

Committee Report

Community Development Committee



Community Development Committee Meeting: June 6, 2022

For the Metropolitan Council: June 22, 2022

Business Item: 2022-142

Grey Cloud Island Regional Park, Park Acquisition Opportunity Fund (Wald), Washington County

Proposed Action

That the Metropolitan Council:

1. Approve a grant of up to \$385,590 to Washington County to acquire the 3.82-acre Wald property located at 11500 Grey Cloud Trail South, Cottage Grove, for Grey Cloud Island Regional Park.
2. Authorize the Community Development Director to execute the grant agreement and restrictive covenant on behalf of the Council.

Summary of Community Development Committee Discussion/Questions

This business item was passed as part of the Community Development Committee's consent agenda on June 6, 2022.



Committee Report

Metropolitan Parks and Open Space Commission



Community Development Committee Meeting: June 6, 2022

For the Metropolitan Council: June 22, 2022

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Summary of Metropolitan Parks and Open Space Commission Discussion/Questions

Jessica Lee, Senior Planner, presented the staff report to the Metropolitan Parks and Open Space Commission on June 2, 2022. Sandy Breuer, Washington County Parks Director, was in attendance and responded to questions.

Chair Tony Yarusso asked when a portion of the park might become open to the public. Ms. Breuer replied that there are no immediate plans for opening to the public, as the County is waiting until they have a large enough area of land to build trails and to provide parking for the public.

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

Motion by Commissioner Robert Moeller, seconded by Commissioner Anthony Taylor. Motion carried.



Business Item

Metropolitan Parks and Open Space Commission



Community Development Committee Meeting: June 6, 2022

For the Metropolitan Council: June 2, 2022

Business Item: 2022-142

Grey Cloud Island Regional Park, Park Acquisition Opportunity Fund (Wald), 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 <i>Regional Parks Policy Plan</i> , 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:	Jessica Lee, Senior Planner, 651-602-1621
Division/Department:	Community Development

Proposed Action

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1. Approve a grant of up to \$385,590 to Washington County to acquire the 3.82-acre Wald property located at 11500 Grey Cloud Trail South, Cottage Grove, for Grey Cloud Island Regional Park.
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 April 7, 2022, to fund the acquisition of a 3.82-acre property for Grey Cloud Island Regional Park. A copy of the Agency's request is attached to this item as Exhibit 2 with application details in Exhibit 3.

Grey Cloud Island Regional Park is located on an island between the Mississippi River and Mooers Lake in the southwestern corner of Washington County, in the City of Cottage Grove. The park is not yet open to the public, as the County is working to acquire more land within the park boundary. After this acquisition, the County will own 135 acres. The total master plan boundary for the park (owned acres and in-holdings) includes 1,367 acres.

Subject Property

The subject property is within the Council-approved boundary of Grey Cloud Island Regional Park. The property is mostly wooded, except for the portion that contains a home and an outbuilding. The structures will be removed, and the land will be restored with native vegetative cover.

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 the 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 \$482,400 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 \$514,120 as shown in Table 1 below.

Table 1. Project Budget

Budget item	Requested amount
Purchase price	\$482,400
Stewardship	\$20,800
Appraisal, legal fees, taxes, closing costs	\$8,920
Environmental assessment	\$2,000
Total Costs	\$514,120
Grant structure	
Grant amount	\$385,590
Local match	\$128,530

Acquisition Details

This is a straightforward, fee simple transaction.

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 Grey Cloud Island Regional Park master plan in 1994. 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 mostly wooded and on an island of the Mississippi River.
 - 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 Parks and Trails Legacy Fund (PTLF) appropriation requirements.



Thrive Lens Analysis

This request is consistent with *Thrive MSP 2040*'s Livability and Stewardship outcomes. The Council's investment in Grey Cloud Island Regional Park will preserve and protect natural resources along the Mississippi River and increase high quality natural resources and wildlife habitat in the regional parks system.

Funding

The Council will fund the 75% share with Parks and Trails Legacy Fund 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 \$128,530.

Small Business Inclusion

Not applicable.

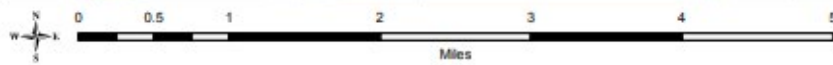
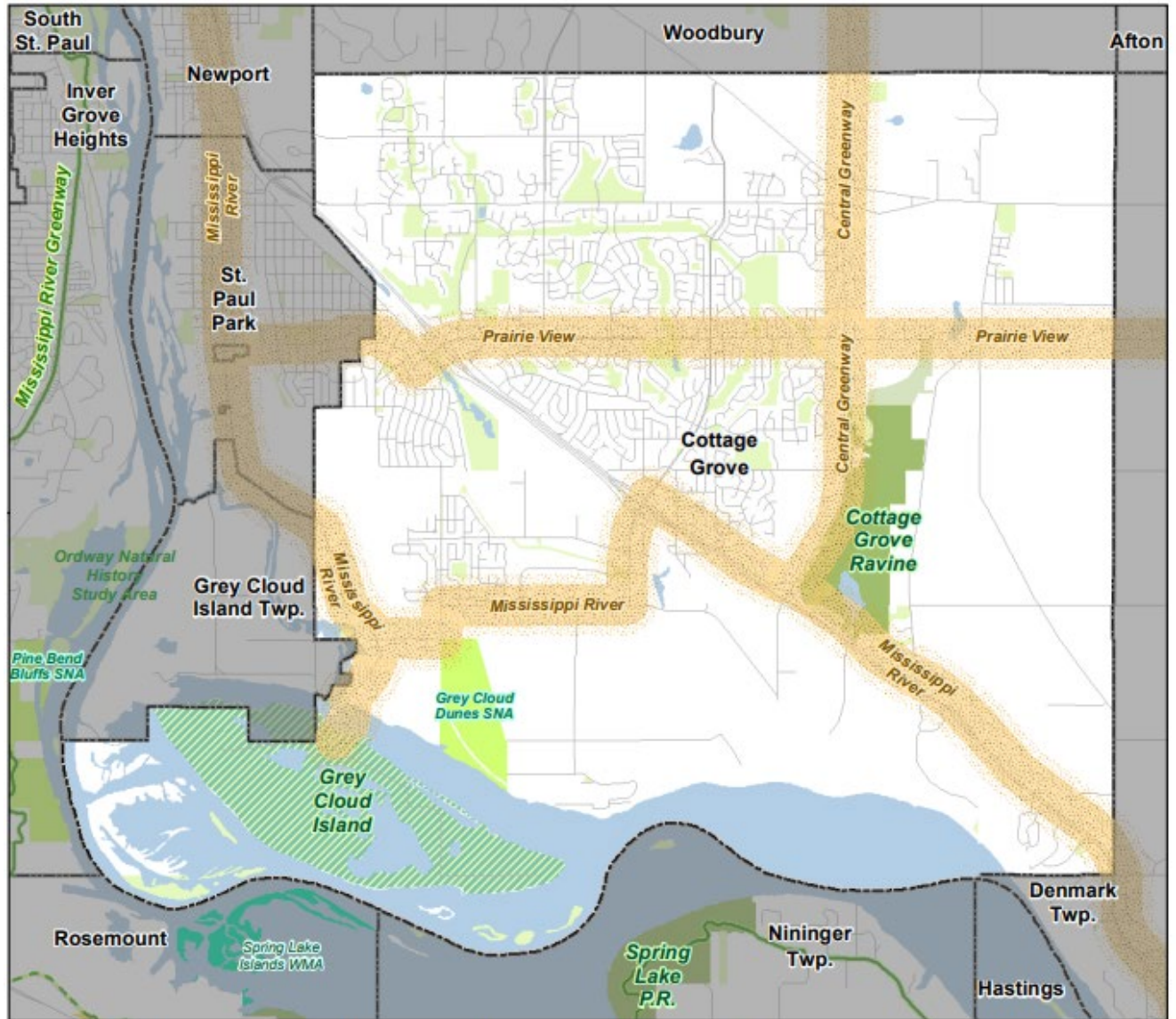
Exhibit List

- 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 the City of Cottage Grove and Grey Cloud Island Regional Park



Regional Parks

- Existing
- In Master Plan
- Planned Parks and Reserves

Regional Trails

- Existing Regional Trails
- Planned Regional Trails
- Regional Trail Corridor Land

Regional Park Search Areas and Regional Trail Search Corridors

- Boundary Adjustments
- Search Areas
- Regional Trail Search Corridors
- Regional Trails - 2040 System Additions

- Minnesota Valley National Wildlife Refuge
- State Parks
- State Wildlife Management Areas (Publicly Accessible)
- Scientific and Natural Areas (SNA)
- Other Parks and Preserves
- Existing State Trails
- Street Centerlines (NCompass)
- Lakes and Major Rivers

Figure 2. Location of the Wald property within the Grey Cloud Island Regional Park boundary

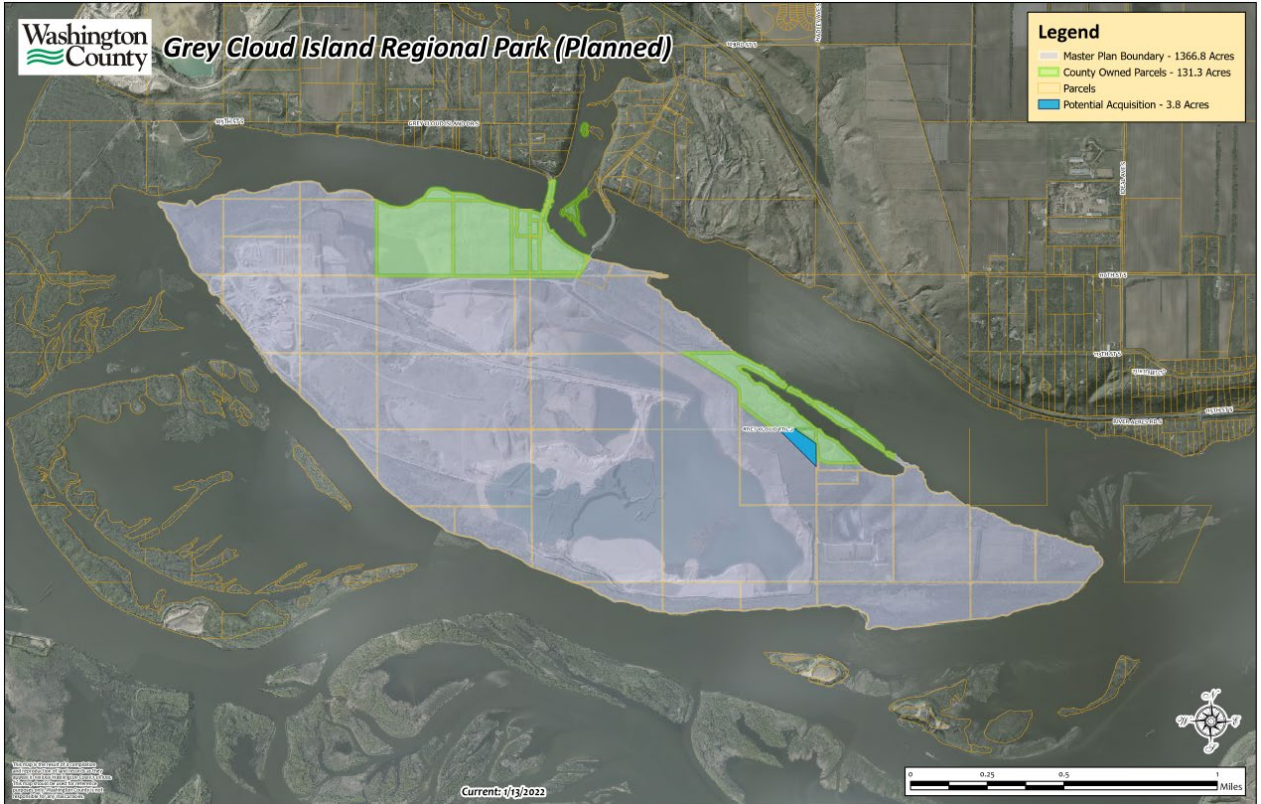


Figure 3. Aerial image of the Wald property





Donald J. Theisen, P.E.
Director

Wayne H. Sandberg, P.E.
Deputy Director/County Engineer

April 7, 2022

Ms. Jessica Lee
Senior Grant Administrator
Metropolitan Council
390 North Robert Street
St. Paul, MN 55101

REQUEST FOR ACQUISITION OPPORTUNITY GRANT FUNDS FOR PURCHASE OF THE WALD TRUST PROPERTY IN GREY CLOUD ISLAND REGIONAL PARK

Dear Ms. Lee:

Washington County request that the Metropolitan Council consider providing acquisition opportunity grant funds for the purchase of the Wald Trust property located within the boundary of Grey Cloud Island Regional Park in the City of Cottage Grove. This property is along the eastern portion of the island inland from the Mississippi River inland channel, and includes an older home, garage and out-building that will be removed after the purchase. The agreed upon purchase price is the same as the Washington County appraised value.

The offer presented here has been signed by both landowner and the Washington County Board on March 15, 2022. Funding for this project is requested to be 75% from Metropolitan Council's Acquisition Opportunity Fund with the remaining 25% funded by Washington County funds.

Estimated Acquisition Costs:

Purchase Price	\$ 482,400.00
Estimated costs related to purchase	\$ 31,707.21

	\$ 514,107.21

Proposed Revenue Sources:

Acquisition Opportunity Fund (75%)	\$ 385,580.41
Washington County (25%)	\$ 128,526.80

	\$ 514,107.21

We understand that there are funds available in the 2022 fiscal year and hope to be able to use said funds. If the funds are not available, we request that this acquisition be funded in the 2023 fiscal year. We anticipate closing on this property in September or October of 2022 following Met Council action on the grant request.

Page Two
April 7, 2022

Thank you for your consideration of this request. If you have any questions or need additional information, please let me know.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sharon M. Price". The signature is written in a cursive style with a large initial "S".

Sharon M. Price
Property Acquisition Manager

cc: Sandy Breuer, Parks Director

Exhibit 3: Grant application



Instructions

Print to PDF will convert the application plus any PDF attachments into a single PDF file. **Release for Review** will change the status of the application to Under Review and move it on to the evaluation process. **Negotiation** will allow you to unlock one or more sections of the application and route the application back to the applicant for further editing. **Annotations** allow internal staff to add notes that are visible to internal staff only and possibly also reviewers if they have a special security privilege. The applicant cannot see these notes. **Versions** will display all component versions that were created as a result of the negotiation process. **Feedback** allows staff to enter feedback about the application to the applicant. The feedback text will appear at the bottom of the application and will be visible to anyone who has access to the application. **Withdraw** changes the status of the application to Withdrawn and removes the app from the evaluation process.

Application Details

[Map](#) | [Print to PDF](#) | [Negotiation](#) | [Annotations\(0\)](#) | [Versions](#) | [Feedback](#) | [Withdraw](#)

17132 - 2022 Park Acquisition Opportunity Fund Program - Final Application

17691 - GCIRP - Wald Trust Property
Parks Grants Acquisition

Status: Under Review

Submitted Date: 04/20/2022 3:51 PM

Applicant Information

Primary Contact:

Name:* Ms. Sharon Price
Pronouns First Name Middle Name Last Name

Title:* Land Acquisition

Department:

Email:* Sharon.Price@co.washington.mn.us

Address:* 11660 Myeron Road N.

* Stillwater Minnesota 55082
City State/Province Postal Code/Zip

Phone:* 651-430-4391
Phone Ext.

Fax:

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

Organization Information

Name:* WASHINGTON CTY

Jurisdictional Agency (if different):

Organization Type:

Organization Website:

Address:* PUBLIC WORKS
11660 MYERON RD

* STILLWATER Minnesota 55082
City State/Province Postal Code/Zip

County:* Washington

Phone:* 651-430-4325
Ext.

Fax:

PeopleSoft Vendor Number 0000028637A10

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 Grey Cloud Island RP-Washington 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 09/13/1994

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? No

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 09/30/2022
Format: mmddyyyy (Do not enter any punctuation.)

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

Date agreement expires 12/31/2022
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 10/22/2021
Appraised value \$482,400.00
Amount being offered the seller (net of closing and other costs) \$482,400.00 100.0%
% of appraised value

Who performed the appraisal? John Hraba
Who contracted for the appraisal (i.e., was it done at arms' length)? Washington County

Survey

Was a survey done? No

Quality of natural resources - is the property...

...undeveloped?

Fully Partially

...wooded?

Fully Yes

Fully Partially

...shoreline?

Fully Partially

Describe the existing natural resources it contains

The parcel has substantially woody vegetation and tree cover, which provides for park-like qualities. Also, this inland parcel provides opportunities to maintain and promote wildlife habitat management and supports the continuity of the Mississippi River flyway corridor.

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? Yes

If yes, are there any habitable structures? Yes

Does the property currently contain any revenue-generating businesses? No

If yes, what is the plan for the structure(s)? After the purchase of the property, it is the intent to demolish the structures and return the property to its natural state.

If there are habitable structures, could they be relocated? If yes, how? If no, why not? We will consider a bid process to either relocate the structures or demolish the structures.

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.

Stewardship and minimal access

Describe the stewardship plan.

Implementation of the regional park will occur over an extended period of time. Implementation and operation of active or passive recreational uses during that acquisition period will be focused on stewardship activities, e.g. fencing, stabilizing, and rehabilitation of natural resources, preventative deterioration of existing structures, road removal or maintenance, etc.

The park will not be developed until a sufficient cross-section of land is assembled to provide the combined active-passive experience desired. In other words, no attempt would be made to develop camping or other facilities until such time that sufficient area would be assembled to support those activities and passive/interpretative experiences. It is therefore, possible that contract private recreation services may be allowed on an interim basis with revenues devoted to operating and maintenance activities.

How will the stewardship implementation be funded?

Stewardship implementation will continue to be funded through Washington County Parks, the Metropolitan Council and available grants.

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 Residential
Select as many as apply

Previous land uses Residential
Select as many as apply

Adjacent land uses Residential
Select as many as apply

Inspection

Does the property contain any of the following? Wells, Septic
Select as many as apply

Sellers and parcels

Seller name	Parcel address	PID	Acres (SF for easements)	Date PA signed	Habitable structures?	MN House district	City	County	Met Council district	MPOSC	Latitude	Longitude
Eugene C Wald Living Trust, dated May 2, 2019	11500 Grey Cloud Trail S, Cottage Grove, MN	31.027.21.41.0001	3.82	03/15/2022	Yes	54A	Cottage Grove	Washington	12		44.782359	-92.966088

Local match

Source of local match

Local match through the Washington County Land and Water Legacy Program

Grant agreement signatories

Full name	Title	If this is an attorney, is the signature 'for form only'?
Wayne Johnson	County Board Chair	
Kevin Corbid	County Administrator	
Jessica Oertel	Assistant County Attorney	Yes

Acquisition Costs

Cost Items	Amount	State funds	Metro funds	Match funds
Purchase price				
Negotiated purchase price	\$482,400.00	\$222,213.00	\$139,587.00	\$120,600.00
Appraisal expenses				
Appraisal	\$2,000.00	\$921.00	\$579.00	\$500.00
Appraisal review	\$0.00	\$0.00	\$0.00	\$0.00
Environmental expenses				
Phase I environmental site assessment	\$2,000.00	\$921.00	\$579.00	\$500.00
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	\$20,800.00	\$9,581.00	\$6,019.00	\$5,200.00
Land development	\$0.00	\$0.00	\$0.00	\$0.00
Pro-rated share of all property taxes/assessments	\$1,140.00	\$525.00	\$330.00	\$285.00
Legal services and closing costs	\$500.00	\$230.00	\$145.00	\$125.00
Property tax equivalency payment-473.341	\$2,130.00	\$981.00	\$616.00	\$533.00
Relocation costs to seller	\$0.00	\$0.00	\$0.00	\$0.00
State deed tax/conservation fee	\$1,600.00	\$737.00	\$463.00	\$400.00
Title insurance	\$1,500.00	\$691.00	\$434.00	\$375.00
Well disclosure statement	\$50.00	\$23.00	\$15.00	\$12.00
Other holding	\$0.00	\$0.00	\$0.00	\$0.00
Other expenses				
Other expenses	\$0.00	\$0.00	\$0.00	\$0.00
Totals	\$514,120.00	\$236,823.00	\$148,767.00	\$128,530.00

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)	\$514,120.00	\$236,823.00	\$148,767.00	\$128,530.00	\$385,590.00

Exhibit 4: Appraisal excerpt

Eugene C. Wald Living Trust
11500 Grey Cloud Trail S, Cottage Grove, MN

SUMMARY TABLE SUMMARY OF SALIENT DATA

Inspection Date:	October 22, 2021
Effective Date:	October 22, 2021
Signature Date:	November 17, 2021
Type of Property:	Single Family Residential
Property Appraised:	11500 Grey Cloud Trail S, Cottage Grove, MN 55016 Washington County
Owner of Property:	Eugene C. Wald Living Trust
Location:	Approximately 3.2 miles south of downtown Cottage Grove, MN
Property Identification Number (PID):	31.027.21.41.0001
Legal Description:	See Appendix E.
Subject Total Area:	3.82 Acres
Current Use:	Residential
Property Rights Appraised:	Fee Simple
Improvements:	Residential
Intended Use:	Negotiation, Acquisition, and Funding Reimbursement
Intended User(s):	Washington County State of Minnesota DNR Metropolitan Council Eugene C. Wald Living Trust
Value Employed:	Market Value
Highest and Best Use:	Single Family Residential
Summary of Appraisal:	Market Value
Extraordinary Assumption:	Project has no influence on value
Hypothetical Condition:	None
Estimate of Land Value:	\$186,500
Estimate of Total Market Value:	\$482,400

Exhibit 5: Board approval to purchase property

**BOARD OF COUNTY COMMISSIONERS
WASHINGTON COUNTY, MINNESOTA**

RESOLUTION NO. 2022-022

DATE March 15, 2022
MOTION
BY COMMISSIONER Miron

DEPARTMENT Public Works - Parks
SECONDED BY
COMMISSIONER Karwoski

**RESOLUTION TO PURCHASE 11500 GREY CLOUD TRAIL SOUTH
IN COTTAGE GROVE FOR GREY CLOUD ISLAND REGIONAL PARK**

WHEREAS, Washington County is interested in acquiring the property described herein in the City of Cottage Grove, Minnesota for inclusion into Grey Cloud Island Regional Park; and,

WHEREAS, the owner, Eugene C. Wald Living Trust, agree to sell the property to the County.

NOW, THEREFORE, BE IT RESOLVED, that Washington County Board of Commissioners hereby authorizes its Chair and Administrator to execute on behalf of the County a Purchase Agreement and any other documents necessary for the County to purchase the property legally described as follows:

All that part of the Northeast Quarter (NE ¼) of the Southeast Quarter (SE ¼) of Section Thirty-one (31) in Township Twenty-seven (27) North of Range Twenty-one (21) West of the Fourth Principal Meridian, Washington County, Minnesota, described as follows: Commencing at a point on the East line of the Northeast Quarter of the Southeast Quarter (NE ¼ of SE ¼) of said Section Thirty-one (31) forty (40) rods South of the Northeast corner thereof, and running thence North to the Northeast corner of said Northeast Quarter of the Southeast Quarter (NE ¼ of SE ¼); thence West on the North line of said Northeast Quarter of the Southeast Quarter (NE ¼ of SE ¼) of Section Thirty-one (31), a distance of forty (40) rods; thence Southeasterly, diagonally across the Northeast Quarter of the Northeast Quarter of the Southeast Quarter (NE ¼ of NE ¼ of SE ¼) of said Section Thirty-one (31) in a straight line to the place of beginning, EXCEPT that part described in Book 176 of Deeds, Page 435.

The description of the Exception is as follows:

That part of the Northeast Quarter of the Southeast Quarter (NE ¼ of SE ¼) of Section Thirty-one (31), Township Twenty-seven (27), Range Twenty-one (21) described as follows: Commencing at a point on the East line of the Northeast Quarter of the Southeast Quarter (NE ¼ of SE ¼) of said Section Thirty-one (31) sixteen (16) rods South of the Northeast corner thereof, and thence running North to the same Northeast corner of said Northeast Quarter of Southeast Quarter (NE ¼ of SE ¼); thence West on the North line of said Northeast Quarter of Southeast Quarter (NE ¼ of SE ¼) of said Section Thirty-one (31) a distance of Twenty-three (23) rods; thence Southeasterly, diagonally across the Northeast Quarter of the Northeast Quarter of the Southeast Quarter (NE ¼ of NE ¼ of SE ¼) of said Section Thirty-one (31) in a straight line to the place of beginning, being the intention of the parties to convey all that part of the Northeast Quarter of the Northeast Quarter of the Southeast Quarter (NE ¼ of NE ¼ of SE ¼) of said Section Thirty-one (31) lying North and East of the public road.

For the sum of \$482,400.

ATTEST:

Kevin Corbid
COUNTY ADMINISTRATOR

Wayne D. Johnson
COUNTY BOARD CHAIR

	YES	NO
MIRON	<u>X</u>	_____
KARWOSKI	<u>X</u>	_____
KRIESEL	<u>X</u>	_____
JOHNSON	<u>X</u>	_____
WEIK	<u>X</u>	_____

PURCHASE AGREEMENT

Between

**EUGENE C. WALD LIVING TRUST,
Dated May 2, 2019**

("SELLER")

and

WASHINGTON COUNTY

("BUYER")

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this "**Agreement**") is made to be effective the 18 day of FEBRUARY, 2022 (the "**Effective Date of this Agreement**") between EUGENE C. WALD LIVING TRUST, dated May 2, 2019, (hereinafter referred to as "**Seller**") and WASHINGTON COUNTY (hereinafter referred to as "**Buyer**").

RECITALS AND PRELIMINARY STATEMENT OF FACTS

1. Seller is the owner of certain real property located in the County of Washington, State of Minnesota, and legally described in the attached Exhibit "A" (the "**Property**").
2. Seller desires to sell and Buyer desires to purchase the Property subject to the terms and conditions hereof.

In consideration of the Recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, agree as follows:

COVENANTS

1. **SALE AND PURCHASE** Seller agrees to sell and Buyer agrees to purchase the Property upon the terms and conditions set forth in this Agreement.
2. **CLOSING DATE** The closing of the transaction contemplated by this Agreement (the "**Closing**") shall be on or before December 31, 2022 ("**Closing Date**").
3. **PURCHASE PRICE** The "**Purchase Price**" shall be Four Hundred Eight-two Thousand Four Hundred and no/100 (\$482,400.00) Dollars. The Purchase Price shall be payable in cash or cash equivalent at Closing.
4. **TITLE, TAXES, CLOSING COSTS**

4.1 Within a reasonable amount of time after execution of this Agreement, Seller shall provide Buyer with a title commitment for an owner's policy of title insurance for the Property, which shall include proper searches covering bankruptcies and state and federal judgments, liens, and levied and pending special assessments (the "**Title Commitment**"). Buyer shall have fifteen (15) days after receipt of the Title Commitment to have Buyer's attorney examine the Title Commitment and provide Seller or Seller's attorney with written objections. Buyer shall be deemed to have waived any title objection not made within said 15-day period. If written objections are received as specified above and Seller agrees to cure such objections in writing, then, at Seller's discretion, the Closing Date shall be delayed for a reasonable period in order for Seller to cure such objections. Seller shall provide Buyer with written notice of its intention to delay the Closing Date, said notice shall include the new Closing Date. If Seller does not agree to cure any such objections, then Buyer may

proceed to Closing which shall constitute a waiver by Buyer of such objections or this Agreement shall be terminated upon receipt by Seller or Seller's attorney of a cancellation of this Agreement executed by Buyer. Seller shall pay the costs to issue the Title Commitment and Buyer shall pay any premium for the owner's policy, any lender's policy and any endorsements. If the Seller does possess an abstract of title to the property, Seller will provide it to Buyer for additional review.

4.2 Seller and Buyer shall prorate real estate taxes payable in the year of closing as of the Closing Date. Seller shall pay special assessments levied as of the Effective Date of this Agreement. Buyer shall pay special assessments pending or levied after the Effective Date of this Agreement. Seller is responsible for all taxes due and owing in all previous years.

4.3 Upon Closing Seller shall deliver to Buyer the following "**Transfer Documents**":

- (i) a Warranty Deed or Trustee's Deed subject to the following exceptions:
 - (a) building and zoning laws, ordinances, state and federal regulations;
 - (b) restrictions relating to use or improvements of the Property without effective forfeiture provisions;
 - (c) any reservation of any mineral or mineral rights to the State of Minnesota;
 - (d) drainage and utility easements which do not interfere with existing improvements;
 - (e) assessments levied after the Effective Date of this Agreement;
 - (f) other matters approved by Buyer in writing or deemed to be waived by Buyer in accordance with the terms of this Agreement;
- (ii) any and all trust documents necessary to conduct the sale of the property;
- (iii) a standard form Seller's Affidavit;
- (iv) Closing Statement; and,
- (v) such other documents as may be reasonably necessary to consummate this transaction.

4.4 Buyer shall execute and deliver the following documents at Closing:

- (i) a Certificate of Real Estate Value with respect to the Property;
- (ii) a Closing Statement;

(iii) all documents relating to any Buyer financing or otherwise reasonably necessary to consummate this transaction.

4.5 Buyer shall be responsible for payment of state deed tax and for payment of all recording fees relating to the transfer deed(s).

5. **ENVIRONMENTAL** Seller makes no representations or warranties express or implied with respect to the environmental condition of the Property.
6. **NOTICE** All notices permitted or required by this Agreement shall be sent in writing and shall be deemed given (1) if and when personally delivered; (2) upon receipt if sent by a nationally recognized overnight courier addressed to a party at its address set forth below; or, (3) on the third business day after being deposited in the United States mail to the following addresses by postage prepaid certified or registered mail. Any party may change that party's address for notice by giving written notice thereof in accordance with the provisions of this Section to the other parties.

TO SELLERS: Eugene C. Wald Living Trust
c/o Brian G. Homan
9659 85th Street South
Cottage Grove, MN 55016
Chief Executive Officer

TO BUYER: Washington County
11660 Myeron Road North
Stillwater, MN 55082-9573
ATTN: Sharon M. Price
Property Acquisition Manager

7. **BROKERAGE INDEMNITY AGREEMENT** Seller and Buyer agree that neither party has retained any real estate brokers or agents in connection with this transaction. Both parties agree to indemnify and hold the other party harmless from any inaccuracy in their respective foregoing representation with respect to real estate brokers and agents.
8. **WELL DISCLOSURE** Seller certifies that there is/are 1 wells on the Property.
9. **SEPTIC SYSTEM** Seller has knowledge that there is a private sewer system on the Property.
10. **DEFAULT** If this transaction is not consummated by reason of default by Seller or Buyer hereunder, then the non-defaulting party shall be entitled to terminate this Agreement upon thirty (30) days' prior written notice to the other party, which notice shall be consistent with Minnesota Statutes § 559.21. In addition, either Buyer or Seller may sue for specific performance or damages, so long as such party commences suit within ninety (90) days after

the time the cause of action arises. The non-defaulting party shall be entitled to recover its attorney fees and costs incurred as a result of a default under this Agreement.

11. **ASSIGNABILITY** This Agreement and Buyer's rights hereunder and Buyer's interest in the Property shall not be assigned without Seller's consent.

12. **MISCELLANEOUS**

12.1 Buyer may obtain a Phase I Environmental Assessment of the Property. In the event Buyer determines that a Phase II Environmental Assessment or any resultant corrective action is necessary, such corrective action and an allocation of those costs shall be negotiated between the parties. Seller shall have the right to terminate this Agreement, upon written notice to Buyer, if it elects not to agree to a Phase II Environmental Assessment and, upon such termination, the cost of the Phase I Environmental Assessment shall be borne by the Buyer.

12.2 Buyer and its contractors shall have access to the Property prior to Closing to perform the Phase I Environmental Assessment and other non-intrusive testing and inspection deemed necessary by Buyer. Seller will coordinate with Buyer for access to the buildings.

12.3 This Agreement contains the entire agreement between the parties, and neither party has relied upon any verbal or written representations, agreement or understanding not set forth herein, whether made by any agent or party hereto.

12.4 This Agreement shall be governed by and construed in accordance with the laws of Minnesota. The invalidity or unenforceability of any provision of this Agreement in any particular respect shall not affect the validity and enforceability of any other provision of this Agreement or of the same provision in any other respect.

12.5 There is no personal property which is sold under the terms of this Agreement.

12.6 Buyer is a participant in the grant program authorized by chapter 563, Laws of Minnesota, 1974. This program was established pursuant to the law to provide for acquisition, preservation, protection, development, and betterment of regional recreational open space for public use. This purchase is conditioned upon Buyer being approved to receive these grant funds. If these funds are denied or no longer available to Buyer, this Agreement shall be null and void and neither party shall be liable for damages to the other.


12.7 This Agreement shall not be binding or effective until properly executed and delivered by Seller and Buyer.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed on the date last below written.

SELLERS:

EUGENE C. WALD LIVING TRUST

By: 
Brian G. Homan
Its: Trustee

BUYER:

WASHINGTON COUNTY

Buyer Commissioner Wayne A. Johnson
Wayne A. Johnson
Board Chair

Buyer Kevin Corbid
Kevin Corbid
Administrator

EXHIBIT A

Legal Description of the Property

All that part of the Northeast Quarter (NE $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of Section Thirty-one (31) in Township Twenty-seven (27) North of Range Twenty-one (21) West of the Fourth Principal Meridian, Washington County, Minnesota, described as follows: Commencing at a point on the East line of the Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ of SE $\frac{1}{4}$) of said Section Thirty-one (31) forty (40) rods South of the Northeast corner thereof, and running thence North to the Northeast corner of said Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ of SE $\frac{1}{4}$); thence West on the North line of said Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ of SE $\frac{1}{4}$) of Section Thirty-one (31), a distance of forty (40) rods; thence Southeasterly, diagonally across the Northeast Quarter of the Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ of NE $\frac{1}{4}$ of SE $\frac{1}{4}$) of said Section Thirty-one (31) in a straight line to the place of beginning, EXCEPT that part described in Book 176 of Deeds, Page 435.

The description of the Exception is as follows:

That part of the Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ of SE $\frac{1}{4}$) of Section Thirty-one (31), Township Twenty-seven (27), Range Twenty-one (21) described as follows: Commencing at a point on the East line of the Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ of SE $\frac{1}{4}$) of said Section Thirty-one (31) sixteen (16) rods South of the Northeast corner thereof, and thence running North to the same Northeast corner of said Northeast Quarter of Southeast Quarter (NE $\frac{1}{4}$ of SE $\frac{1}{4}$); thence West on the North line of said Northeast Quarter of Southeast Quarter (NE $\frac{1}{4}$ of SE $\frac{1}{4}$) of said Section Thirty-one (31) a distance of Twenty-three (23) rods; thence Southeasterly, diagonally across the Northeast Quarter of the Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ of NE $\frac{1}{4}$ of SE $\frac{1}{4}$) of said Section Thirty-one (31) in a straight line to the place of beginning, being the intention of the parties to convey all that part of the Northeast Quarter of the Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ of NE $\frac{1}{4}$ of SE $\frac{1}{4}$) of said Section Thirty-one (31) lying North and East of the public road.

All in Washington County, Minnesota