

Metropolitan Parks and Open Space Commission Report

For the Community Development Committee meeting of November 15, 2021

For the Metropolitan Council meeting of December 8, 2021

Subject: Blakeley Bluffs Park Reserve, Park Acquisition Opportunity Fund (Muehlenhardt), Scott County

Proposed Action

That the Metropolitan Council approve a grant of up to \$25,650 to Scott County, using funding from FY2021 Parks and Trails Legacy Fund, to acquire the vacant 15-acre Muehlenhardt property for Blakeley Bluffs Park Reserve.

Summary of Committee Discussion/Questions

Jessica Lee, Senior Planner, presented the staff report to the Metropolitan Parks and Open Space Commission at its meeting on November 4, 2021. Alysa Delgado from Scott County was also present to answer questions.

Chair Tony Yarusso asked a clarifying question about access to the parcel, as the appraisal indicated assumed access. Ms. Lee and Ms. Delgado confirmed that Scott County will have legal access to the property once they acquire it. Also, it is adjacent to property currently owned by Scott County. Chair Yarusso also asked about two items in the purchase agreement, clauses about a home structure and about easements on the property. Ms. Lee responded that those clauses are part of a standard template for purchase agreements and that there are no homes or structures on the property. Ms. Delgado confirmed there are no structures on the property, and stated that no easements were known at the time of application, but that she would look further into it.

After the MPOSC meeting, Scott County staff discovered a conservation easement on 5 acres of the property. For due diligence purposes, they reached out to the appraiser with this information. The appraiser submitted an addendum to the appraisal report certifying that the conservation easement does not change the appraised value of the property. Council staff have updated the original MPOSC report to add the addendum to the appraisal excerpt in Exhibit 4 of this report.

The Commission voted unanimously to approve the proposed action.

Metropolitan Parks and Open Space Commission

Meeting date: November 4, 2021

For the Community Development Committee meeting of November 15, 2021

For the Metropolitan Council meeting of December 8, 2021

Subject: Blakeley Bluffs Park Reserve, Park Acquisition Opportunity Fund (Muehlenhardt), Scott County

MPOSC District: District B, Robert Moeller

Council District, Member: 4, Deb Barber

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 approve a grant of up to \$25,650 to Scott County, using funding from FY2021 Parks and Trails Legacy Fund, to acquire the vacant 15-acre Muehlenhardt property for Blakeley Bluffs Park Reserve.

Background

Regional Park Implementing Agency (Agency) and Project Request

Scott County requested a Parks Acquisition Opportunity Fund (PAOF) grant on September 24, 2021, to fund the acquisition of a 15-acre property for Blakeley Bluffs Park Reserve. A copy of the Agency's request is attached to this item as Exhibit 2 with application details in Exhibit 3. Blakeley Bluffs Park Reserve is a planned park located at the southwest corner of Scott County.

Subject Property

As shown in Exhibit 1, the subject property is within the Council-approved boundary of Blakeley Bluffs Park Reserve. The property is along the Minnesota River and is entirely floodplain forest. The land is undevelopable and contains no structures. Stewardship needs are minimal and will include boundary marking and removal of any invasive plants.

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.

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 \$30,000, and the Seller has agreed to 100% of the appraised amount. See Exhibit 4 for more information on the

appraisal. The total project cost including legal fees, taxes, and stewardship is \$34,200, as shown in Table 1 below.

Table 1. Project budget

Budget item	Requested amount
Purchase price	\$30,000
Stewardship	\$1,000
Appraisal, legal fees, taxes	\$3,200
<hr/>	
Total costs	\$34,200
Grant structure	
Grant amount	\$25,650
Local match	\$8,550

Acquisition Details

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

Rationale

Council staff conduct the 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 Blakeley Bluffs Park Reserve master plan in 2011. The master plan was amended to accommodate a minor boundary adjustment, which was approved on September 25, 2019 ([Business Item 2019-228](#)). The proposed acquisition is within the boundaries of the approved master plan.
 - 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 along the Minnesota River, is entirely floodplain forest, has minimal restoration needs, and will be added to the existing natural resource features at Blakeley Bluffs Park Reserve.
 - 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 Blakeley Bluffs Park Reserve will provide additional access to nature and the outdoors, enhance quality of life, and further protect natural resources.

Funding

The Council will fund the 75% share with \$26,650 in Parks and Trails Legacy Funds. Funds are available in the Council's Authorized Capital Program. \$9,935,368 remains in the Park Acquisition Opportunity Fund (PAOF) Program for future grants after authorization of this award.

Scott County will provide a local match of \$8,550.

Known Support / Opposition

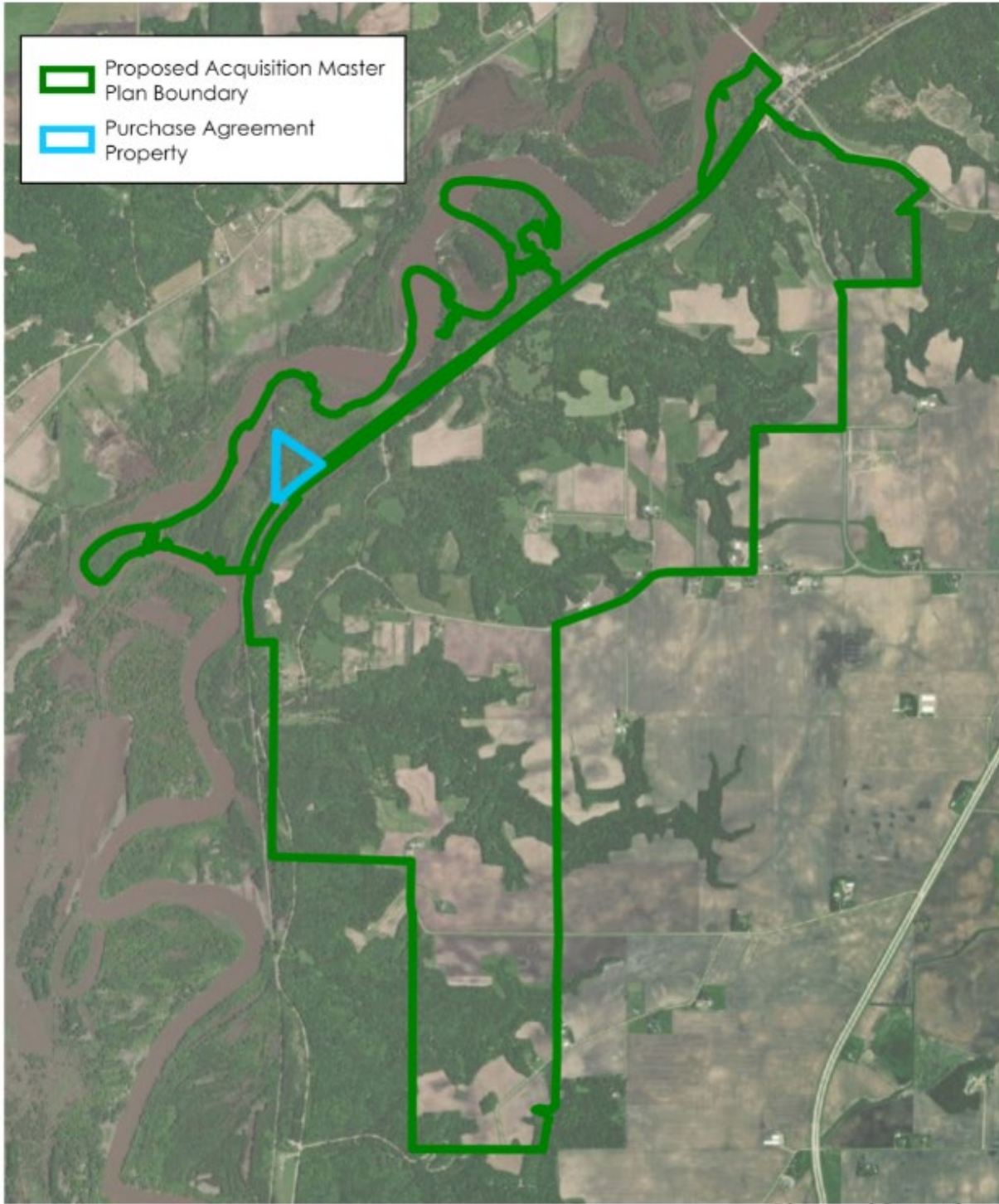
The Board of Scott County approved the purchase of this property (Exhibit 5) and executed the purchase agreement (Exhibit 6) on October 5, 2021. There is no known opposition associated with this acquisition or grant.

Exhibit List

- Exhibit 1: Images
- Exhibit 2: Grant request letter
- Exhibit 3: Grant application
- Exhibit 4: Appraisal excerpt (updated after MPOSC meeting)
- Exhibit 5: Board approval to purchase property
- Exhibit 6: Purchase agreement

Exhibit 1 – Images

Figure 1. Map of Blakeley Bluffs Park Reserve Boundary, as amended in 2019, and the Muehlenhardt property



Scott County Planning and Resource Management

Parks & Trails Department
200 Fourth Avenue West, Shakopee, Minnesota 55379-1220
(952) 496-8475 www.scottcountymn.gov



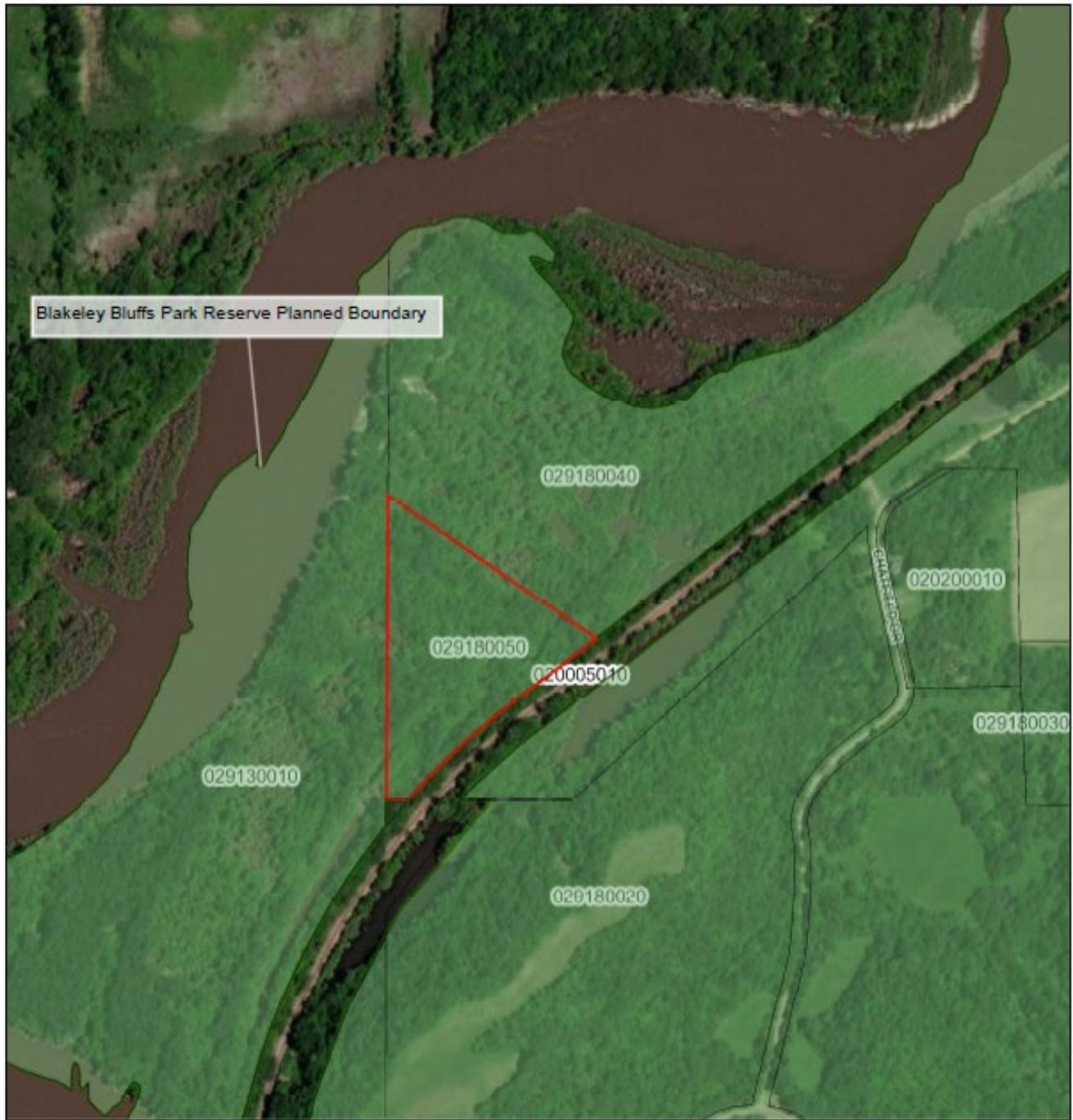
Planned Boundary
Blakeley Bluffs
Regional Park Reserve

Date: 9/23/2021



0 1,000 2,000 Feet

Figure 2. Image of the Muehlenhardt property, outlined in red, in proximity to the park boundary and the Minnesota River



Date: 9/23/2021

1 in = 752 ft



This drawing is neither a legally recorded map nor a survey and is not intended to be used as one. This drawing is a compilation of records, information, and data located in various city, county, and state offices, and other sources affecting the area shown, and is to be used for reference purposes only. Scott County is not responsible for any inaccuracies herein contained. If discrepancies are found, please contact the Scott County Surveyors Office.

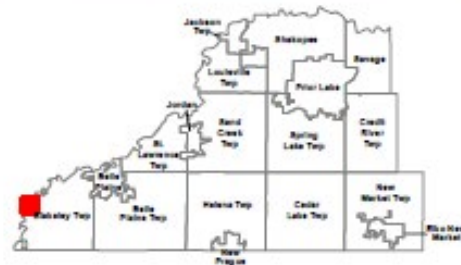


Exhibit 2: Grant request letter



SCOTT COUNTY PARKS AND TRAILS PROGRAM

A Partnership between Scott County and Three Rivers Park District

GOVERNMENT CENTER 114 • 200 FOURTH AVENUE WEST • SHAKOPEE, MN 55379-1220
(952) 496-8475 • Fax (952) 496-8496 • Web www.co.scott.mn.us

September 24, 2021

Jessica Lee
Regional Parks and Natural Resources Unit
Metropolitan Council
390 North Robert Street
St. Paul, MN 55101

Subject: Acquisition Opportunity Grant Request for Floodplain Triangle in the future
Blakeley Bluffs Park Reserve

Dear Ms. Lee,

I am writing to submit an Acquisition Opportunity Grant Request for an acquisition associated with Blakeley Bluffs Park Reserve in Scott County. I ask that this grant request be placed on the November 04 MPOSC agenda for consideration.

Acquisition Grant Request

Muehlenhardt Revocable Trust owns about 15 acres of land in Blakeley Township, MN east of the Minnesota River. The triangular property is adjacent to approximately 236 acres of County land previously acquired for the future Park Reserve on one side, private property (and also in the Park Reserve boundary) on the north-west side, and a railroad on the south-western edge. The property is entirely floodplain forest with approximately 4 acres of the silver maple sub-type.

Scott County is requesting the Metropolitan Council's consideration of an acquisition opportunity grant in the amount of \$25,650 that would fund 75% of the acquisition and associated costs, with 25% local match of \$8,550 coming from the county funds. The total estimated acquisition costs are \$34,200.

This property is a critical component of the future Blakeley Bluffs Park Reserve:

- It is one of four contiguous parcels envisioned to support hiking, shore fishing, and bird watching in the river's floodplain forests
- It will protect native plant communities along the Minnesota River for generations of park users to experience and enjoy
- It provides connections to a railroad corridor underpass (limited in the area, critical to access the Minnesota River and floodplain forest)

Thank you for your consideration of this request. If you have any questions, please contact me directly at 952.496.8777.

Sincerely,

Alysa Delgado, Parks and Natural Resources Coordinator

Exhibit 3: Grant application



Application

15205 - 2021 Park Acquisition Opportunity Fund Program

15207 - Floodplain Triangle Acquisition - Blakeley Bluffs Park Reserve Parks Grants Acquisition

Parks Grants Acquisition

Status: Submitted
Submitted Date: 09/24/2021 2:40 PM

Primary Contact

Name:* Alysa Marie Delgado
Pronouns First Name Middle Name Last Name

Title: Parks and Natural Resources Coordinator

Department:

Email: adelgado@co.scott.mn.us

Address: 200 4th Ave W

* Shakopee Minnesota 55379
City State/Province Postal Code/Zip

Phone:* 952-496-8777
Phone Ext.

Fax:

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

Organization Information

Name: SCOTT COUNTY

Jurisdictional Agency (if different):

Organization Type: County Government

Organization Website:

Address: 200 4TH AVE W

* SHAKOPEE Minnesota 55379
City State/Province Postal Code/Zip

County: Scott

Phone:* 952-496-8341
Ext.

Fax:

PeopleSoft Vendor Number 0000024262A23

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 Blakeley Bluffs PR - Scott County

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 Blakeley Bluffs Park Reserve 12/13/2011
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 12/30/2021

Format: mmddyyyy (Do not enter any punctuation.)

Type of agreement purchase agreement

i.e., purchase agreement, offer letter, etc.

Date agreement expires

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?

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 05/19/2021

Appraised value \$30,000.00

Amount being offered the seller (net of closing and other costs) \$30,000.00 100.0%
% of appraised value

Who performed the appraisal? Patchin Messner Valuatoin Counselors

Who contracted for the appraisal (i.e., was it done at arms' length)? Scott County Highway Department

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

This site is completely floodplain forest along the Minnesota River, all considered a Minnesota Native Plant Community. According to the MLCCS, the entire parcel ranks as either a B/C or C quality community. Approximately 4.2 acres is of the silver maple subtype, and the entire parcel is considered a Natural Area Corridor by Scott County.

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 ENRTF / 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)? N/A

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

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

N/A

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.

Stewardship and minimal access

Describe the stewardship plan.

Upon acquisition of the property stewardship activities will include boundary marking and enforcement, property monitoring and ordinance enforcement, and noxious and invasive weed management. As this parcel is entirely floodplain forest, it will be great access for future natural surface trails to connect visitors between the Minnesota River and the rest of the Park Reserve in a natural setting.

How will the stewardship implementation be funded?

The stewardship implementation will be funded through a combination of grant and through our annual operating budget.

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?

Site Description

Land Use History

Current land uses Woods

Select as many as apply

Previous land uses Woods

Select as many as apply

Adjacent land uses Wetland, Woods

Select as many as apply

Inspection

Does the property contain any of the following?

Select as many as apply

Sellers and parcels

Seller name	Parcel addresses	PID	Acres (SF for easements)	Date PA signed	Habitable structures?	MN House district	City	County	Met Council district	MPOSC	Latitude	Longitude	
MUEHL ENHARDT REVOCABLE TRUST		029180050	15.0	09/21/2021	No	20A	Blakely Township	Scott	4	B	44.583	-93.898	
			15										

Local match

Source of local match

Scott County Levy

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

If yes, how much? \$0.00

Grant agreement signatories

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

Cost Items	Amount	State funds	Metro funds	Match funds
Purchase price				
Negotiated purchase price	\$30,000.00	\$22,500.00	\$0.00	\$7,500.00
Appraisal expenses				
Appraisal	\$2,000.00	\$1,500.00	\$0.00	\$500.00
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	\$1,000.00	\$750.00	\$0.00	\$250.00
Land development	\$0.00	\$0.00	\$0.00	\$0.00
Pro-rated share of all property taxes/assessments	\$20.00	\$15.00	\$0	\$5.00
Legal services and closing costs	\$1,000.00	\$750.00	\$0	\$250.00
Property tax equivalency payment-473.341	\$70.00	\$52.50	\$0	\$17.50
Relocation costs to seller	\$0.00	\$0.00	\$0.00	\$0.00
State deed tax/conservation fee	\$10.00	\$7.50	\$0	\$2.50
Title insurance	\$100.00	\$75.00	\$0	\$25.00
Well disclosure statement	\$0.00	\$0.00	\$0.00	\$0.00
Other holding	\$0.00	\$0.00	\$0.00	\$0.00
Other expenses				
Other expenses	\$0.00	\$0.00	\$0.00	\$0.00
Totals	\$34,200.00	\$25,650	\$0	\$8,550.00

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)	\$34,200	\$25,650	\$0	\$8,550	\$25,650

Required Attachments - Acquisition

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Fee Owner:	Muehlenhardt Revocable Trust
Location:	Northwest Side of Union Pacific railroad corridor Blakeley Township, Minnesota
Tax Identification Number:	02-918-005-0
Date of Valuation:	April 12, 2021
Date of Inspection:	April 12, 2021
Property Appraised:	Real Property
Rights & Interests Appraised:	Fee Simple Market Value
Zoning:	A-1, Agricultural Preservation
Guiding:	Park/Open Space
Property Description:	<p>The subject consists of a 15± acre parcel, according to the Quit Claim Deed, located on the northwest side of the Union Pacific railroad corridor in the northwestern portion of Blakeley Township in Scott County, Minnesota.</p> <p>The subject property is triangular with heavily wooded and wetland areas. The site is generally level and entirely within the flood hazard area. Furthermore, the property is adjacent to the Minnesota River valley.</p> <p>Reportedly, the Muehlenhardts may not have a legal access route to the subject property. However, for the purposes of this appraisal and based on conversations with Scott County staff, we assume access is gained via a common easement across Scott County Parks Department property and under the Union Pacific railroad trestle.</p>
Highest and Best Use:	Assemblage and/or continued recreational use
Final Conclusion:	\$30,000

ADDENDUM TO
MARKET VALUE APPRAISAL
MUEHLENHARDT PROPERTY
NORTHWEST SIDE OF UNION PACIFIC RAILROAD CORRIDOR
BLAKELEY TOWNSHIP, MINNESOTA
PID NO. 02-918-005-0

DATE OF REPORT:
November 8, 2021

PREPARED FOR:
Scott County Highway Department
Transportation Department Services
600 Country Trail East
Jordan, MN 55352

PREPARED BY:
Patchin Messner Valuation Counselors
Sunset Pond Executive Offices
13961 West Preserve Boulevard
Burnsville, MN 55337



PATCHIN MESSNER
VALUATION COUNSELORS

November 8, 2021

Scott County Highway Department
Transportation Department Services
600 Country Trail East
Jordan, MN 55352

ATTN: Jody K. Hassel
Right of Way Agent

RE: Market Value Appraisal
Muehlenhardt Property
Northwest Side of Union Pacific Railroad Corridor
Blakeley Township, Minnesota
PID No. 02-918-005-0

Dear Ms. Hassel:

At your request, we have prepared an Addendum to our market value appraisal of the above-referenced property due recently provided information regarding a perpetual RIM conservation easement encumbering a portion of the subject property. The original appraisal was communicated in an appraisal report dated May 19, 2021, identified by file number 22124-3.

The subject of this report is located on the northwest side of the Union Pacific railroad corridor in the northwestern portion of Blakeley Township in Scott County, Minnesota. Further identified as Scott County Tax Parcel 02-918-005-0. The property consists of 15± acres, according to the Quit Claim Deed, and is unimproved recreational land.

The purpose and intended use of the original appraisal was to estimate the market value of the fee simple interest of the subject to provide valuation guidance to Scott County for potential acquisition of the subject property in its entirety. Furthermore, in the original appraisal we concluded that the highest and best use of the subject property was for recreational use and possible assemblage due to physical limitations and that the market value of the subject, as of April 12, 2021, was \$30,000.

Subsequent to the issuance of our appraisal dated May 19, 2021, the County provided additional information regarding a non-contiguous perpetual RIM conservation easement encumbering 5.2 acres of the subject, which can be found in Exhibit 1 of this Addendum. It is noted that, given the physical limitations of the subject property, the use restrictions set forth in the perpetual RIM conservation easement such as, but not limited to, the owner shall not produce agricultural crops on the easement area; shall not remove or harvest any trees in the easement area; shall not alter wildlife habitat, natural features, the vegetation cover, or other conservation practices on the easement area, do not change the highest and best use of the subject property for recreational use.

This letter serves to briefly summarize our analyses and amended conclusions. Again, the previous appraisal report was intended to comply with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. Furthermore, this appraisal report was presented following the USPAP Standards Rule 2-2(a) guidelines for real property appraisal reporting. The original appraisal is adopted by reference as part of this Addendum letter. As such, this letter cannot be properly understood without the previous appraisal report: 22124-3, dated May 19, 2021. The client remains the Scott County Highway Department, and the intended users of this appraisal assignment are Scott County and the Metropolitan Council.

Therefore, considering the above and recognizing that the perpetual RIM conservation easement that encumbers a portion of the property is consistent with our previous conclusion of highest and best use as recreational land, we conclude that the market value of the subject in the original appraisal, as of April 12, 2021, of **\$30,000** remains unchanged.

It should be noted that this amendment letter does not qualify as an appraisal, and the reader is directed to the original report, dated May 19, 2021, for the supporting data, analyses and conclusions. The "Contingent and Limiting Conditions" section of that report should be thoroughly read and understood before relying on any information or analysis presented herein.

Thank you for allowing our firm to be of assistance in this matter. If you have any questions after reading this report, feel free to contact us at your convenience.

Respectfully submitted,

PATCHIN MESSNER VALUATION COUNSELORS



Michelle K. Hedges
Trainee Real Property Appraiser
Minnesota License 40718572



Jason L. Messner, MAI, CRE
Certified General Real Property Appraiser
Minnesota License 4000836



Request for Board Action

BOARD MEETING DATE:
10/5/2021

AGENDA ITEM NUMBER:
5.6

Department Information

ORIGINATING DIVISION/DEPARTMENT: Planning and Resource Management/Parks and Trails	
PRESENTER(S): Patty Freeman x8752	PROJECT: PIP2021-25 - Blakeley Acquisition - Floodplain Triangle

Agenda Item Details

AGENDA ITEM TYPE: Consent	TIME REQUESTED: NA
ACTION REQUESTED: Adopt Resolution No. 2021-191; Authorizing the Execution of a Purchase Agreement and Acquisition of Real Property Located at 029180050 in Blakeley Bluffs Park Reserve and Authorizing a Grant Request to the Metropolitan Council for Acquisition Funding	
ORGANIZATIONAL VALUES: Stewardship: We will work proactively to make investments, guided by resident input, which will transform lives, communities, and government	
BACKGROUND/JUSTIFICATION: The purpose of this agenda item is to adopt Resolution No. 2021-191, Authorizing the Execution of a Purchase Agreement and Acquisition of Real Property Located at 029180050 in Blakeley Bluffs Park Reserve and Authorizing a Grant Request to the Metropolitan Council for Acquisition Funding. This property is approximately 15 acres located in the floodplain of the Minnesota River. About a third of the parcel has characteristics of a Silver Maple Flood Plain forest native habitat, according to the Minnesota Department of Natural Resources native plant community survey. The triangular property is adjacent to County land previously acquired for the future Park Reserve on one side, private property (and also in the Park Reserve boundary) on the north-west side, and a railroad on the south-western edge. This property is one of four contiguous parcels envisioned to support hiking, shore fishing, and bird watching in the river's floodplain forests. Scott County commissioned an appraisal of the property by Patchin Messner Valuation Counselors. Over the past few weeks, staff has been in conversation with the land owners to affirm their interest in selling and to negotiate a purchase price. An agreement for a purchase price of \$30,000 has been reached between both parties, and detailed appraisal information has been provided to the Board in a separate confidential memorandum per the requirements of Minnesota Statute. Scott County's 2021 - 2025 Parks Improvement Program proposed acquisition of land within Blakeley Bluffs Park Reserve boundary from willing sellers, including this property. Seventy-five (75%) percent of the funding for the acquisition is planned from the Metropolitan Council's Regional Park Acquisition Opportunity Grant Program, and the remaining 25% would be a local County	

match. The Parks Improvement Plan that was approved by the Scott County Board provided the local match from County funds previously reimbursed by the Metropolitan Council for park land acquisitions previously made by the County. This acquisition is contingent on securing acquisition grant funding.

BUDGET AMENDMENT:

No


FUNDING DESCRIPTION:

Project funding was approved in the 2021-2025 Parks Improvement Program.

ATTACHMENTS:

1.	BBPR 2021 Acquisition NPC (1)
2.	BBPR 2021 Acquisition Status

Action

ACTION TAKEN: APPROVED	MOTION/SECOND/VOTE: TW/BWB/ 5 ayes	DEPUTY CLERK: 
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**BOARD OF COUNTY COMMISSIONERS
SCOTT COUNTY, MINNESOTA**

Date: October 5, 2021

Resolution No.: 2021-191

Motion by Commissioner: Tom Wolf

Seconded by Commissioner: Barb Weckman Brekke

RESOLUTION NO. 2021-191; AUTHORIZING THE EXECUTION OF A PURCHASE AGREEMENT AND ACQUISITION OF REAL PROPERTY LOCATED AT 029180050 IN BLAKELEY BLUFFS PARK RESERVE AND AUTHORIZING A GRANT REQUEST TO THE METROPOLITAN COUNCIL FOR ACQUISITION FUNDING

WHEREAS, Scott County is interested in acquiring land for Blakeley Bluffs Park Reserve consistent with the approved park reserve master plan; and

WHEREAS, the Metropolitan Council's Acquisition Opportunity Grant Program funds 75% of eligible regional park acquisition costs, and requires the remaining 25% from a local match; and

WHEREAS, the purchase, including the 25% local match, is included in the 2021-2025 approved Parks Improvement Program (PIP); and

WHEREAS, the property owner, Muehlenhardt Revocable Trust, has agreed to a purchase price of \$30,000 for approximately 15 acres of land within the approved Blakeley Bluffs Park Reserve.

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners in and for the County of Scott, Minnesota, that the Board of Commissioners hereby authorizes the County Administrator to execute a purchase agreement, subject to approval by the County Attorney's Office as to form that is contingent on securing grant funding.

BE IT FINALLY RESOLVED that Scott County Park's staff is hereby authorized to submit a grant request for park land acquisition funding to the Metropolitan Council.

VOTE RESULTS:

Yes: Barb Weckman Brekke, Dave Beer, Michael Beard, Jon Ulrich, Tom Wolf

No: None

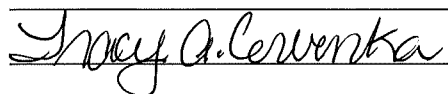
Absent:

Abstain: None

State of Minnesota)

County of Scott)

I, Lezlie A. Vermillion, duly appointed qualified County Administrator for the County of Scott, State of Minnesota, do hereby certify that I have compared the foregoing copy of a resolution with the original minutes of the proceedings of the Board of County Commissioners, Scott County, Minnesota, at their session held on Oct, 5, 2021 now on file in my office, and have found the same to be a true and correct copy thereof. Witness my hand and official seal at Shakopee, Minnesota, on Oct 5, 2021.



County Administrator
Administrator's Designee

Exhibit 6: Purchase agreement

REAL PROPERTY PURCHASE AGREEMENT

THIS AGREEMENT, made as of this 21st day of October, 2021 by and between Lyle F. Muehlenhardt and Barbara A. Muehlenhardt as trustees under the Muehlenhardt Revocable Living Trust Agreement, dated November 9, 2010, (hereinafter referred to as the "Seller") and County of Scott, a body politic and corporate organized and existing under the laws of the State of Minnesota, (hereinafter referred to as the "Buyer"). Seller and Buyer may at sometimes herein be collectively referred to as ("Parties") and individually as ("Party").

RECITALS:

WHEREAS, Seller is the owner of certain real property, with improvements located thereon, situated in Scott County, State of Minnesota, more particularly described in Section 1 of this Agreement below; and

WHEREAS, Seller and Buyer are willing and voluntary parties to this Agreement under the terms and conditions and for the consideration set forth below.

NOW THEREFORE, in consideration of the promises and of the payments and mutual covenants contained herein, the parties agree as follows:

1. Seller is the owner of certain real property, with improvements located thereon, situated in Scott County State of Minnesota described, as follows:

All that part of Government Lot 3, lying North of Railroad in Section 18, Township 113, Range 25, Scott County, Minnesota, described as follows:

Commencing at a point 74 rods North of the Southwest corner of Government Lot 3, Section 18, Township 113, Range 25, thence South 74 rods to said Southwest corner of said Government Lot 3, Section 18, Township 113, Range 25, thence Northeasterly along the north line of the railroad right of way 68 rods, thence Northwesterly to the place of beginning, containg about 15 acres, all in Scott County, Minnesota.

(PIN 029180050)

Together with all buildings, improvements, fixtures, and landscaping situated thereon

(hereinafter referred to as the "Property").

2. Purchase Price. The total purchase price for the Property shall be Thirty Thousand and No/100 (\$30,000.00) Dollars (the "Purchase Price"), to be paid as follows:
 - a. Earnest Money: Three Thousand and no/100 Dollars (\$3,000.00) Dollars to be paid by check with delivery of a fully-executed counterpart of this Agreement.
 - b. Twenty Seven Thousand and No/100 (\$27,000.00) Dollars to be paid by check on the Closing Date, less any and all payoffs of mortgages, liens or other interests, and upon delivery by Seller to Buyer of good and marketable title by a Warranty Deed of conveyance.
3. Financing Contingencies. The obligation of Buyer to purchase and of Seller to sell is contingent upon the final approval of the Scott County Board of Commissioners and Buyer obtaining cost participation from the Metropolitan Council, Minnesota Department of Natural Resources, and/or other potential sources, as identified prior to Closing, to fully fund the purchase price.

In the event that condition has not been satisfied or waived by Buyer on or before the Closing Date, then Buyer may terminate this Agreement by written notice to Seller on or before the Closing Date. If so terminated, all Earnest Money shall be refunded to Buyer and Buyer and Seller will promptly sign a cancellation agreement in recordable form releasing Buyer's claims against the property and neither party shall thereafter have any further obligation under this Agreement.

4. Condition of Title.
 - a. The obligations of Buyer are hereby made expressly contingent upon Buyer's satisfaction with the condition of the title to the Property pursuant to Section 6, and as described in Section 1 of this Agreement.
 - b. Seller shall, within fifteen (15) business days of this Agreement, deliver to Buyer for its examination, an Abstract of Title and a copy of any owner's title insurance policy for the property, if in the Seller's possession or control. Buyer may update the Abstract of Title certified to a current date by a licensed Abstracter at Buyer's expense or Buyer may order a title commitment from a title insurance company, at Buyer's expense, for Buyer's examination. Buyer shall have thirty (30) business days from the receipt of said updated Abstract of Title or title commitment for examination of same. In the event that Buyer elects to order an Owner's Insurance Policy at Closing, the premium for such policy is at Buyer's expense.

- c. If Buyer fails to notify Seller in writing of Buyer's objections to the condition of title to the Property within thirty (30) business days from the receipt of an updated Abstract of Title or title commitment, Buyer shall be deemed to have given notice of Buyer's election to waive the condition of satisfactory title and to proceed to Closing.
 - d. If Buyer notifies Seller of objections within thirty (30) business days, Seller shall have forty-five (45) business days to obtain good and marketable title to the Property in response to a notice of Buyer's objections.
 - e. If Buyer is not satisfied with the condition of title to the Property after Seller's forty-five (45) business days to cure objections, Buyer may elect to:
 - (i). Terminate this Agreement by notice to Seller, which Seller shall promptly return the earnest money to Buyer; or
 - (ii). Waive the failure of satisfactory title to the Property and proceed to Closing in accordance with the terms of this Agreement; or
5. Seller's Representation and Warranties. Seller represents and warrants to Buyer (as of the date of this Agreement and as of the Closing Date, unless otherwise specifically limited) that:
- a. Seller will deliver, as of the Closing Date, good and marketable title in fee simple to the Property, free and clear of all liens, encumbrances, assessments, obligations, charges and options of any kind, except for easements of record. It is understood by the parties that any outstanding mortgages, assessments, liens or judgments against the property shall be released or satisfied on the Property from the proceeds of the sale at the time of Closing.
 - b. Seller shall deliver good and marketable title in fee simple to the Property, free and clear of all liens, encumbrances, assessments, obligations, charges and options of any kind, or other encumbrances affecting title, except for easements of record.
 - c. Seller has not entered into any other contracts or agreements of any kind for the sale of this Property. Seller has not entered into any leases or contracts for any use on the Property, except easements of record. Seller agrees not to lease, sell, convey, mortgage or otherwise encumber all or any portion of the property or to amend any existing document or other matter encumbering or affecting the Property.

- d. To the best of Seller's knowledge, there is no pending or threatened litigation or other proceeding which could adversely affect the value or Buyer's use of the Property.
- e. Seller (i) has not received any written notification from any governmental agency, and is not aware of any pending governmental agency notification that the improvements, which constitute part of the Property, or the present uses of the Property, do not comply with applicable laws, ordinances or regulations, and (ii) has no knowledge of defects or conditions on or in the Property or the soil or groundwater thereof which exist and that may materially impair Buyer's use and enjoyment of the Property.
- f. Seller has not had any labor, material, machinery, fixtures and/or tools furnished to the property within 120 days immediately preceding the Date of Closing. Seller shall pay in full any payments for all labor, materials, machinery, fixtures, or tools furnished on or for the Property within 120 days immediately preceding the Date of Closing. Seller shall obtain releases from the provider(s) of such labor, materials, machinery, fixtures or tools. Seller shall notify Buyer, and provide copies of all releases, of any labor, materials, machinery, fixtures, or tools furnished on or for the Property within 120 days immediately preceding the Date of Closing.
- g. Seller warrants that the Property has water and septic service, as follows (check the appropriate boxes):

City Water: Yes No BAM Seller Initials L.F.M

City Sewer: Yes No BAM Seller Initials L.F.M

Private well: Yes No BAM Seller Initials L.F.M

Subsurface Sewage Treatment System: Yes No BAM Seller Initials L.F.M

In the event that a private water well or a subsurface sewage treatment system exists on the Property, Seller agrees to provide Buyer with a current Well Disclosure Statement and/or a current Subsurface Sewage Treatment System Disclosure Statement along with a current Property Disclosure Statement, all completed and delivered contemporaneously with Seller's execution and delivery this Agreement.

- h. To the best of Seller's knowledge, there are no hazardous substances or underground storage tanks on the Property.

- i. To the best of Seller's knowledge, methamphetamine production has not occurred on the Property.
 - j. Seller advises that information regarding the predatory offender registry and persons registered with the predatory offender registry under Minn. Stat. § 243.166 may be obtained by contacting local law enforcement office in the community where the Property is situated or by contacting the Minnesota Department of Corrections by telephone at (651) 361-7200 or its website at www.corr.stte.mn.us.
6. Entry onto the Property. Upon execution of this Agreement by the parties hereto, Buyer and its duly authorized agents shall, upon reasonable notice and during normal business hours, have the right to enter on, over, under and upon the Property in order to conduct such inspection, engineering, environmental, topographical, and survey studies or reports as Buyer may desire or find necessary for its evaluations of the appropriateness of the Property for the intended use.
7. Seller's Requirements at Closing. Seller shall deliver to Buyer an executed and duly recordable Warranty Deed conveying the Property subject to easements of record. Seller shall also deliver a Seller's Affidavit (MUCB form or similar); well certification and disclosure, compliance agreement and disclosure, and other documents as the Closing agent or title insurance company may deem necessary or appropriate for the transfer of good and marketable title to the Property.

Seller agrees to cooperate with Buyer regarding any reasonable request(s) made subsequent to closing to correct errors, if any, made concerning this transaction or provide any and all additional documents deemed necessary by Buyer to effect this transaction and make fee title good and marketable title. Seller agrees that cooperation includes, but is not limited to, execute or re-execute any documents that Buyer deems necessary or desirable to complete this transaction. The Parties understand that the Seller is not responsible for performing any duties or obligations of the Buyer in this transaction and that the Buyer is not responsible for performing any duties or obligations of the Seller.

8. Deed Tax and Filing Fees. Buyer shall pay deed tax and conservation fees for this transaction. Buyer shall pay recording fees for the Warranty Deed for this transaction. Seller shall provide affidavits and other documents necessary to clear title, which shall be the responsibility of Seller, at Seller's expense

9. Property Taxes. Seller warrants that it has paid all prior years' property taxes and assessments. Property taxes payable in and for the calendar year of Closing Date will be prorated between Seller and Buyer to the Date of Closing for this transaction. Seller shall pay, on the Date of Closing, any deferred property taxes (i.e. Green acres, etc.). Seller shall pay any and all other special assessments pending and levied as of the date of this Purchase Agreement.
10. Place and Time of Closing. In the event that Seller can deliver good and marketable title, this transaction shall be closed at a Closing prior to or by December 30th, 2021 with the Closing Agent designated as Carver County Abstract and Title, Inc. with offices in Chaska, Minnesota. Seller and Buyer shall each pay 50% closing and title fees charged by Closing Agent.
11. Possession. Seller shall deliver possession of the Property and shall vacate the Property immediately upon Closing unless Seller and Buyer have entered into an Addendum to this Agreement entitled "Seller Rent Back Agreement".
12. Personal Property. Seller shall remove from the Property any and all personal property not included in the sale, materials, debris, rubbish, and/or other items prior to vacating the Property, subject to the satisfaction of the Buyer. Seller shall vacate the single-family residence in a "Broom Clean" condition.
13. Risk of Loss. If there is any loss or damage to the Property between the date hereof and the Date of Closing, for any reason including but not limited to, fire, vandalism, flood, earthquake or act of God, the risk of loss shall be on Seller. If the Property is destroyed or substantially damaged before the Closing Date, this Purchase Agreement may become null and void at Buyer's option, and upon such election, Buyer and Seller shall immediately sign a cancellation of the Purchase Agreement.
14. Time of Essence. Time is of the essence in this Purchase Agreement.
15. Responsible Party. The Parties agree that the Party engaging any work, services, commissions or fees, including but not limited to, inspections, assessments, surveys, appraisal, title search, title examination, title insurance, brokerage, attorney's fees and other legal services, shall have the sole obligation and responsibility for such work, services, commissions or fees, unless such fee(s) incurred by Seller is eligible for reimbursement under applicable laws and regulations for an involuntary acquisition under the rights of eminent domain.

16. Notices. All notices required or permitted hereunder shall be deemed effectively given to the party to be charged therewith when personally delivered to the Seller or an officer of the County or deposited in the United States mail, postage prepaid and addressed as follows:

To Seller: Lyle F. and Barbara A. Muehlenhardt
17285 250 ST W
Belle Plaine, MN 56011

To Buyer: Scott County Transportation Services Division
Attn: Jody Hassel
600 Country Trail East
Jordan, MN 55352

The foregoing addresses may be changed by written notice given as provided in this Section.

17. Entire Agreement. This Agreement contains all of the agreements and understandings of the Parties hereto. This Agreement may be modified or cancelled only in writing executed by Seller and Buyer or by operation of law.
18. Binding Nature of Agreement. This Agreement shall be binding upon the parties hereto and their respective heirs, successors and assigns.
19. Survival of Terms. All representations, warranties and agreements contained in this Agreement shall survive the Closing and shall not be merged into any instruments of conveyance delivered at the Closing, and the parties hereto shall be bound accordingly.
20. Headings. The headings of the sections in this Agreement are for convenience only and do not construe or limit the contents of such section.
21. Counterparts: This instrument may be executed in one or more counterparts or in multiple originals, either one of which is as valid as the other and when taken together shall constitute one agreement.
22. Effective Date of Agreement. This Agreement shall become effective and shall be binding upon the Parties hereto only after it has been executed by each of the Parties hereto. Seller understands and agrees that this Agreement is subject to both approval by the Scott County Board of Commissioners by its acceptance in writing within forty-five (45) of Sellers execution and delivery to Buyer.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Dated: Sept 20,, 2021.

Lyle F. Muehlenhardt
Lyle F. Muehlenhardt

Dated: Sept 20,, 2021.

Barbara A. Muehlenhardt
Barbara A. Muehlenhardt

COUNTY OF SCOTT

Dated: 10/21, 2021

By: Jon Ulrich
Jon Ulrich

Its: Board Chair, Board of Commissioners

Dated: 10/19, 2021

By: Tracy A. Cerwenka
for Lezlie Vermillion
Its: Administrator

I approve this instrument as to form: Jeanne Andersen 10/21/21
Jeanne Andersen, Asst. County Attorney Date

This instrument was drafted by Scott County, 600 Country Trail, E. Jordan, MN 55352