Invoice-Olson_5-6-21.pdf (135 KB)	Second appraisal invoice	135 KB
Revised appraisal.pdf (22.6 MB)	second appraisal	22.6 MB

Exhibit 4: Board approval to purchase property

C. Amendment to the Olson Property Purchase Agreement

MOTION by Beard, seconded by Freeman, TO APPROVE PURCHASE AGREEMENT AMENDMENT BASED ON THE UPDATED APPRAISAL FINDINGS FOR VACANT PROPERTY IN MINNETRISTA, MN (PID 2211724120002) LOCATED WITHIN THE PROPOSED AMENDED BOUNDARIES OF GALE WOODS FARM AND TO INCREASE THE PROJECT BUDGET TO \$610,000 WITH LOCAL FUNDING FROM THE LAND ACQUISITION, DEVELOPMENT AND BETTERMENT FUND.

All ayes, no nays, MOTION ADOPTED

REQUEST FOR BOARD ACTION

Meeting Date: 05/20/21 Business Item: Current Item Number: **6C**

Division: Superintendent's Office Originating Source: Eric Quiring, General Counsel

Agenda Item: Amendment to the Olson Property Purchase Agreement

Superintendent's Recommendation:

MOTION TO APPROVE PURCHASE AGREEMENT AMENDMENT BASED ON THE UPDATED APPRAISAL FINDINGS FOR VACANT PROPERTY IN MINNETRISTA, MN (PID 2211724120002) LOCATED WITHIN THE PROPOSED AMENDED BOUNDARIES OF GALE WOODS FARM AND TO INCREASE THE PROJECT BUDGET TO \$610,000 WITH LOCAL FUNDING FROM THE LAND ACQUISITION, DEVELOPMENT AND BETTERMENT FUND.

Background:

At the April 15, 2021 Board Meeting, the Board approved a purchase agreement for the vacant property adjacent to Gale Woods Farm and identified by PID 2211724120002 for the appraised value of \$585,000. This acquisition opportunity required that the master plan boundary be amended to include the property. The amendment was submitted to the City of Minnetrista and Metropolitan Council for review and approval. The master plan boundary amendment has been approved.

In order for the acquisition to be eligible for up to 75% reimbursement from the Metropolitan Council Park Acquisition Grant Fund, the purchase price must be supported by an appraisal conducted within one year of the purchase agreement. The property was appraised in September 2019. Due to the length of time to amend the master plan and coordinate funding for this acquisition, the appraisal of the property is no longer within the time frame mandated by Metropolitan Council for reimbursement eligibility. The appraisal was updated in May 2021, which resulted in a current appraisal value of \$595,000.

Staff have worked with the Seller to adjust the purchase agreement to reflect the current appraisal value through a Purchase Agreement Amendment (***Reference 6C-1***). The remaining terms of the Purchase Agreement are unaffected.

The Board approved a project budget for total acquisition cost of \$600,000, which includes the purchase price, appraisal, environmental assessment work, land stewardship /restoration, legal fees, and title commitment/insurance. Due to the increased purchase price, the project budget should be increased accordingly by \$10,000 to a total of \$610,000.

Relationship to the System Plan

The Request for Action supports the following goal(s) of the System Plan:

- Goal 2: Parks Matter
- Goal 3: Lead by Example

Reference 6C-1

AMENDMENT TO THE OLSON PROPERTY PURCHASE AGREEMENT

Click below to print/view the amendment.

<G:\Public\Office of the Superintendent\Board Packets\2021 Board Packets\2021 Board References\05-20 Signed Purchase Agreement Amendment - Olson.pdf>

Exhibit 5: Purchase agreement

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT ("Agreement") is entered into by and between **Three Rivers Park District**, a public corporation and political subdivision of the State of Minnesota ("Buyer") and **Gen Olson** ("Seller").

RECITALS

WHEREAS, Buyer is a political subdivision of the State of Minnesota, whose primary duties are acquisition, development and maintenance of large parks, wildlife sanctuaries or other reservations, and means for public access to historic sites and to lakes, rivers and streams and to other natural phenomena, and to acquire, establish, operate and maintain trail systems; and

WHEREAS, Seller owns property located adjacent to Gale Woods Farm in Minnetrista, with PID 22-117-24-12-0002, Minnesota, legally described on Exhibit A hereto ("Subject Property"), containing approximately 27.87 acres; and

WHEREAS, Seller and Buyer wish to enter into an agreement for the conveyance of the Subject Property from Seller to Buyer.

NOW THEREFORE, for and in consideration of the above premises and the promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Conveyance. Seller hereby agrees to convey to Buyer and Buyer agrees to accept from Seller the Subject Property together with all improvements and fixtures.

2. Consideration. In consideration of the conveyance, transfer and delivery by the Seller to the Buyer of the Subject Property, the Buyer shall pay to the Seller the sum of Five Hundred Eighty-Five Thousand Dollars ("Purchase Price") at Closing.

3. Deed/Marketable Title. Subject to performance by the Buyer, Seller agrees to execute and deliver a Warranty Deed in recordable form conveying marketable title to Subject Property subject only to the following exceptions:

- (a) Building and zoning laws, ordinances, State and Federal regulations; and
- (b) Reservation of any minerals or mineral rights to the State of Minnesota.

4. Real Estate Taxes. Real estate taxes due and payable in the year of Closing shall be prorated between Seller and Buyer on a calendar year basis to the actual date of Closing. Seller shall pay the prorated portion of the real estate taxes up to and including the date prior to the date of Closing. Buyer shall pay its prorated portion of the real estate taxes from and after the date of Closing. Real estate taxes payable in the years prior to Closing shall be paid by Seller on or before the date of Closing. Real estate taxes payable in the years subsequent to Closing shall be paid by Buyer.

5. Special Assessments. Seller shall pay on or before the date of Closing all special assessments levied or pending against the Subject Property as of the date of this Agreement.

6. Prorations. Except as otherwise provided herein, all items customarily prorated and adjusted in connection with the Closing of the sale of the Subject Property shall be prorated as of the date of Closing. It shall be assumed that the Buyer will own the property for the entire date of the Closing.

7. Damages To Real Property. Except for Buyer's inspection activities pursuant to Section 8(d), if there is any loss or damage to the Subject Property between the date hereof and the date of Closing, for any reason, the risk of loss shall be on the Seller. Seller shall notify Buyer of loss or damage to the Subject Property promptly upon such occurrence. If the Subject Property is destroyed or damaged before the Closing, this Agreement shall become null and void, at Buyer's sole option. Buyer shall have the right to terminate this Agreement within 30 days after Seller notifies Buyer of such damage. If Buyer elects to not terminate this Agreement, the proceeds of all insurance covering the Subject Property conveyed by this Agreement payable by reason of such damage or destruction shall be paid to the Buyer.

8. Title and Documents.

(a) Documents and Information to be provided. Within 15 days after the acceptance of this Agreement by the parties hereto, Seller shall provide Buyer with the following:

- (i) Copies of any environmental audits or assessments of the Subject Property that are in Seller's possession.
- (ii) Copies of any certificates, authorizations, permits, licenses and approvals which have been issued covering the Subject Property.
- (iii) Copies of any surveys that are in Seller's possession.
- (iv) Copies of any written agreements affecting the ownership and use of the Subject Property known to Seller.
- (v) An abstract of the Subject Property if in Seller's possession.

(b) Title Commitment. Buyer agrees to obtain an owner's title commitment. Buyer shall pay the title commitment fee and shall pay the premium for any title insurance desired by Buyer.

(c) Review of Commitment. Buyer shall have 30 days after receipt of the title commitment within which to object to the contents. If said objections are not made in writing within such time period, Buyer shall be deemed to have waived such objections. If Buyer objects to the contents of the title documents, Seller shall have 120 days from the date of such objections to make title marketable. If title is not made marketable within 120 days, this Agreement shall be null and void at the sole option of Buyer and neither party shall have any further obligation under this Agreement.

(d) Inspections; Document Review. With respect to all of the above items other than the title documents, after delivery of the foregoing to Buyer, Buyer shall have until the date of closing during which to inspect all such items. Further, Buyer may inspect the Subject Property and conduct such other and further inspections or other review as seems necessary by Buyer during such period. If such review and/or inspection by the Buyer shall be unsatisfactory to Buyer, Buyer shall notify Seller within such time period, and this Agreement shall be null and void at the sole discretion of the Buyer. If said period should expire without notice of Buyer's intention to terminate this Agreement, then this Agreement shall be considered in full force and effect and Buyer shall be deemed to have waived any objections based upon such review and inspection. Seller hereby grants Buyer and/or its agents the right to enter upon the Subject Property for the purpose of inspection and to prepare topological studies, planning, surveys, soil tests and other engineering studies, and environmental inspection and testing that may be deemed necessary; provided however that Buyer shall pay all costs thereof and shall protect, defend, indemnify, save and hold Seller and Subject Property harmless from and against any and all costs, damages and liabilities arising from entry upon inspection or testing of Subject Property, including but not limited to costs, damages and liabilities arising from mechanics, materialmens and other liens filed against Subject Property in connection with work performed or material furnished by or at the direction of Buyer and also any legal fees and court costs that may be expended or incurred in defending or releasing such liens. Notwithstanding anything to the contrary herein, this indemnification shall survive termination or cancellation of this Agreement.

9. Environmental. To Seller's knowledge, and except as disclosed in the reports and other documents provided to Buyer, Seller's operations are in compliance with all applicable federal, state and local statutes, laws, rules, regulations, ordinances, orders, judicial or administrative decisions of any governmental authority or court of competent jurisdiction in effect and in each case, if applicable, as amended as of the Closing relating to (a) pollution of the environment, (b) a Release, as defined below, or threatened Release of Hazardous Materials, as defined below, or (c) the handling, storage, transport or disposal of Hazardous Materials (collectively, "Environmental Laws").

During the period of Seller's ownership of the Subject Property, to the Seller's knowledge, and except as disclosed in the reports and other documents provided to the Buyer (a) there has been no Release, as defined below, of any Hazardous Materials, as defined below, on the Subject Property, and (b) there have not been, and Seller has not received any notices from any governmental authority of any underground storage tanks on the Subject Property. For purposes of this Agreement, "Release" shall mean, in violation of applicable Environmental Laws, depositing, discharging, injecting, spilling, leaking, leaching, dumping, emitting, escaping, emptying, seeping or placing and other similar actions into or upon any land, water or air, or otherwise entering into the environment, and "Hazardous Materials" shall mean (a) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous substances," "toxic substances," "pollutant or contaminant" or words of similar import, under applicable Environmental Laws; (b) any petroleum or petroleum products, natural or synthetic gas, radioactive materials, polychlorinate, biphenyls, asbestos in any form that is friable, urea formaldehyde foam insulation or radon, and (c) any other chemical, material or substance,

the handling, storage, transport or disposal of which is prohibited, limited or regulated by any governmental authority under applicable Environmental Laws.

Seller has disclosed to the Buyer all reports and other documents in their possession concerning environmental matters relating to the Subject Property. To Seller's knowledge there are no existing claims or causes of action, and there are no pending claims regarding the Subject Property against the Subject Property or Seller involving the violation of Environmental Laws, and Seller has no such claims against third parties.

Seller shall indemnify and hold Buyer harmless from and against any and all claims brought under Environmental Laws pertaining to conditions in existence and known to Seller prior to conveyance to Buyer.

10. Seller's Warranties. As an inducement to Buyer to enter into this Agreement, and as part of the consideration therefore, Seller represents and warrants to and covenants with Buyer that to the best of Seller's knowledge at the time of Closing there are no persons in possession of the property, including, but not limited to tenants, licensees, or permittees.

11. Defaults/Right to Terminate. In addition to the other rights to terminate this Agreement granted to each of the parties pursuant to this Agreement, either party may cancel this Agreement upon 30 day's written notice to the other party at any such time as such other party is in default of its agreements hereunder and remains in such default for 30 days following the written notice of such default.

12. Due Authorization. Seller and Buyer hereby represent to the other that each has the requisite power and authority to execute this Agreement and the documents referred to herein and to perform its obligations hereunder and thereunder; and the individuals executing this Agreement and all such other documents that have a legal power, right and actual authority to bind each of the parties hereto to the terms and conditions of the Agreement and all other such documents. Further, each of the parties to this Agreement hereby represents to the other that its execution and performance of this Agreement and all other documents referred to herein shall not violate any applicable statute, ordinance, governmental restriction or regulation, or any prior restriction or agreement.

13. Closing; Contingencies.

(a) Performance at Closing. Subject to satisfaction of Paragraphs 8 and 13(b) hereof, the Closing of the transaction contemplated by this Agreement shall take place at 3000 Xenium Lane North, Plymouth, MN 55441 as soon as possible but in no event later than June 30, 2021, at such time as may be agreed upon between the parties.

(i) At the Closing Seller shall:

(a) sign an Affidavit of Seller confirming the absence of judgments, mechanics liens and unrecorded interests against the Subject Property not disclosed herein;

- (b) deliver any documents necessary to clear title in accordance with this Agreement, if any;
 - (c) sign the well disclosure statement required by Minnesota Statutes §103I.235,
 - (d) sign the warranty deed, and
 - (e) pay the deed tax.
- (ii) At the Closing, Buyer shall:
- (a) pay the title commitment fee, if not paid pursuant to paragraph 8(b);
 - (b) pay the premium for title insurance, if desired by Buyer;
 - (c) pay any and all other Closing costs including all filing fees; and
 - (d) Pay to the Seller the Purchase Price for the conveyance, transfer and delivery of the Subject Property to the Buyer.
- (b) Contingencies. Notwithstanding the foregoing, the parties to this Agreement acknowledge that the Closing is expressly subject to the following contingencies and that following the completion of each contingency Buyer shall notify Seller in writing of contingency satisfaction:
- (i) Buyer shall obtain consent of the City of Minnetrista to its acquisition of the Subject Property pursuant to Minn. Stat. §398.09(b)(1);
 - (ii) Buyer shall obtain all other consents required from governmental or other regulatory authorities;
 - (iii) Buyer shall have the right, at its sole discretion, to terminate this Agreement based on the environmental inspection findings which will occur within the inspection window or in the event any storage, dumping or release of hazardous materials, chemicals, pollution or similar occurs prior to closing;
 - (iv) This Agreement and the obligations of Buyer hereunder are strictly contingent upon approval of this Agreement by Buyer's Board of Commissioners;
 - (v) Approval of reimbursement to Buyer by Metropolitan Council; and

- (vi) Approval of amendment to Gale Woods Farm Master Plan by Metropolitan Council, City of Minnetrista, and Buyer's Board of Commissioners.

Any failure to satisfy any contingency contained herein with the exception of satisfactorily completing a contingency within the agreed upon timeframes shall render this Agreement null and void and the parties shall execute any instruments necessary to cancel this Agreement.

14. Condemnation. In the event of the initiation of proceedings for condemnation (or sale in lieu thereof) of any portion of the Subject Property prior to Closing, Buyer shall have the right to cancel this Agreement, in which case this Agreement shall be deemed null and void and neither of the parties shall have any further obligations. Conversely, Buyer may elect to purchase Subject Property and close the transaction notwithstanding such proceedings and, if Buyer shall so elect, all awards or payments made for such portion of Subject Property by the condemning authority to which Seller is entitled shall be paid to Buyer and Buyer shall proceed to close the transactions herein and pay the full Purchase Price to Seller.

15. Possession. Seller shall deliver possession of the Subject Property on the date of Closing.

16. Representations and Warranties. The obligations of the Buyer under this Purchase Agreement are contingent on the representations and warranties of Seller contained in this Purchase Agreement which must be true as of the date of this Agreement and on the date of Closing. All representations of the parties hereto shall survive Closing and delivery of the deed.

17. No Intent to Acquire by Condemnation. Buyer and Seller agree that Buyer has not indicated an intent to acquire the Subject Property through eminent domain.

18. Time. Time is of the essence for performance of the terms of this Agreement.

19. Binding Effect. The provisions of this Agreement shall inure to the benefit and shall be binding on representatives, successors and assigns of the parties hereto, provided that neither party hereto shall have the right to assign its rights or obligations hereunder without the prior consent of the other party.

20. Waivers. No waiver of any of the provisions of this Agreement shall constitute a waiver of any other provision whether or not similar, nor shall any waiver be a continuing waiver. No waiver shall be binding unless executed in writing. Any party may waive any provision of this Agreement intended for its benefit; provided, however, such waiver shall in no way excuse the other party from the performance of any of its other obligations under this Agreement.

21. Amendment. No amendment of this Agreement shall be effective unless set forth in writing expressing the intent to so amend and signed by both parties.

22. Notices. Any notices to be provided pursuant to the terms of this Agreement shall be in writing and shall be given by personal delivery or by express courier or by deposit in

U.S. Certified Mail, Return Receipt Requested, postage prepaid, addressed to the Buyer or Seller at the addresses set forth below or at such other address as either party may designate in writing. The date notice is given shall be the date on which the notice is delivered, if notice is given by personal delivery, or the date notice is sent by express courier or U.S. Mail if otherwise.

If to Seller:

Gen Olson
6750 County Road 110 West
Mound, MN 55364

If to Buyer:

Three Rivers Park District
Office of the Superintendent
c/o General Counsel
3000 Xenium Lane North
Plymouth, MN 55441

23. Governing Law. This Agreement is made and executed under and in all respects is to be governed and construed under the laws of the State of Minnesota.

24. Survival of Covenants. All covenants, agreements, representations and warranties contained herein shall survive delivery of the deed from Seller to Buyer and be enforceable by Seller or Buyer after delivery of the deed.

25. Entire Agreement. This written Agreement constitutes the complete agreement between the parties and supersedes any and all other oral or written agreements, negotiations, understandings, and representations between the parties regarding the Subject Property.

26. Brokers. No brokers are involved in this real estate transaction.

27. Disclosures. Seller makes the following disclosures to Buyer:

- (a) Seller is not a foreign person for purposes of income taxation, and Seller will provide Buyer with a FIRPTA Affidavit at Closing.
- (b) Seller is not aware of any methamphetamine production that has occurred on the Subject Property.
- (c) Seller is not aware of any human remains, burials or cemeteries located on the Subject Property.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement. The effective date of this Agreement shall be the latest date beside the signatory lines below.

THREE RIVERS PARK DISTRICT, a public corporation and political subdivision of the State of Minnesota

Dated: 04/16/2021

By John Gunyou
John Gunyou, Board Chair

Dated: 04/16/2021

By Boe R Carlson
Boe R. Carlson, Superintendent and Secretary to the Board

SELLER:

Dated: April 21, 2021

By Gen Olson
Gen Olson

EXHIBIT A

Legal Description of Subject Property

UNPLATTED 22 117 24, THAT PART OF THE N 500 FT OF NW 1/4 OF NE 1/4 LYING W OF E 250 FT THEREOF AND THAT PART OF NW 1/4 OF NE 1/4 LYING S OF THE N 500 FT THEREOF AND N OF OLD ST P MPLS R R R/W, CITY OF MINNETRISTA, HENNEPIN COUNTY, MN.

PID 22-117-24-12-0002

formstack sign Document Completion Certificate

Document Reference : 63369571-32f3-43c6-abe3-0bb4b14d9e9f
Document Title : Olson Property Purchase Agreement
Document Region : Northern Virginia
Sender Name : Linda Ziegler
Sender Email : linda.ziegler@threeriversparks.org
Total Document Pages : 9
Secondary Security : Not Required
Participants

1. John Gunyou (john@gunyou.com)
2. Boe R. Carlson (boe.carlson@threeriversparks.org)

CC

1. eric.quiring@threeriversparks.org
2. kelly.grissman@threeriversparks.org
3. heather.kuikka@threeriversparks.org

Document History

Timestamp	Description
04/16/2021 08:37AM CDT	Document sent by Linda Ziegler (linda.ziegler@threeriversparks.org).
04/16/2021 08:37AM CDT	Email sent to John Gunyou (john@gunyou.com).
04/16/2021 08:37AM CDT	Email sent to Linda Ziegler (linda.ziegler@threeriversparks.org).
04/16/2021 10:14AM CDT	Document viewed by John Gunyou (john@gunyou.com). 73.24.142.117 Mozilla/5.0 (Macintosh; Intel Mac OS X 11_2_3) AppleWebKit/537.36 (KHTML, like Gecko) Chrome/89.0.4389.114 Safari/537.36
04/16/2021 10:14AM CDT	John Gunyou (john@gunyou.com) has agreed to terms of service and to do business electronically with Linda Ziegler (linda.ziegler@threeriversparks.org). 73.24.142.117 Mozilla/5.0 (Macintosh; Intel Mac OS X 11_2_3) AppleWebKit/537.36 (KHTML, like Gecko) Chrome/89.0.4389.114 Safari/537.36
04/16/2021 10:14AM CDT	Signed by John Gunyou (john@gunyou.com). 73.24.142.117 Mozilla/5.0 (Macintosh; Intel Mac OS X 11_2_3) AppleWebKit/537.36 (KHTML, like Gecko) Chrome/89.0.4389.114 Safari/537.36
04/16/2021 10:14AM CDT	Email sent to Boe R. Carlson (boe.carlson@threeriversparks.org).
04/16/2021 10:23AM CDT	Document viewed by Boe R. Carlson (boe.carlson@threeriversparks.org). 68.46.8.81 Mozilla/5.0 (Windows NT 10.0; Win64; x64) AppleWebKit/537.36 (KHTML, like Gecko) Chrome/89.0.4389.114 Safari/537.36 Edg/89.0.774.75
04/16/2021 10:23AM CDT	Boe R. Carlson (boe.carlson@threeriversparks.org) has agreed to terms of service and to do business electronically with Linda Ziegler (linda.ziegler@threeriversparks.org). 68.46.8.81 Mozilla/5.0 (Windows NT 10.0; Win64; x64) AppleWebKit/537.36 (KHTML, like Gecko) Chrome/89.0.4389.114 Safari/537.36 Edg/89.0.774.75
04/16/2021 10:23AM CDT	Signed by Boe R. Carlson (boe.carlson@threeriversparks.org). 68.46.8.81 Mozilla/5.0 (Windows NT 10.0; Win64; x64) AppleWebKit/537.36 (KHTML, like Gecko) Chrome/89.0.4389.114 Safari/537.36 Edg/89.0.774.75
04/16/2021 10:23AM CDT	Document copy sent to John Gunyou (john@gunyou.com).
04/16/2021 10:23AM CDT	Document copy sent to Boe R. Carlson (boe.carlson@threeriversparks.org).

PURCHASE AGREEMENT AMENDMENT

This Purchase Agreement Amendment is entered into by and between **Three Rivers Park District**, a public corporation and political subdivision of the State of Minnesota ("Buyer") and **Gen Olson** ("Seller") for the purpose of amending the Purchase Agreement entered into by the Parties on April 21, 2021 ("Purchase Agreement").

RECITALS

WHEREAS, Buyer and Seller entered into a Purchase Agreement for the conveyance of property adjacent to Gale Woods Farm in Minnetrista (PID 22-117-24-12-0002) for a purchase price of \$585,000; and

WHEREAS, the purchase price was based on an appraisal conducted in September 2019; and

WHEREAS, partial funding for the acquisition is being sought from the Metropolitan Council, which requires an appraisal of the property within one year of the purchase agreement; and

WHEREAS, in accordance with Metropolitan Council rules, Buyer obtained an updated appraisal of the property, which resulted in an appraised property value of \$595,000; and

WHEREAS, the parties desire to amend the purchase price to reflect the current appraised value of the property.

NOW THEREFORE, Section 2 of the Purchase Agreement is hereby amended by replacing the Purchase Price of \$585,000 with the current appraised value of \$595,000.

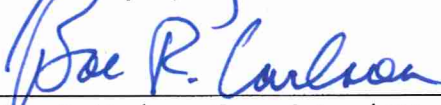
IN WITNESS WHEREOF, the Parties hereto have executed this Purchase Agreement Amendment.

THREE RIVERS PARK DISTRICT, a public corporation and political subdivision of the State of Minnesota

Dated: 05/20/21

By: 
John Gunyou, Board Chair

Dated: 05/20/21

By: 
Boe R. Carlson, Superintendent

SELLER:

Dated: May 13, 2021

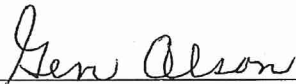
By: 
Gen Olson

Exhibit 6: Appraisal Excerpt



Plymouth Court Office Center
12805 Highway 55, Suite 302
Plymouth, MN 55441

763.205.6966
www.daygroupmn.com

May 6, 2021

Eric Quiring, General Counsel
Three Rivers Park District
3000 Xenium Lane North
Plymouth, MN 55441

RE: Market value Appraisal Report
Vacant rural residential acreage - acquisition parcel for park purposes
Adjacent to Gale Woods Farm, just west of Woodedge Road
Minnetrista, MN 55364
Owner is Gen Olson

Dear Mr. Quiring:

In accordance with your request, an inspection and current market value appraisal analysis of the fee simple interest of the "as-is" status on the above-referenced property have been completed. The attached report contains the pertinent data, summary of the analysis completed, commentary and value conclusions. The appraisal as developed and reported is for your intended use for potential acquisition, as well as the Metropolitan Council; there are no other intended uses or users. Day Group LLC assumes no responsibility for any unintended uses or users of the appraisal.

Before relying upon any of the conclusions, please refer to the body of the attached appraisal report for statements or descriptions on the effective date of value, a definition of market value, assignment conditions, any extraordinary assumptions or hypothetical conditions, identification and description of the subject property, any personal property included, and the scope of work employed in our analysis of the subject property.

The appraisal has been made in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP), applicable local, state and federal regulations pertaining to appraisal practice and procedure, and the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute. Attached is an "Appraisal Report" as defined by USPAP. Additional supporting data retained in my workfile.

Neither my employment to make this appraisal nor the compensation received is contingent upon the conclusions or values reported herein. Based upon my investigation and analysis, it is my opinion that the subject had a market value, subject to limitations and conditions as hereinafter stated, in the amount shown below:

FIVE HUNDRED NINETY-FIVE THOUSAND DOLLARS (\$595,000)

It has been a pleasure to serve you in this manner. Feel free to contact us if you have any questions or concerns.

Respectfully submitted,

DAY GROUP LLC

A handwritten signature in blue ink, appearing to read "Jonathan D. Day", is written over the typed name and title.

Jonathan D. Day, MAI, Partner
Minnesota Certified General
Real Property Appraiser Licensed #20480945

SUBJECT IDENTIFICATION AND EXECUTIVE SUMMARY

Subject Property Name and Location

Vacant rural residential acreage
Adjacent to Gale Woods Farm, just west of Woodedge Road
Minnetrista, MN 55364

Subject Property Owner

Gen Olson
6750 County Road 110 West
Mound, MN 55364

Subject Occupancy

Vacant rural residential acreage

Legal Description and PID Number

Legal is: UNPLATTED 22 117 24, THAT PART OF THE N 500 FT OF NW 1/4 OF NE 1/4 LYING W OF E 250 FT THEREOF AND THAT PART OF NW 1/4 OF NE 1/4 LYING S OF THE N 500 FT THEREOF AND N OF OLD ST P MPLS R R R/W, CITY OF MINNETRISTA, HENNEPIN COUNTY, MN
PID is 22-117-24-12-0002

Day Group File Number

2021508

Hypothetical Conditions

No hypothetical conditions were used in the appraisal

Subject Property Overview

Location	Good rural residential neighborhood west of Lake Minnetonka, and near Gale Woods Farm and the Dakota Rail Trail (a recreational trail). It has adequate district access and good market appeal and values. Good residential subdivisions with public utilities are to the east, yet subject district and areas to the west have rural residential development.
Site	Vacant rural residential acreage containing 27.87 acres, zoned and guided Agricultural. The subject has legal access to Woodedge Rd, 250 feet to the east via an easement. The site is adjacent to Gale Woods Farm, is heavily wooded, has a bisecting drainageway, and small pockets of wetlands. There is good frontage on the Dakota Rail Trail. Public utilities are nearby, yet the subject is outside of the MUSA expansion area.
History	Vacant land, never developed
Current Use	Vacant land
Highest and Best Use	Good rural residential land having appealing features and seclusion adjacent to parkland. Zoning requires a minimum of 10-acre lots; subject could accommodate either a single estate site or 2 high-amenity single-family residential lots

Larger Parcel

Per the Uniform Standards of Federal Land Acquisition (Yellow Book), the larger parcel "is defined as that tract, or those tracts, of land which possess a unity of ownership and have the same, or an integrated, highest and best use." The criteria considered are 1) unity of ownership, 2) contiguity/proximity, and 3) unity of highest and best use.

From Yellow Book, "It is possible that two physically separate tracts may constitute a single larger parcel, or conversely, a single physical tract may constitute multiple larger parcels." A larger parcel determination is required in all partial or total acquisition appraisals.

The determination of the larger parcel is the subject tax parcel. While there are technically adjacent parcels under the same ownership, they are bisected by a significant regional trail (Dakota Rail Trail), and Saunders Lake also provides a significant barrier between the parcels as well.

Subject Photographs



SUBJECT IDENTIFICATION AND EXECUTIVE SUMMARY (CONTINUED)

Summary and Value Conclusions		
	Total	Per Lot
Concluded Appraised Value	\$595,000	\$297,500

DATE OF APPRAISAL AND PROPERTY RIGHTS

Appraisal Dates

Date of Value	5/6/2021
Date of Inspection	5/6/2021
Date of Report	5/6/2021

Comments:

The global outbreak of a “novel coronavirus” known as COVID-19 was officially declared a pandemic by the World Health Organization (WHO). The reader is cautioned, and reminded that the conclusions presented in this appraisal report apply only as of the effective date indicated. The appraiser makes no representation as to the effect on the subject property of any unforeseen event, subsequent to the effective date of the appraisal.

Due to the changing environment and economic impacts associated with the COVID-19 pandemic, the date of value is very important. Dramatic future changes are possible which may have significant impacts on the subject property and its valuation.

Property Rights Appraised

Appraised is the fee simple interest subject to normal easements for drainage, public streets and utilities, if any.

The property is subject to the following significant easement: It has been reported and documents provided that the subject has access rights to nearby Woodedge Rd over the adjacent properties to the east.

No personal property, special trade fixtures, crops, or any intangible business assets are included in the real estate value.

Any green acres deferred taxes, delinquent taxes, special assessments, unpaid utility charges, or any other levies/liens on the subject are assumed to be paid.

The impact of any existing mortgage is not included in appraisal.