Proposed Action
That the Metropolitan Council:

1. Approve a grant of up to $962,700 to Washington County to acquire the 79.04-acre Kelley Land and Cattle Company property located at 170th Street North in May Township for Big Marine Park Reserve.

2. Authorize the Community Development Director to execute the grant agreement and restrictive covenant on behalf of the Council.

Summary of Metropolitan Parks and Open Space Commission Discussion/Questions
Chee Yang, Planner, presented the staff report to the Metropolitan Parks and Open Space Commission on April 7, 2022. Sharon Price and Sandy Breuer, both from Washington County, were in attendance and responded to questions.

Commissioners Peichel and Moeller, and Council Member Vento expressed their support for this acquisition at Big Marine Park Reserve.

Chair Yarusso asked if the existing easements on the property will have any impacts to the future planned recreation. Sharon Price responded that the existing easements will not have any impact on future planned recreation activities.

The Metropolitan Parks and Open Space Commission voted unanimously to approve the proposed actions.

Motion by Commissioner Peichel, seconded by Commissioner Dillenburg. Motion carried.
Business Item: 2022-86
Big Marine Park Reserve, Park Acquisition Opportunity Fund (Kelley), Washington County

District(s), Member(s):
District F, Cecily Harris
District 12, Francisco J. Gonzalez

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. FM 15-2 Grant/Loan Approval Policy, FM 14-2 Expenditures for the Procurement of Goods and Services Policy.

Staff Prepared/Presented:
Chee Yang, Planner, 651-602-1449

Division/Department:
Community Development

Proposed Action
That the Metropolitan Council:

1. Approve a grant of up to $962,700 to Washington County to acquire the 79.04-acre Kelley Land and Cattle Company property located at 170th Street North in May Township for Big Marine Park Reserve.

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
Washington County requested a Park Acquisition Opportunity Fund (PAOF) grant on February 24, 2022, to fund the acquisition of a 79.04-acre property for Big Marine Park Reserve. A copy of the Agency’s request is attached to this item as Exhibit 2 with application details in Exhibit 3.

Big Marine Park Reserve is identified as an excellent natural resource park with high-quality upland and wetland wildlife habitat in the northern part of Washington County. The establishment of the Park Reserve also provides a substantial ecological buffer around a significant portion of Big Marine Lake. The County has acquired about 657 acres for the park reserve, with 205 acres open to the public. When completed, the park will be 1,884 acres, with 80 percent of the park dedicated to conservation and protection.
**Subject Property**
The subject property is within the Council-approved boundary of Big Marine Park Reserve. There are no existing structures on the partially wooded parcel. About 27% of the property is within areas designated as wetlands. The initial stewardship plan is to plant disturbed areas with native vegetative cover to stabilize the site. Long term restoration efforts will be consistent with the 2010 Big Marine Park Reserve master plan.

**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 $1,268,900 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, appraisal, environmental assessment, and stewardship is $1,283,600 as shown in Table 1 below.

**Table 1. Project Budget**

<table>
<thead>
<tr>
<th>Budget item</th>
<th>Requested amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase price</td>
<td>$1,268,900</td>
</tr>
<tr>
<td>Stewardship</td>
<td>$500</td>
</tr>
<tr>
<td>Appraisal, legal fees, taxes, closing costs</td>
<td>$11,700</td>
</tr>
<tr>
<td>Environmental assessment</td>
<td>$2,500</td>
</tr>
<tr>
<td><strong>Total Costs</strong></td>
<td><strong>$1,283,600</strong></td>
</tr>
</tbody>
</table>

**Grant structure**

- Grant amount: $962,700
- Local match: $320,900

**Acquisition Details**
This is a straightforward, fee simple transaction. There are two existing easements on the property. There is a 50-foot wide gas pipeline easement and a 70-foot wide powerline easement along the road frontage, 170th Street North (Exhibit 1, Figure 3). The easements do not impact the natural resources or the value of 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 Big Marine Park Reserve master plan in 2010 (*Business Item 2010-393*). The
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 has small ponds and Department of Minnesota Natural Resources (DNR) designated wetlands described as Shallow Marsh and Shallow Open Water, Emergent Vegetation, Moss/Lichen, and Shrub Wetland. The property also contains a mix of prairie and hardwood forest.

- 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.

  - The Environment and Natural Resources Trust Fund (ENRTF) appropriation requirements.

**Thrive Lens Analysis**

This request is consistent with Thrive’s Livability and Stewardship outcomes. The Council’s investment in Big Marine Park Reserve will preserve and protect natural resources with restoration potential to increase high quality natural resources and wildlife habitat in the regional parks system.

**Funding**

The Council will fund the 75% share with ENRTF and Council funds. The PAOF program has available undesignated funds in the Council’s Authorized Capital Program.

Washington County will provide a local match of $320,900.

**Small Business Inclusion**

Not applicable.

**Exhibit List**

- Exhibit 1: Images
- Exhibit 2: Grant request letter
- Exhibit 3: Grant application
- Exhibit 4: Appraisal excerpt
- Exhibit 5: Board approval to purchase property
- Exhibit 6: Purchase agreement
Exhibit 1 – Images
Figure 1. Map of Big Marine Park Reserve

[Map of Big Marine Park Reserve showing locations like Scandia, Forest Lake, Glacial Hills, Warner Nature Center, Wilder Forest, Square Lake, and areas such as William C. Brien State Park and Marine on St. Croix.]
Figure 2. Location of the Kelley property within the Big Marine Park Reserve boundary

Legend:
- Master Plan Boundary - 1894.2 Acres
- County Owned - Open to Public - 204.7 Acres
- County Owned Parcels - 575.4 Acres
- Potential Acquisition - 79.04 Acres
- Parcels

Veteran's Camp Properties Excluded From Master Plan Boundary
Kelley Property
Figure 3. Aerial image of the Kelley property and easement location

Figure 4. Existing condition images of the Kelley property