

# Committee Report

Community Development Committee



Community Development Committee Meeting: June 17, 2024

For the Metropolitan Council: June 26, 2024

## Business Item: 2024-141

West Mississippi River Regional Trail, Park Acquisition Opportunity Fund Award (Rife), Three Rivers Park District

### Proposed Action

That the Metropolitan Council:

1. Approve a grant of up to \$431,250 from the Park Acquisition Opportunity Fund to Three Rivers Park District to acquire a 5.5-acre parcel located at 142<sup>nd</sup> Avenue in Dayton, MN, for the West Mississippi River Regional Trail.
2. Authorize the Executive Director of Community Development to execute the grant agreement and restrictive covenant on behalf of the Council.

### Summary of Community Development Commission Discussion/Questions

This business item was pulled from the Community Development Committee's consent agenda on June 17, 2024, as per Council Member Wendy Wulff's request. Emmett Mullin, Parks Manager, was in attendance and addressed committee questions.

Council Member Wulff stated that she had asked before for more information about the West Mississippi River Regional Trail in terms of acquiring full parcels of land for a trail, and because her concerns had not been previously addressed, that she would be voting no. A discussion followed in which Mullin reassured the Committee that this parcel has high natural resources value and is included in the Council-approved long-range plan for the regional trail. Wulff expressed concern that this regional trail should be considered a linear park instead. Mullin committed to setting up a meeting with Wulff and Three Rivers Park District to discuss the regional trail and long-range plan. The committee voted to pass the proposed action on a vote of 5-1.

# Committee Report

Metropolitan Parks and Open Space Commission



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### Summary of Metropolitan Parks and Open Space Commission Discussion

Jessica Lee presented the staff report to the Metropolitan Parks and Open Space Commission on June 6, 2024.

There were no questions on the item.

Motion by Commissioner Monica Dillenburg, seconded by Commissioner Bob Moeller, the Commission voted unanimously to pass the proposed action.



# Business Item

Metropolitan Parks and Open Space Commission



Community Development Committee Meeting: June 17, 2024

For the Metropolitan Council: June 26, 2024

## Business Item: 2024-141

West Mississippi River Regional Trail, Park Acquisition Opportunity Fund Award (Rife), Three Rivers Park District

<b>District(s), Member(s):</b>	District A, Monica Dillenburg District 1, Judy Johnson
<b>Policy/Legal Reference:</b>	Minn. Const. art. XI, sec. 15; Minn. Stat. § 473.315; <i>2040 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.
<b>Staff Prepared/Presented:</b>	Jessica Lee, Senior Planner, 651-602-1621
<b>Division/Department:</b>	Community Development / Regional Planning

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

### Background

#### ***Regional Park Implementing Agency and Project Request***

Three Rivers Park District requested a Park Acquisition Opportunity Fund (PAOF) grant on April 26, 2024, to fund the acquisition of a 5.46-acre parcel for the West Mississippi River Regional Trail. A copy of the Agency's request is attached to this item as Exhibit 2 with application details in Exhibit 3.

The West Mississippi River Regional Trail when completed will span 20 miles adjacent to or near the Mississippi River in northeast Hennepin County, connecting the communities of Dayton, Champlin, Brooklyn Park and Brooklyn Center (see Exhibit 1, Figures 1 and 2). Exhibit 1, Figures 3 shows the Dayton segment of the regional trail, and both Figure 3 and Figure 4 show the subject parcel and nearby parks and trails. The regional trail is also part of the National Mississippi River Trail that spans the entire length of the Mississippi River from the headwaters at Itasca State Park to the mouth in Louisiana.

### **Subject Property**

The subject 5.46-acre property is within the Council-approved boundary of the West Mississippi River Regional Trail. The property is undeveloped with floodplain forest, mixed field and grasslands, deciduous forest, Mississippi River backwaters, and over 200 feet of Mississippi River shoreline. The property overlooks Cloquet Island and Mississippi West Regional Park and is within the Mississippi River Corridor Critical Area. The property is eligible for the Environment and Natural Resources Trust Fund as it has high-quality natural resources and will help protect the Mississippi river.

### **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 subject property is \$551,000, and the Seller has agreed to \$550,000. See Exhibit 4 for more information on the appraisal. The total project cost including legal fees, environmental assessments, stewardship, taxes, and appraisal is \$575,000, as shown in Table 1 below.

Table 1. Project Budget

<b>Budget item</b>	<b>Requested amount</b>
Purchase price	\$550,000
Appraisal, legal fees, taxes, closing costs	\$15,348
Environmental assessments, phases I	\$2,500
Stewardship	\$7,152
<b>Total Costs</b>	<b>\$575,000</b>
<b>Grant structure</b>	
Grant amount	\$431,250
Local match	\$143,750

### **Acquisition Details**

This is a straightforward fee title acquisition.

### **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 Environment and Natural Resources Trust Fund
- 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 long-range plan. The Council approved the West Mississippi River Regional Trail long-range plan in



2018 ([Business Item 2018-85](#)). The proposed acquisition is within the boundaries of the approved long-range 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 necessary to complete the West Mississippi River Regional Trail, contains over five acres of undeveloped natural resources, and will help protect the Mississippi River.
- Finance Strategy 7 authorizes the use of PAOF as the funding mechanism for the acquisition of Regional Park and Trail lands and matching every \$3 in state funds with \$2 in Council bonds.

### **Thrive Lens Analysis**

This request is consistent with *Thrive MSP 2040's* Livability and Stewardship outcomes. The Council's investment in the West Mississippi River Regional Trail will provide additional access to nature and the outdoors and enhance quality of life.

### **Funding**

The Council will fund the 75% share with the Environment and Natural Resources Trust Fund and Council funds. The PAOF program has available funds in the Council's Authorized Capital Program.

Three Rivers Park District will provide a local match of \$143,750.

### **Exhibit List**

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



# Exhibit 1 – Images

Figure 1. Map of the Regional Parks System and the West Mississippi River Regional Trail (circled in red)

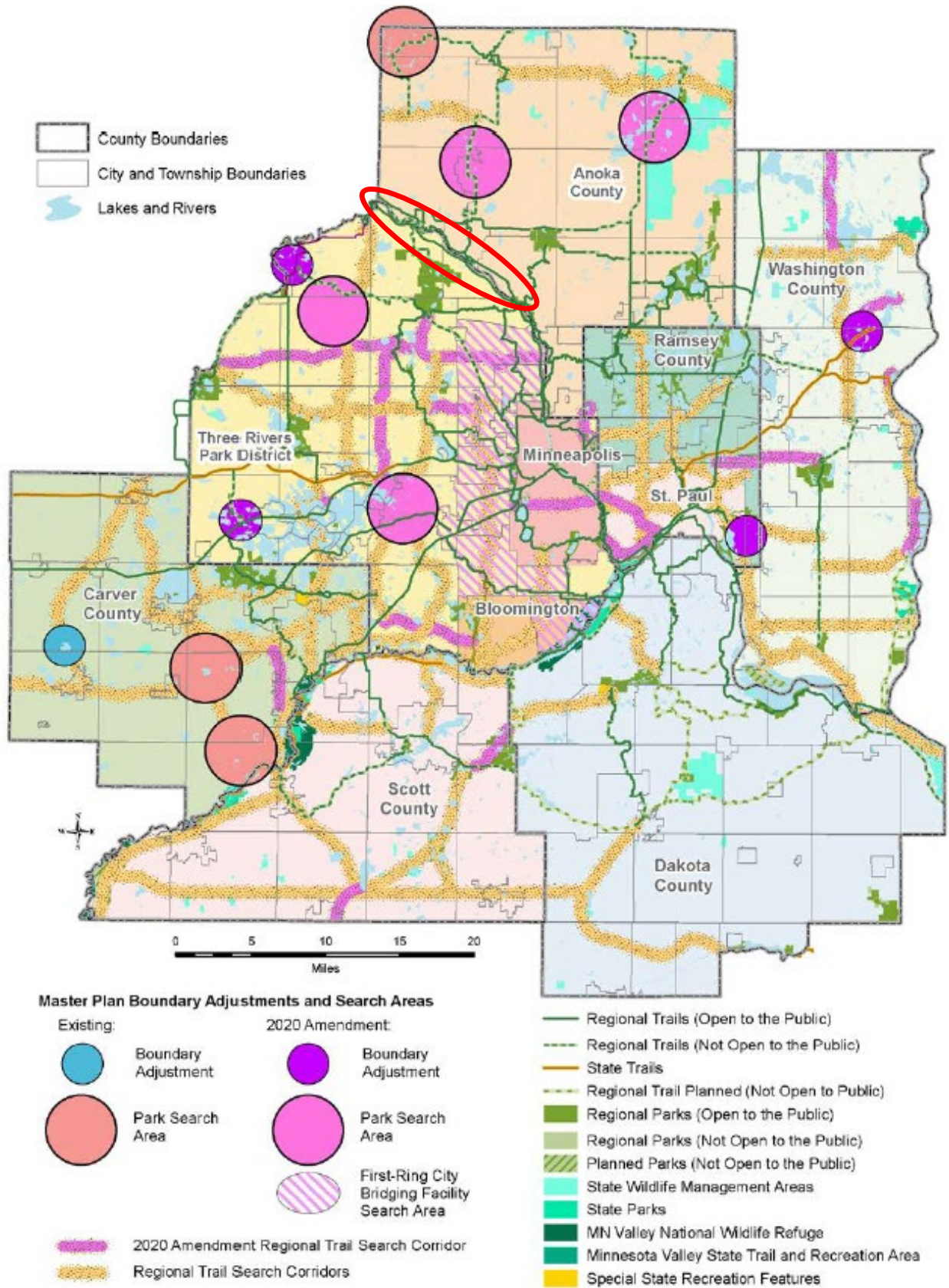


Figure 2. Excerpt from the West Mississippi River Regional Trail long-range plan showing a map of the regional trail, with the approximate location of the subject property starred.



Figure 3. Map of Dayton segment of the West Mississippi River Regional Trail, with the subject property location starred.





Figure 4. Map showing the subject property and nearby parkland.

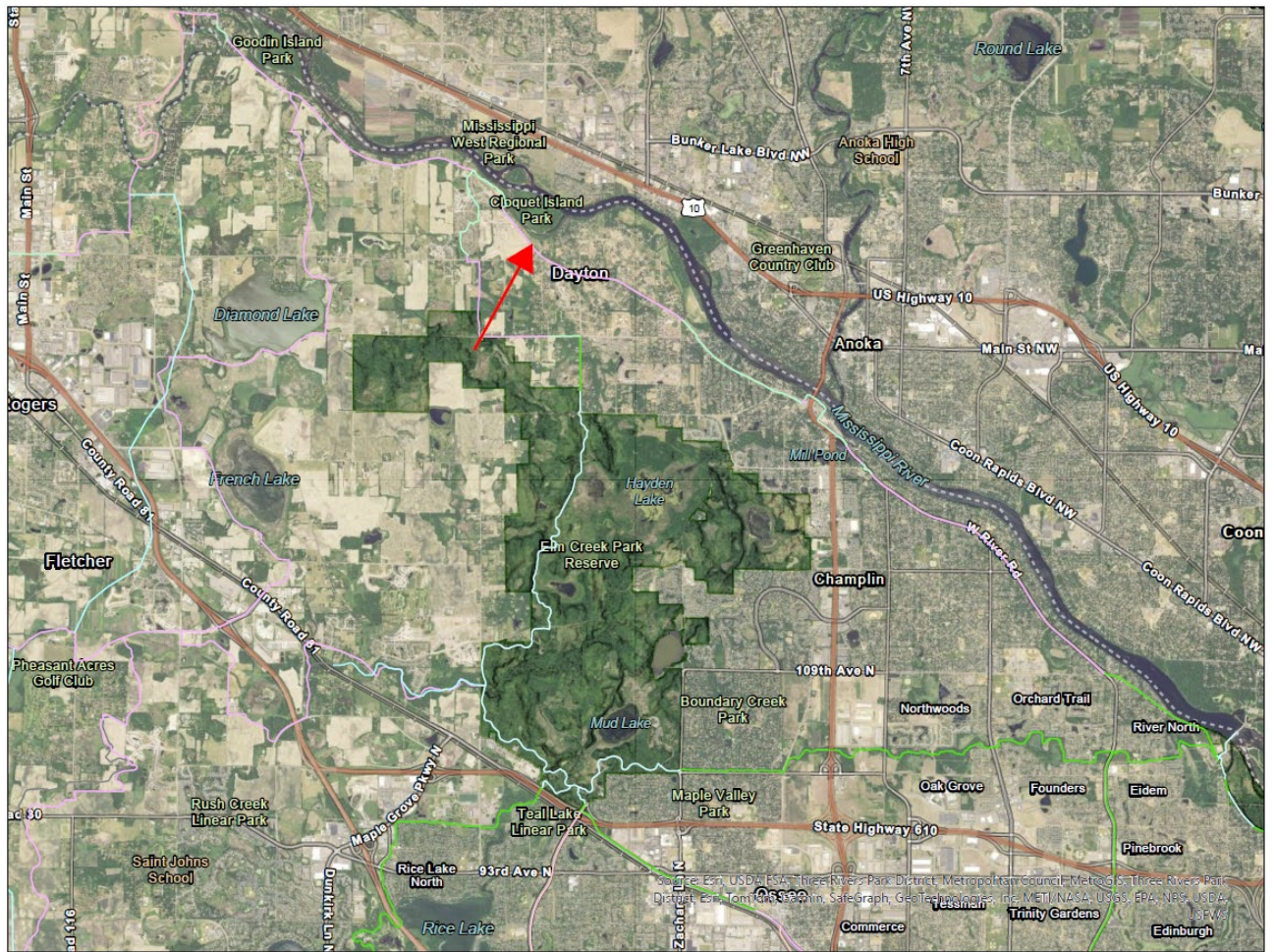
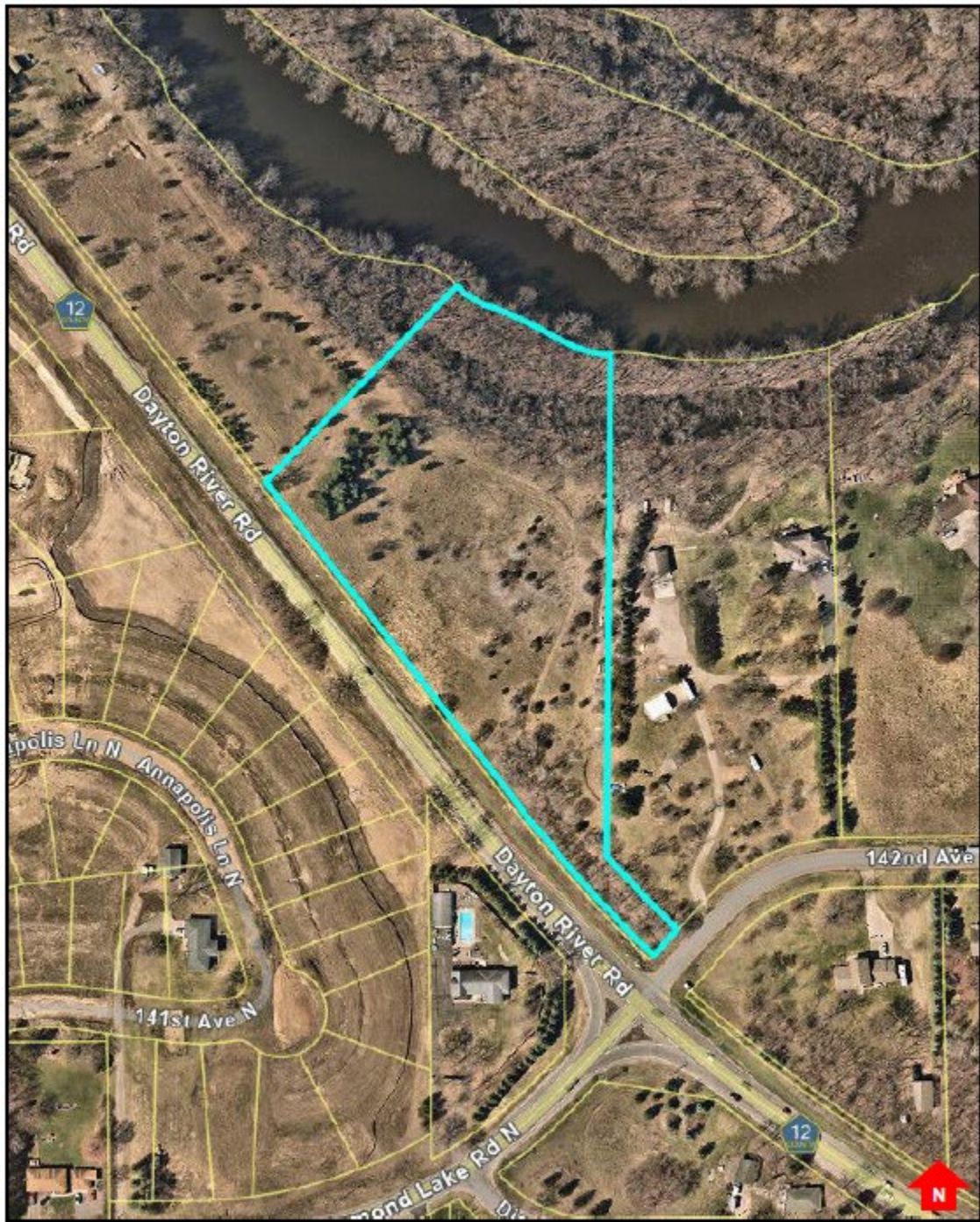


Figure 5. Aerial image of the subject property.



## Exhibit 2: Grant request letter



Three Rivers  
Park District  
Board of  
Commissioners

April 26, 2024

Marge Beard  
District 1

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

Jennifer DeJournett  
Vice Chair  
District 2

RE: Trail Acquisition Opportunity Grant Fund Request  
West Mississippi River Regional Trail: Rife Property  
xxxx 142<sup>nd</sup> Avenue, Dayton, MN 55327  
PID: 10-120-22-43-0003

Erin Kolb  
District 3

Dear Emmett,

Louise M. Segreto  
District 4

Three Rivers Park District respectfully requests a Park Acquisition Opportunity Grant for West Mississippi River Regional Trail in the amount of \$431,250 for acquisition of 5.46 acres located in the City of Dayton. Please process this request and forward to the Metropolitan Parks Open Space Commission, Community Development Committee, and Metropolitan Council for consideration and approval.

John Gibbs  
Chair  
District 5

### **Background Summary**

Three Rivers is pursuing acquisition of several properties along Dayton River Road in City of Dayton near Goodin Island and Goodin Park to create a river touchpoint for the future West Mississippi River Regional Trail. This regional trail is proposed to follow the Mississippi River/Dayton River Road and is also part of the National Mississippi River Trail and US Bikeway 45. The entire area is within the Mississippi National River Recreation Area (MNRRA) which the National Park Service works with partners to implement and operate. Acquisition of the property supports the long-term vision of the West Mississippi River Regional Trail corridor.

Jan Guenther  
Appointed  
At Large

Jesse Winkler  
Appointed  
At Large

Boe Carlson  
Superintendent

*Regional Recreation Amenity*

Acquisition of this parcel, as well as several others along the Mississippi River, are critical to the long-term West Mississippi River Regional Trail vision. When complete, the regional trail will span over 20 miles adjacent to, or near, the Mississippi River through northeastern Hennepin County. The regional trail connects the communities of Dayton, Champlin, Brooklyn Park and Brooklyn Center – with the confluence of the Crow/Mississippi Rivers and the Minneapolis Grand Rounds acting as bookends.

*Natural Resource Summary*

The property totals 5.46 acres including approximately 220 lineal feet of Mississippi River shoreline along the back half of the of the property. There partial tree coverage, smooth brome grass, mature non-native trees, and river shoreline.

*Funding Request*

Three Rivers requests FY2024 Environmental and Natural Resources Trust Fund and Metropolitan Council acquisition funding consideration at the Council's earliest opportunity in preparation with a pending closing date of on or before August 30, 2024.

Thank you for your continued assistance through this process.



Heather Kuikka  
Planning & Research Coordinator

Enclosures

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

# Exhibit 3: Grant application



## Application

18956 - FY2024 Park Acquisition Opportunity Fund Program  
21236 - West Mississippi River RT Acquisition - Rife  
Parks Grants Acquisition

Status: Under Review  
Submitted Date: 04/26/2024 3:13 PM

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## Primary Contact

Feel free to edit your profile anytime your information changes. Create your own personal alerts using [My Alerts](#).

**Name:** \* Ms. Heather Kuikka  
Pronouns First Name Middle Name Last Name

**Title:** Planning & Research Coordinator

**Department:**

**Email:** Heather.Kuikka@threeriversparks.org

**Address:** 3000 Xenium Lane N

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

**Phone:** \* 763-694-7649  
Phone Ext.

**Fax:**

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

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## Organization Information

**Name:** THREE RIVERS PARK DISTRICT

**Jurisdictional Agency (if different):**

**Organization Type:**

**Organization Website:**

**Address:** RESERVATIONS  
3000 XENIUM LN N

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

**County:** Hennepin

**Phone:** \* 763-559-6700  
Ext.

**Fax:**

**PeopleSoft Vendor Number** 0000057347A1

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## 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** West Mississippi Regional Trail

### 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

West Mississippi River Regional Trail

05/17/2018

Name of master plan

Council approval date - Format: mmdyyy (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

08/30/2024

Format: mmdyyy (Do not enter any punctuation.)

Type of agreement

Purchase Agreement

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

Date agreement expires

Format: mmdyyy (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

04/26/2024

Appraised value

\$551,000.00

Amount being offered the seller (net of closing and other costs)

\$550,000.00

99.82%

% of appraised value

Who performed the appraisal?

Patchin Messner

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

Three Rivers Park District

Survey

Was a survey done?

No

Quality of natural resources - is the property...

...undeveloped?

Yes

Fully

Partially

...wooded?

Fully

Yes

Partially

...shoreline?

Fully

Yes

Partially

Describe the existing natural resources it contains

Site Significance: The property is directly on the Mississippi River, undeveloped, and a mix of open field/grasslands, floodplain forest (Silver Maple subtype), deciduous woodlands, and Mississippi River backwaters. The property overlooks Cloquet Island and West Mississippi River Regional Park (across the River) and is within a Hennepin County Natural Resources 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](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)?

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

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

## For ENRTF funding only

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

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

This parcel will become part of our West Mississippi River Regional Trail. Three Rivers, The City of Dayton, and the MN Department of Natural all own property along Dayton River Road. The parcels are needed for the trail and to keep the trail futher from the road. This also creates more touchpoints to the river and access to Cloquest Island.

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## Stewardship and minimal access

Describe the stewardship plan.

There are no building or dumping on this parcel. There will be minor clean-up of trash and a deer stand. Only diseased trees, if any, would be removed. The parcel is to remain in its natural state.

How will the stewardship implementation be funded?

We will be using Metropolitan funding along with Three Rivers LADB funding.

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?

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## Site Description

### Land Use History

Current land uses Residential

Select as many as apply

Previous land uses Woods

Select as many as apply

### Adjacent land uses

Select as many as apply

### Inspection

Does the property contain any of the following?

Select as many as apply

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## 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
Conwell and Noreen Rife	142nd Avenue and Dayton River Road	1012022430003	5.46	04/19/2024	No	34A	Dayton	Hennepin	1	A	45.212179	-93.450787
			5									

## Local match

Source of local match

## Grant agreement signatories

Full name	Title	If this is an attorney, is the signature 'for form only'?
Boe Carlson	Superintendent and Secretary to the Board	No
Eric Quiring	General Counsel	No

## Acquisition Costs

Cost Items	Amount	State funds	Metro funds	Match funds
<b>Purchase price</b>				
Negotiated purchase price	\$550,000.00	\$247,500.00	\$165,000.00	\$137,500.00
<b>Appraisal expenses</b>				
Appraisal	\$5,500.00	\$2,475.00	\$1,650.00	\$1,375.00
Appraisal review	\$0.00	\$0.00	\$0.00	\$0.00
<b>Environmental expenses</b>				
Phase I environmental site assessment	\$2,500.00	\$1,125.00	\$750.00	\$625.00
Phase II environmental site assessment	\$0.00	\$0.00	\$0.00	\$0.00
Environmental contamination remediation	\$0.00	\$0.00	\$0.00	\$0.00
<b>Holding expenses</b>				
Interest	\$0.00	\$0.00	\$0.00	\$0.00
Land stewardship	\$7,152.00	\$3,218.40	\$2,145.60	\$1,788.00
Land development	\$0.00	\$0.00	\$0.00	\$0.00
Pro-rated share of all property taxes/assessments	\$1,435.00	\$645.75	\$430.50	\$358.75
Legal services and closing costs	\$2,000.00	\$900.00	\$600.00	\$500.00
Property tax equivalency payment-473.341	\$1,728.00	\$777.60	\$518.40	\$432.00
Relocation costs to seller	\$0.00	\$0.00	\$0.00	\$0.00
State deed tax/conservation fee	\$0.00	\$0.00	\$0.00	\$0.00
Title insurance	\$1,400.00	\$630.00	\$420.00	\$350.00
Well disclosure statement	\$0.00	\$0.00	\$0.00	\$0.00
Other holding	\$85.00	\$38.25	\$25.50	\$21.25
<b>Other expenses</b>				
Other expenses	\$3,200.00	\$1,440.00	\$960.00	\$800.00
<b>Totals</b>	<b>\$575,000.00</b>	<b>\$258,750.00</b>	<b>\$172,500.00</b>	<b>\$143,750.00</b>

## 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)	\$575,000.00	\$258,750.00	\$172,500.00	\$143,750.00	\$431,250.00



**SUMMARY OF SALIENT FACTS AND CONCLUSIONS**

Fee Owner:	C. K. Rife Jr., and N. M. Rife
Location:	Xxxx 142nd Avenue North Dayton, Minnesota
Tax Identification Number:	10-120-22-43-0003
Date of Valuation:	April 16, 2024
Date of Inspection:	April 16, 2024
Property Appraised:	Real Property
Rights & Interests Appraised:	Fee Simple Market Value
Intended Use:	The intended use of this appraisal is to provide valuation guidance in the potential purchase of the subject property.
Client & Intended Users:	The client of this appraisal assignment is Three Rivers Park District. The intended users of this appraisal assignment are Three Rivers Park District, and the Metropolitan Council.
Zoning:	Residential Estate District (R-E)
Guiding:	Rural Estate – Dayton’s 2040 Comprehensive Plan
Site Size:	5.46 Acres
Property Description:	The subject of this report is a platted 5.46-acre vacant residential lot. The property backs up to the Mississippi River, with approximately 240 feet of river frontage. The southern majority of the property is generally level and partially wooded, while the northern remainder consists of a wooded bluff and floodplain.
Highest and Best Use:	Development of a single-family residence
Final Value Conclusion:	<b>\$551,000</b>

## Exhibit 5: Board approval



### REGULAR BOARD MEETING

Meeting Date: 04/18/24 Business Item: CURRENT BUSINESS Item Number: **6D**

Division: Planning, Design & Technology

Originating Source: Jonathan Vlaming, Associate Superintendent

Agenda Item: West Mississippi River Regional Trail Acquisition Opportunity - Dayton River Road

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#### Superintendent's Recommendation:

MOTION TO APPROVE A PURCHASE AGREEMENT IN THE AMOUNT OF \$550,000 FOR THE ACQUISITION OF PROPERTY FOR THE WEST MISSISSIPPI RIVER REGIONAL TRAIL ALONG DAYTON RIVER ROAD (RIFE PROPERTY; PID 1012022430003) IN THE CITY OF DAYTON; TO ENTER INTO AN ACQUISITION REIMBURSEMENT GRANT WITH THE METROPOLITAN COUNCIL; AND TO ESTABLISH A PROJECT BUDGET IN THE AMOUNT OF \$575,000 WITH LOCAL FUNDING FROM THE LAND ACQUISITION DEVELOPMENT AND BETTERMENT FUND.

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Prepared By: Heather Kuikka, Planning and Research Coordinator

#### Background:

City of Dayton staff reached out Three Rivers staff to notify them of a potential acquisition opportunity (Rife Property; PID 1012022430003) located along the West Mississippi River Regional Trail on Dayton River Road. The property owner has retained a real estate agent and was in the process of putting the parcel on the open market for sale but has temporarily postponed that process to allow Three Rivers to consider acquisition as the property owner is interested in preserving the property.

The subject property is 5.46 acres, sits directly on the Mississippi River, and is undeveloped without any structures. The subject property is located two parcels east of Cloquet Overlook Park and Elsie Stephens Park and across the Mississippi River from West Mississippi River Regional Park and Cloquet Island.

As with other recent acquisitions along the Mississippi River and West Mississippi River Regional Trail, acquisition of the property provides an opportunity to connect future trail users visually and physically with the Mississippi River. It also provides an opportunity to further separate the trail from the adjacent Dayton River Road: Attached map.

At the request of the property owner's agent, staff has drafted a purchase agreement based on the intended listing price of \$550,000. The draft purchase agreement is currently being reviewed internally and by the sellers (draft purchase agreement attached). Staff will walk in the final purchase agreement and share any subsequent changes at the Board meeting. Since staff were not able to complete an appraisal prior to drafting the purchase agreement due to the timing of when the parcel went up for sale and the monthly Board meeting schedule, the Purchase Agreement includes a contingency requiring that the appraised value be equal to or more than the listed purchase price or the purchase agreement will be null and void. Staff have hired an appraiser to conduct an appraisal and anticipate that it will be complete in mid-May. Assuming the appraised value equals or exceeds the Purchase Agreement purchase price, staff

will proceed with all typical acquisition processes.

The total estimated acquisition cost, which includes the sale price, appraisal, legal fees, and title commitment/insurance is \$575,000.

The acquisition is eligible for up to 75% (\$431,250) reimbursement from the Metropolitan Council and Environmental and Natural Resources Trust Fund (ENRTF) Fund. The balance of \$143,750 would be covered by the Three Rivers Land Acquisition Development and Betterment Fund (LADB), which has a current balance of about \$650,000 when accounting for other approved acquisitions.

Relationship to the System Plan:

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

Goal 1: You Belong Here

Goal 2: Parks Matter

Goal 3: Lead by Example

Attachments:

[Rife Purchase Agreement.docx](#)

[Rife Map.pdf](#)

**6D. West Mississippi River Regional Trail Acquisition Opportunity - Dayton River Road**

MOTION by Guenther, seconded by Kolb, TO APPROVE A PURCHASE AGREEMENT IN THE AMOUNT OF \$550,000 FOR THE ACQUISITION OF PROPERTY FOR THE WEST MISSISSIPPI RIVER REGIONAL TRAIL ALONG DAYTON RIVER ROAD (RIFE PROPERTY; PID 1012022430003) IN THE CITY OF DAYTON; TO ENTER INTO AN ACQUISITION REIMBURSEMENT GRANT WITH THE METROPOLITAN COUNCIL; AND TO ESTABLISH A PROJECT BUDGET IN THE AMOUNT OF \$575,000 WITH LOCAL FUNDING FROM THE LAND ACQUISITION DEVELOPMENT AND BETTERMENT FUND.

Beard	<u>Aye</u>	Guenther	<u>Aye</u>	Winkler	<u>Aye</u>
DeJournett	<u>Aye</u>	Kolb	<u>Aye</u>	Gibbs, Chair	<u>Aye</u>
		Segreto	<u>Aye</u>		

**MOTION ADOPTED**

## Exhibit 6: Purchase agreement

### PURCHASE AGREEMENT

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

#### RECITALS

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

**WHEREAS**, Sellers own property located at XXX 142<sup>nd</sup> Avenue, Dayton, Minnesota, legally described on Exhibit A hereto ("Subject Property"), containing approximately 5.46 acres; and

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

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

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

**2. Consideration.** In consideration of the conveyance, transfer and delivery by the Sellers to the Buyer of the Subject Property, the Buyer shall pay to the Sellers the sum of Five Hundred Fifty Thousand Dollars (\$550,000) ("Purchase Price") at Closing.

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

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

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

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

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

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

**8. Title and Documents.**

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

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

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

(c) Review of Commitment. Buyer shall have 30 days after receipt of the title commitment within which to object to the contents. If said objections are not made in writing within such time period, Buyer shall be deemed to have waived such objections. If Buyer objects to the contents of the title documents, Sellers shall have 90 days from the date of such objections to make title marketable. If title is not made marketable within 90 days, this Agreement shall be null and void

at the sole option of Buyer and neither party shall have any further obligation under this Agreement.

(d) Inspections; Document Review. With respect to all of the above items other than the title documents, Buyer shall have 90 days after delivery of the foregoing to Buyer during which to inspect all such items. Further, Buyer may inspect the Subject Property and conduct such other and further inspections or other review as seems necessary by Buyer during such period. If such review and/or inspection by the Buyer shall be unsatisfactory to Buyer, Buyer shall notify Sellers within such time period, and this Agreement shall be null and void at the sole discretion of the Buyer. If said period should expire without notice of Buyer's intention to terminate this Agreement, then this Agreement shall be considered in full force and effect and Buyer shall be deemed to have waived any objections based upon such review and inspection. Sellers hereby grant Buyer and/or its agents the right to enter upon the Subject Property for the purpose of inspection and to prepare topological studies, planning, surveys, soil tests and other engineering studies, and environmental inspection and testing that may be deemed necessary; provided however that Buyer shall pay all costs thereof and shall protect, defend, indemnify, save and hold Sellers and Subject Property harmless from and against any and all costs, damages and liabilities arising from entry upon inspection or testing of Subject Property, including but not limited to costs, damages and liabilities arising from mechanics, materialmens and other liens filed against Subject Property in connection with work performed or material furnished by or at the direction of Buyer and also any legal fees and court costs that may be expended or incurred in defending or releasing such liens. Notwithstanding anything to the contrary herein, this indemnification shall survive termination or cancellation of this Agreement.

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

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

natural or synthetic gas, radioactive materials, polychlorinate, biphenyls, asbestos in any form that is friable, urea formaldehyde foam insulation or radon, and (c) any other chemical, material or substance, the handling, storage, transport or disposal of which is prohibited, limited or regulated by any governmental authority under applicable Environmental Laws.

Sellers have disclosed to the Buyer all reports and other documents in Sellers' possession concerning environmental matters relating to the Subject Property. To Sellers' knowledge there are no existing claims or causes of action, and there are no pending claims regarding the Subject Property against the Subject Property or Sellers involving the violation of Environmental Laws, and Sellers have no such claims against third parties. Sellers shall indemnify and hold Buyer harmless from and against any and all claims brought under Environmental Laws pertaining to conditions in existence and known to Sellers prior to conveyance to Buyer.

**10. Sellers' Warranties.** As an inducement to Buyer to enter into this Agreement, and as part of the consideration therefore, Sellers represent and warrant to and covenant with Buyer that to the best of Sellers' knowledge at the time of Closing there are no persons in possession of the Subject Property, including, but not limited to tenants, licensees, or permittees.

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

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

**13. Closing; Contingencies.**

(a) Performance at Closing. Subject to satisfaction of Paragraphs 8 and 13(b) hereof, the Closing of the transaction contemplated by this Agreement shall take place at 3000 Xenium Lane North, Plymouth, MN 55441 on or before August 30, 2024 or at such other time as may be agreed upon between the parties.

(i) At the Closing Sellers shall:

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



- (b) deliver any documents necessary to clear title in accordance with this Agreement, if any;
  - (c) sign the well disclosure statement required by Minnesota Statutes §103I.235,
  - (d) sign the Warranty Deed, and
  - (e) pay the deed tax.
- (ii) At the Closing, Buyer shall:
- (a) pay the title commitment fee, if not paid pursuant to paragraph 8(b);
  - (b) pay the premium for title insurance, if desired by Buyer;
  - (c) pay any and all other Closing costs including all filing fees; and
  - (d) Pay to the Sellers the Purchase Price for the conveyance, transfer and delivery of the Subject Property to the Buyer.
- (b) Contingencies. Notwithstanding the foregoing, the parties to this Agreement acknowledge that the Closing is expressly subject to the following contingencies:
- (i) Buyer shall obtain consent of the City of Dayton to its acquisition of the Subject Property pursuant to Minn. Stat. §398.09(b)(1);
  - (ii) Buyer shall obtain all other consents required from governmental or other regulatory authorities;
  - (iii) Buyer shall have the right, at its sole discretion, to terminate this Agreement based on the environmental inspection findings which will occur within the 90-day inspection window or in the event any storage, dumping or release of hazardous materials, chemicals, pollution or similar occurs after the 90-day inspection window;
  - (iv) This Agreement and the obligations of Buyer hereunder are strictly contingent upon approval of this Agreement by Buyer's Board of Commissioners;
  - (v) Approval of reimbursement to Buyer by Metropolitan Council; and
  - (vi) Buyer obtaining an MAI appraisal valuing the Subject Property at a value of at least \$550,000.

Any failure to satisfy any contingency contained herein shall render this Agreement null and void, in the Buyer's sole discretion, and the parties shall execute any instruments necessary to cancel this Agreement.

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

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

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

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

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

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

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

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

**22. Notices.** Any notices to be provided pursuant to the terms of this Agreement shall be in writing and shall be given by personal delivery or by express courier or by deposit in U.S. Certified Mail, Return Receipt Requested, postage prepaid, addressed to the Buyer or Seller at the addresses set forth below or at such other address as either party may designate in writing. The date notice is given shall be the date on which the notice is delivered, if notice is given by personal delivery, or the date notice is sent by express courier or U.S. Mail if otherwise.

If to Seller:

Conwell and Noreen Rife  
18175 Hamel Road  
Plymouth, MN 55446

If to Buyer:

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

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

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

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

**26. Brokers.** Sellers shall not pay a the Cooperating Broker Representing the Buyer Commission.

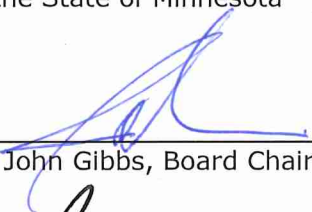
**27. Disclosures.** Sellers make the following disclosures to Buyer:

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

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

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

Dated: 04/18/2024

By  \_\_\_\_\_  
John Gibbs, Board Chair

Dated: 04/18/2024

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

**SELLERS:**

Dated: 04/15/2024

By  \_\_\_\_\_  
Conwell Rife

Dated: 04/15/2024

By  \_\_\_\_\_  
Noreen Rife

**EXHIBIT A**

**Legal Description of Subject Property**

Lot 3, Block 1, Bluffs of Berkshire, Hennepin County, Minnesota.

PID: 10-120-22-43-0003