

## Metropolitan Parks and Open Space Commission

Meeting date: November 14, 2017

For the Community Development Committee meeting of November 20, 2017

For the Metropolitan Council meeting of November 29, 2017

**Subject:** Park Acquisition Opportunity Fund Grant for Lake Rebecca Park Reserve (Kunkel), Parks and Trails Legacy Fund, Three Rivers Park District

**MPOSC District:** A – Rick Theisen

**Policy/Legal Reference:** MN Statutes 85.53 Subd. 3(4) and MN Statutes 473.315; 2040 Regional Parks Policy Plan Siting and Acquisition Policy: Strategy 2.

**Staff Prepared/Presented:** Deb Streets Jensen, Senior Parks Finance Planner 651-602-1554

**Division/Department:** Community Development Division / Regional Planning

### Proposed Action

That the Metropolitan Council:

1. Approve a grant of up to \$302,944 to Three Rivers Park District to acquire the Kunkel parcel at 8580 Rebecca Park Trail for Lake Rebecca Park Reserve;
2. Authorize the Community Development Director to execute the grant agreement and restrictive covenant on behalf of the Council;
3. Consider reimbursing Three Rivers Park District for up to \$100,981 from its share of a future Regional Parks Capital Improvement Program for costs associated with this acquisition; and
4. Inform Three Rivers Park District that the Council does not under any circumstances represent or guarantee that the Council will grant reimbursement in the future and a Regional Parks Implementing Agency is not entitled to reimbursement because of the expenditure of local funds.

### Background

**Regional Park Implementing Agency (Agency) and Location.** Three Rivers Park District requested this grant on September 1, 2017. A copy of the Agency's request is attached to this item. Lake Rebecca Park Reserve is located on the western edge of Hennepin County, and the subject parcel is an inholding near the north edge of the Park Reserve in the City of Greenfield.

**Policy.** Strategy Two of the Siting and Acquisition policy from the [2040 Regional Parks Policy Plan](#) states that "*priorities for land acquisition are set by regional park implementing agencies in Council-approved master plans.*"

**Funding sources.** The Council's Park Acquisition Opportunity Fund (PAOF) provides resources 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 further by matching every \$3 in state funds with \$2 in Council bond proceeds. Between them, 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. PTLF and Council match would fund this grant.

**Council review.** Staff from the Council's Regional Parks and Natural Resources work unit:

- reviews each PAOF request to ensure that the proposed acquisition complies with state statute and Council policy;
- ensures that all necessary documentation is in place and that the appraisal is reasonable and appropriate; and
- processes requests on a first-come-first-served basis.

**Subject property.** The subject 8.93-acre property is an inholding within the Council-approved boundaries of the Park Reserve, near the Crow River. Natural resources located on the property include two acres of wetland and six acres of upland. The property is split by County Road 50 (Rebecca Park Trail). Sarah Creek runs through the northern portion of the parcel, and the southern portion is currently planted in hay. The property contains outbuildings and an older home that is need in significant repair. Because of its condition, the Park District reports that the home is not a candidate for relocation. In the short term, the Agency plans to demolish the existing house and outbuildings and restore the impacted areas back to a natural state. In the longer term, the Park District will stabilize the creek bank as necessary and will consider big woods restoration.

**Acquisition details.** This is a fee-simple transaction with a 66-foot-wide road easement in place for County Road 50. The easement was factored into the appraisal and does not affect the value of the property further.

### **Rationale**

This acquisition is consistent with:

- the *2040 Regional Parks Policy Plan*, Siting and Acquisition Policy, Strategy 1. This Strategy places a priority on acquiring property with access to water; Sarah Creek runs through the property;
- appropriation requirements;
- the Lake Rebecca Park Reserve master plan, and
- all requirements of the Parks and Trails Legacy Fund.

### **Thrive Lens Analysis**

Regional parks and trails are essential to keeping our region at the top of national livability rankings, as noted in *Thrive MSP 2040*. Our residents consistently single out regional parks, trails, and the natural environment as one of the key factors in their quality of life. This request is consistent with Thrive's Livability outcome because the acquisition helps increase access to nature and outdoor recreation. This property is one of the final eight inholdings within the park reserve, which will enable the Park District to better manage the entirety of the park reserve within the master plan boundary for the benefit of our region's residents.

### **Funding**

**Project budget.** The appraised value is \$325,000, and the Agency has offered the seller 100% of the appraised amount plus closing and other costs as shown below. The \$60,000 in stewardship costs is for demolition of the house and outbuildings.

<b>Budget item</b>	<b>Requested amount</b>
Purchase price	\$325,000
Due diligence (appraisal, Phase I environmental site assessment, etc.)	9,500
Holding and closing costs	9,425
Stewardship	<u>60,000</u>
Total costs	<b>\$403,925</b>
Local match	<hr/> <b>\$100,981</b> <hr/>
<b>Grant structure – grant amount not to exceed</b>	<b>\$302,944</b>
State Fiscal Year 2018 PTLF PAOF	\$181,766
Council bonds	121,178

**Fund balance.** If the Council awards this grant, the balance for State Fiscal Year 2018 Parks and Trails Legacy Funds and the corresponding Council match will be \$2,139,088. There are two PAOF grants under simultaneous consideration, but the other grant will be funded through Environment and Natural Resources Trust Fund and Council match.

**Future reimbursement consideration.** The Park District is also requesting that the Council consider reimbursing the Park District’s local match of \$100,981 for this acquisition at some point in the future as a part of a regular Capital Improvement Program (CIP). A request for “future reimbursement consideration” is the first step in a process Agencies may use to request repayment of their match amount for this acquisition in a future CIP cycle. Because the Council issues bonds to cover exactly 40% of CIP costs for a given state bonding cycle, such reimbursements are limited. The Council is under no obligation to reimburse this amount.

**Known Support / Opposition**

There is no known opposition.

## **Exhibit List**

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



September 1, 2017

Three Rivers  
Park District  
Board of  
Commissioners

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

Penny Steele  
District 1

RE: Park Acquisition Opportunity Grant Fund Request  
Lake Rebecca Park Reserve Inholding

Jennifer DeJournett  
District 2

Dear Emmett,

Three Rivers Park District respectfully requests a Park Acquisition Opportunity Grant to acquire a nine-acre inholding at Lake Rebecca Park Reserve located in the City of Greenfield in the amount of \$302,943.75. Please process this request and forward to the Metropolitan Parks Open Space Commission, Community Development Committee, and Metropolitan Council for consideration and approval.

Daniel Freeman,  
Vice Chair  
District 3

**Background Summary**

Three Rivers Park District was approached by the property representative in the summer of 2017 with an interest to sell the subject property (8580 Rebecca Park Trail, Greenfield, MN 55373; PID 3211924210008) to the Park District. The Park District appraised the property, negotiated a purchase price based on the appraised value, and entered into a purchase agreement on August 24, 2017 to acquire the subject property.

John Gunyou,  
Chair  
District 4

John Gibbs  
District 5

The Park District is seeking an acquisition grant from the Metropolitan Council to offset the acquisition costs.

Larry Blackstad  
Appointed  
At Large

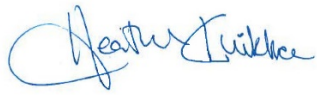
At the time in which Three Rivers Park District acquires the property it is anticipated that there will be only one encumbrance on the property – a road easement for the existing road. If any additional encumbrances are discovered as part of the title work affecting the use or value of the property, the Park District will advise and consult with the Metropolitan Council on the appropriate next steps.

Steve Antolak  
Appointed  
At Large

Please process this request at your next available meeting cycle to ensure we can proceed with closing as agreed upon in the purchase agreement.

Cris Gears  
Superintendent

Thank you for your continued assistance through this process.



Heather Kuikka  
Planning Administrative Specialist

Enclosures

C: Jonathan Vlaming, Associate Superintendent  
Kelly Grissman, Director of Planning  
Stephen Shurson, Landscape Architect



# Hennepin County Property Map

Exhibit 2: Images

Date: 9/1/2017



PARCEL ID: 3211924210008

OWNER NAME: Agatha Kunkel

PARCEL ADDRESS: 8580 Rebecca Park Tr,  
Greenfield MN 55373

PARCEL AREA: 8.93 acres, 389,157 sq ft

A-T-B: Abstract

SALE PRICE:

SALE DATA:

SALE CODE:

ASSESSED 2016, PAYABLE 2017  
 PROPERTY TYPE: Residential  
 HOMESTEAD: Homestead  
 MARKET VALUE: \$197,000  
 TAX TOTAL: \$2,599.08

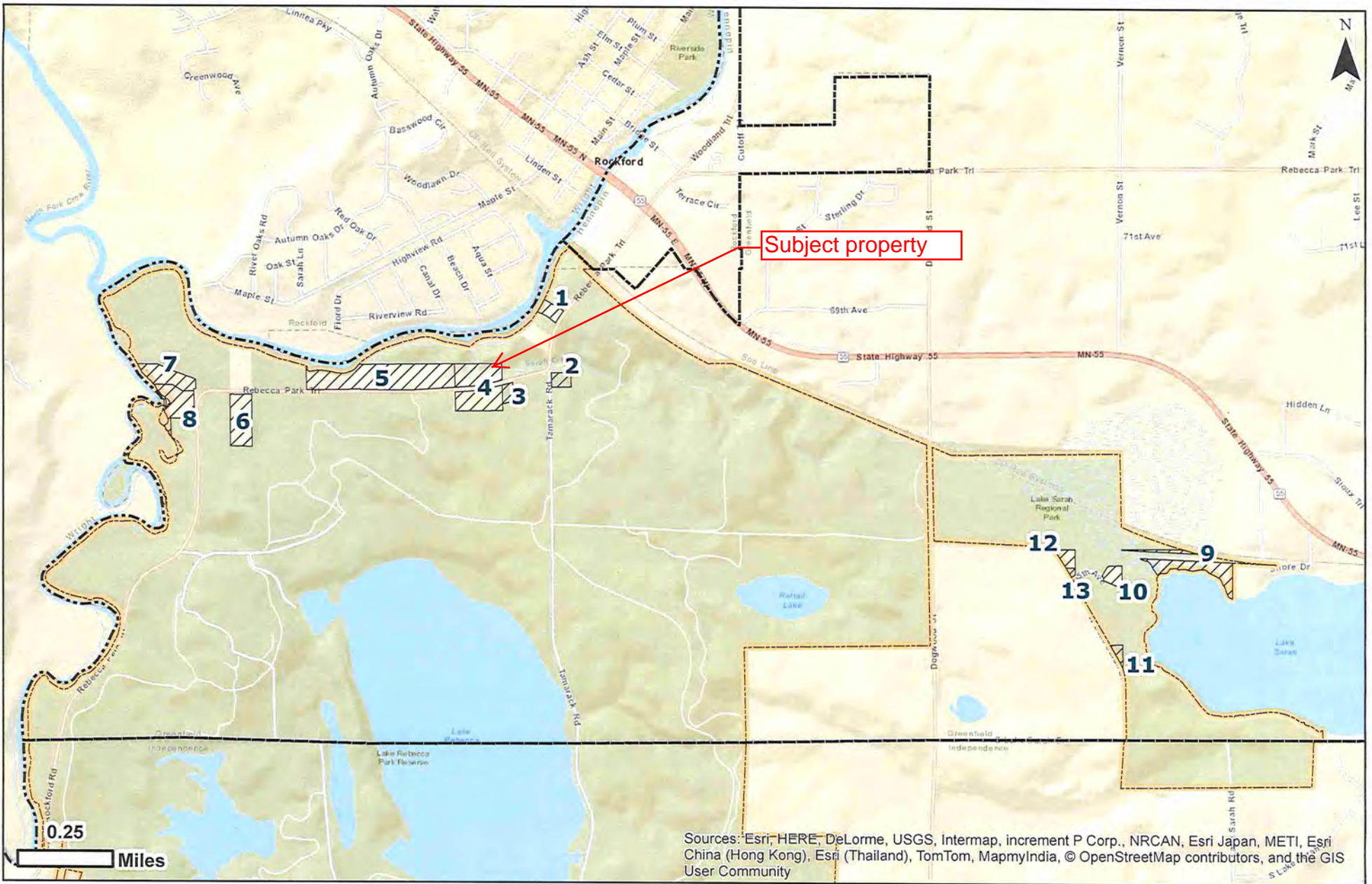
ASSESSED 2017, PAYABLE 2018  
 PROPERTY TYPE: Residential  
 HOMESTEAD: Homestead  
 MARKET VALUE: \$203,000

### Comments:

This data (i) is furnished 'AS IS' with no representation as to completeness or accuracy; (ii) is furnished with no warranty of any kind; and (iii) is not suitable for legal, engineering or surveying purposes. Hennepin County shall not be liable for any damage, injury or loss resulting from this data.

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# Lake Rebecca Park Reserve and Lake Sarah Regional Park

## Inholding Summary

Department of: Planning  
 Created by: KKG  
 Map Created: 11/14/2014  
 Revised Date: 11/14/2014



This map is a compilation of data from various sources and is provided "as is" without warranty of any representation of accuracy, timeliness, or completeness. The user acknowledges and accepts the limitations of the Data, including the fact that the Data is dynamic and in a constant state of maintenance, correction, and update.

- Inholding
- Park Boundary
- City



**PHOTOGRAPHS OF SUBJECT**



View of Southerly 4.52 Acres of Subject



View of Home



PHOTOGRAPHS OF SUBJECT



View of Home and Outbuildings



View of Westerly Portion of Home Site



**PHOTOGRAPHS OF SUBJECT**



View of Home from Creek/Meadow Area



View of Creek Traversing Property



Application

08719 - 2017 (FY18) Parks Acquisition Opportunity Fund

09392 - Lake Rebecca Park Reserve - Kunkel Acquisition

Parks Grants Acquisition

Status: Under Review
Submitted Date: 09/01/2017 2:26 PM

Primary Contact

Name: Stephen Francis Shurson
Title: Landscape Architect
Department: TRPD Planning
Email: stephen.shurson@threeriversparks.org
Address: 3000 Xenium Lane North

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

Phone: 763-559-6766
Phone Ext.

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

Organization Information

Name: THREE RIVERS PARK DISTRICT
Jurisdictional Agency (if different):



**Organization Type:**

**Organization Website:**

**Address:**

RESERVATIONS  
3000 XENIUM LN N

\*

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

**County:**

Hennepin

**Phone:\***

763-559-6700  
Ext.

**Fax:**

**PeopleSoft Vendor Number**

0000057347A1

## Project description

*Please limit acquisition requests to a single park or trail*

**Park or trail name**

Lake Rebecca PR-Three Rivers Park District

### Master plan

*An acquisition request will not be considered complete or added to an ENRTF work plan 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**

Lake Rebecca Park Reserve 07/01/1975  
Name of master plan Council approval date - Format: mmddyyyy  
(Do not enter any punctuation.)

**If no, has a master plan amendment been submitted to the Council for review and approval?**

### Acquisition method

**Acquisition method**

Fee title

**If the acquisition method is anything other than routine, provide more detail.**

*This question seeks a general description of the acquisition method - is this a routine purchase, or does it involve a land donation, park dedication fees, condemnation, or some combination? Please use this space to describe the overall acquisition **project**.*

A property owner in Lake Rebecca Park Reserve is interested in selling their property located at 8580 Rebecca Park Trail in the City of Greenfield, which is an inholding in Lake Rebecca Park Reserve. The property totals 8.93 acres including approximately 2.88 wetland acres and 6.05 upland acres. The property is split by CR 50, Rebecca Park Trail, with most of the upland acreage on the southern parcel and Sarah Creek running through the northern parcel. The property includes a house, garage and several outbuildings.

This inholding property has significant natural resource value given it includes a portion of Sarah Creek and its proximity to Crow River. The Park District owns the property between this property and the Crow River, including where Sarah Creek flows into the Crow River.

**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.**

If condemnation will be involved, include documentation of your governing body's authorization (on the Other Acquisition Attachments web page).

If condemnation is involved,  
date the petition was/will be filed.

If condemnation is involved,  
expected settlement date

Are there easements or other encumbrances on any part of the  
property? Yes

If yes, describe

Yes. It is anticipated that a road easement will be identified as part of the title commitment work. It was anticipated in the appraisal and does not affect the value of the property further. The exact width is unknown but as a county road it is reasonable to assume it is no less than 66' wide.

### 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 grant term.

Estimated closing date 01/16/2018

Format: mmddyyyy (Do not enter any punctuation.)

Date purchase agreement expires

Format: mmddyyyy (Do not enter any punctuation.)

Appraisal effective date 06/22/2017

### Appraisal information

Appraised value \$325,000.00

Amount being offered the seller \$325,000.00 100.0%  
(net of closing and other costs) % of appraised value

Appraisal date 07/24/2017

Who performed the appraisal? Patchin Messner Dodd & Brumm

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

Was a survey done? Yes

### Quality of natural resources - is the property...

...undeveloped? Yes  
Fully Partially

...wooded? Yes  
Fully Partially

...shoreline? Yes  
Fully Partially

Describe the existing natural resources it contains

This inholding property has significant natural resource value given it includes a portion of Sarah Creek and its proximity to Crow River. The Park District owns the property between this property and the Crow River, including where Sarah Creek flows into the Crow River. The subject consists of an improved 8.93-acre tract of land, net of existing right-of-way, and is located in the northern portion of Lake Rebecca Park Reserve. The property is divided into a northern and southern portion, bifurcated by Rebecca Park Trail (road - not trail). The southerly portion of the subject totals approximately 4.52 acres, and is relatively level and mostly open. This portion of the subject is currently being utilized for agricultural purposes (hay field).

The northerly portion of the subject totals approximately 4.41 acres, and is improved with a single-family home and outbuildings. The terrain in the northerly portion of the subject contains wooded areas, with a creek traversing the easterly portion of the home site.

### 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** PTLF Legacy / Council match

Select as many as apply

### Structures currently on the property

**Does the property contain ANY structures?** Yes

**If yes, are there any habitable structures?** Yes

**If yes, what is the plan for the structure(s)?** Demolish all buildings.

**If there are habitable structures, could they be relocated? If yes, how? If no, why not?** No. Seller is not interested and it is an older house that is in need of a lot of work.

### 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.

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

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

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## Stewardship and minimal access

Describe the stewardship plan.

The stewardship plan is to remove the existing structures and restore the impacted areas to natural areas. The Park District does not anticipate any land stewardship work/costs beyond this.

Future longterm stewardship may include big woods restoration and creek bank stabalization (if needed).

**How will the stewardship implementation be funded?**

Three Rivers Park District general operation budget and/or asset management program.

**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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## Local match

### Source of local match

Three Rivers Park District: Land Acquisition Betterment and Development Fund

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

If yes, how much? \$100,981.25

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## Sellers and parcels

Seller name	Parcel addresses	PID	Acres	Date PA signed	Habitable structures?	MN House district	City	County	Met Council district	MPOSC	Latitude	Longitude	
Mary Schulze	8580 Rebecca Park Trail, Rockford, MN	32-119-24-21-0008	8.93	08/18/2017	Yes	33A	Robbinsdale	Hennepin	1	District A	45.0789	-93.74106	
			9										

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## Grant agreement signatories

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

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## Acquisition Costs

Cost Items	Amount
<b>Purchase price</b>	
Negotiated purchase price	\$325,000.00
<b>Appraisal expenses</b>	
Appraisal	\$4,500.00
Appraisal review	\$0.00
<b>Environmental expenses</b>	
Phase I environmental site assessment	\$5,000.00



Phase II environmental site assessment	\$0.00
Environmental contamination remediation	\$0.00
<b>Holding expenses</b>	
Interest	\$0.00
Land stewardship	\$60,000.00
Land development	\$0.00
Pro-rated share of all property taxes/assessments	\$2,500.00
Legal services and closing costs	\$4,000.00
Property tax equivalency payment-473.341	\$1,120.00
Relocation costs to seller	\$0.00
State deed tax/conservation fee	\$1,105.00
Title insurance	\$700.00
Well disclosure statement	\$0.00
Other holding	\$0.00
<b>Other expenses</b>	
Other expenses	\$0.00
<b>Totals</b>	<b>\$403,925.00</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)	\$403,925.00	\$181,766.25	\$121,177.50	\$100,981.25	\$302,943.75

### Required Attachments - Acquisition

**REQUEST FOR BOARD ACTION**

Meeting Date: 08/24/17 Business Item: Unfinished Item Number: **6C**

Division: Planning, Design & Technology Originating Source: Jonathan Vlaming, Assoc. Supt.

Agenda Item: Lake Rebecca Park Reserve Inholding Acquisition

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Superintendent’s Recommendation:

MOTION TO APPROVE A PURCHASE AGREEMENT IN THE AMOUNT OF \$325,000 FOR THE ACQUISITION OF 8580 REBECCA PARK TRAIL LOCATED IN THE CITY OF GREENFIELD, AN INHOLDING IN THE LAKE REBECCA PARK RESERVE, AND TO ESTABLISH A PROJECT BUDGET IN THE AMOUNT OF \$400,000 WITH LOCAL FUNDING FROM THE LAND ACQUISITION, DEVELOPMENT AND BETTERMENT FUND.

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The following information was prepared by Stephen Shurson, Landscape Architect.

Background:

On May 18, 2017, the Board authorized staff to negotiate a purchase agreement and conduct all associated assessments and coordination requirements for the acquisition of an 8.93-acre property in Lake Rebecca Park Reserve at 8580 Rebecca Park Trail in Greenfield MN (referred to as the Kunkel Property) (**Reference 6C-1**). Park District staff have negotiated a purchase price and agreement with the property representatives in the amount of \$325,000 which is consistent with the property appraisal. The purchase agreement includes several standard contingencies to best protect the Park District including but not limited to municipal consent, partial funding by the Metropolitan Council, environmental assessment, and similar (**Reference 6C-2**).

The property totals 8.93 acres including approximately 2.88 wetland acres and 6.05 upland acres. The property is split by CR 50, Rebecca Park Trail, with most of the upland acreage on the southern parcel and Sarah Creek running through the northern parcel. The property includes a house, garage and several outbuildings. The Park District owns the property between this property and the Crow River, including where Sarah Creek flows into the Crow River.

**Funding**

The estimated total acquisition cost is approximately \$400,000. The total cost estimate includes the purchase cost, appraisal, environmental assessment work, legal fees and title commitment/insurance. The acquisition is eligible for up to 75% acquisition reimbursement (\$300,000) from the Metropolitan Council Park Acquisition Grant Fund. Staff recommends funding the remaining 25% local match (\$100,000) from the Land Acquisition Development and Betterment fund.

Relationship to the Vision Plan

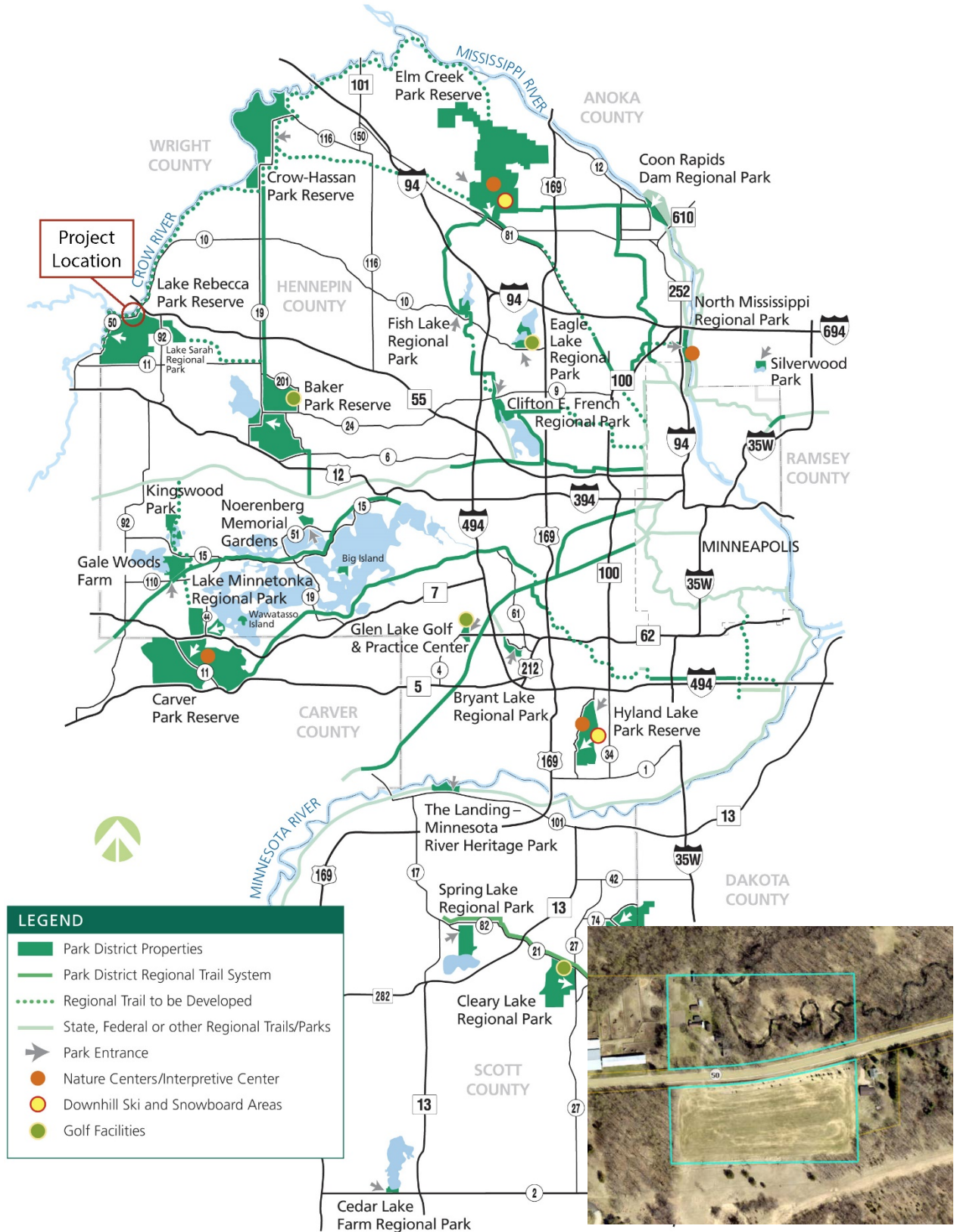
The Request for Action supports the following element(s) of the Vision Plan:

- Inspire people to recreate
- Connect people to nature
- Collaborate across boundaries

Relationship to the Policy Statement

The Request for Action supports the following element(s) of the Policy Statement:

- Policy VII – Land Acquisition
  - A. Method of Acquisition





**Reference 6C-2**

**LAKE REBECCA PARK RESERVE INHOLDING ACQUISITION  
PURCHASE AGREEMENT**

Click below to view/print agreement:

[2017 Board References\08-24 Kunkel Purchase Agreement.PDF](#)

## 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 **Mary Schulze as Personal Representative of the Estate of Agatha M. Kunkel** ("Seller").

### RECITALS

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

**WHEREAS**, Seller owns property located at 8580 Rebecca Park Trail, Greenfield, Minnesota, legally described on Exhibit A hereto ("Subject Property"), containing 8.93 acres; and

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

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

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

**2. Consideration**. In consideration of the conveyance, transfer and delivery by the Seller to the Buyer of the Subject Property, the Buyer shall pay to the Seller the sum of Three Hundred Twenty-Five Thousand Dollars and no cents (\$325,000.00) at closing.

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

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

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

closing shall be paid by Seller on or before the date of closing. Real estate taxes payable in the years subsequent to closing shall be paid by Buyer.

**5. Special Assessments.** Seller shall pay on or before the date of closing all installments of special assessments certified for payment with the real estate taxes due and payable in the year of closing, and all other special assessments levied as of the date of this Agreement. Seller shall provide for payment of special assessments pending as of the closing for improvements that have been ordered by the City Council or other governmental assessing authorities. Seller shall pay on date of closing any deferred real estate taxes or special assessments, payment of which is required as a result of the closing of this sale.

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

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

**8. Title and Documents.**

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

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

(b) Title Commitment. Seller shall within 15 days of approval of this Purchase Agreement furnish Buyer with an updated abstract to the Subject Property, if possible. 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. The title examination period shall commence upon Buyer's receipt of a current title insurance commitment.

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

(d) Inspections; Document Review. With respect to all of the above items other than the title documents, Buyer shall have 90 days after delivery of the foregoing to Buyer during which to inspect all such items. Further, upon giving Seller notice at least 24 hours in advance, Buyer may inspect the Subject Property and conduct such other and further inspections or other review as seems necessary by Buyer during such period. If such review and/or inspection by the Buyer shall be unsatisfactory to Buyer, Buyer shall notify Seller within such time period, and this Agreement shall be null and void at the sole discretion of the Buyer. If said period should expire without notice of Buyer's intention to terminate this Agreement, then this Agreement shall be considered in full force and effect and Buyer shall be deemed to have waived any objections based upon such review and inspection. Seller hereby grants Buyer and/or its agents the right to enter upon the Subject Property for the purpose of inspection and to prepare topographical 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 indemnify and hold Seller and Subject Property harmless from and against any and all costs, damages and liabilities arising from entry upon inspection or testing of Subject Property, including but not limited to costs, damages and liabilities arising from mechanics, materialmens and other liens filed against Subject Property in connection with work performed or material furnished by or at the direction of Buyer.

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

During the period of Seller's ownership of the Subject Property, to the Seller's knowledge, and except as disclosed in the reports and other documents provided to the Buyer (a) there has been no Release, as defined below, of any Hazardous Materials, as defined below, on



the Subject Property, and (b) there have not been, and Seller has not received any notices from any governmental authority of any underground storage tanks on the Subject Property. For purposes of this Agreement, "Release" shall mean, in violation of applicable Environmental Laws, depositing, discharging, injecting, spilling, leaking, leaching, dumping, emitting, escaping, emptying, seeping or placing and other similar actions into or upon any land, water or air, or otherwise entering into the environment, and "Hazardous Materials" shall mean (a) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous substances," "toxic substances," "pollutant or contaminant" or words of similar import, under applicable Environmental Laws; (b) any petroleum or petroleum products, natural or synthetic gas, radioactive materials, polychlorinate, biphenyls, asbestos in any form that is friable, urea formaldehyde foam insulation or radon, and (c) any other chemical, material or substance, the handling, storage, transport or disposal of which is prohibited, limited or regulated by any governmental authority under applicable Environmental Laws.

Seller has no reports and other documents in their possession concerning environmental matters relating to the Subject Property. To Seller's knowledge there are no environmental contaminants or hazards on the Property, nor any existing claims or causes of action, and there are no pending claims regarding the Subject Property against the Subject Property or Seller involving the violation of Environmental Laws, and Seller has no such claims against third parties.

**10. Seller's Warranties.** As an inducement to Buyer to enter into this Agreement, and as part of the consideration therefore, Seller represents and warrants to and covenants with Buyer that to the best of Seller's knowledge at the time of closing there are no persons in possession of the property, including, but not limited to tenants, licensees, or permittees, with the exception of a neighbor who has been allowed to cut hay on the property by informal verbal permission. Seller represents and warrants that no formal written agreement exists for this informal permission and there is no expectation of perpetuating the permission with the neighbor.

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

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

**13. Closing; Contingencies.**

(a) Performance at Closing. Subject to satisfaction of Paragraphs 8 and 13(b) hereof, the Closing of the transaction contemplated by this Agreement shall take place at 3000 Xenium Lane North, Plymouth, MN 55441 on January 16, 2018 or at such other time as may be agreed upon between the parties.

(i) At the Closing Seller shall:

- (a) sign an Affidavit of Seller confirming the absence of judgments, mechanics liens and unrecorded interests against the Subject Property not disclosed herein;
- (b) deliver any documents necessary to clear title in accordance with this Agreement, if any;
- (c) sign the well disclosure statement required by Minnesota Statutes §103I.235,
- (d) sign the personal representative's deed, and
- (e) pay the deed tax.

(ii) At the Closing Buyer shall:

- (a) pay the title commitment fee, if not paid pursuant to paragraph 8(b);
- (b) pay the premium for title insurance, if desired by Buyer;
- (c) pay any and all other closing costs including all filing fees; and
- (d) Pay to the Seller the sum of Three Hundred Twenty-Five Thousand Dollars and no cents (\$325,000.00) 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 Greenfield 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 for environmental reasons at any time prior to Closing; and Seller shall have the right, at its sole discretion, to terminate this Agreement for environmental reasons at any time prior to Closing in the event that Seller would otherwise become financially obligated to correct any environmental issue;
- (iv) This Agreement and the obligations of Buyer hereunder are strictly contingent upon approval of this Agreement by Buyer's Board of Commissioners; and
- (v) Approval of reimbursement to Buyer by Metropolitan Council.

Any failure to satisfy any contingency contained herein shall render this Agreement null and void and the parties shall execute any instruments necessary to cancel this Agreement.

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

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

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

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

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

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

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

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

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

If to Seller:

Estate of Agatha M. Kunkel  
c/o Mary Schulze, Personal Representative  
842 37<sup>th</sup> Street SE  
Buffalo, MN 55313

If to Buyer:

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

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

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

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

**26. Additional Terms.**

- (a) Seller hereby discloses to Buyer that there is an old retaining wall on the property constructed of old tires, located below the barn next to the bridge.
- (b) The Buyer is purchasing the Property in "AS IS" physical condition, including the existing septic system, well, and tire retaining wall.
- (c) Seller may remove 12 evergreen trees from the Property at Seller's expense prior to the date of Closing, provided that Seller fills any holes resulting from tree removal with clean fill soils.

(d) Seller may remove any hosta/perennial plants from the Property at Seller's expense prior to the date of Closing, provided that Seller fills any holes resulting from such removal.

(e) Seller may remove "barn wood" from the barn located on the Property at Seller's expense, provided that such removal does not create a hazardous condition.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement.

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

Dated: 08/24/17

By [Signature]  
John Gunyou, Board Chair

Dated: 08/24/17

By [Signature]  
Boe R. Carlson, Superintendent

**SELLER:**

Dated: 8/18/2017

[Signature], *Personal Representative*  
Mary Schulze as Personal Representative  
for the Estate of Agatha M. Kunkel

This instrument was drafted by:  
Eric Quiring  
Three Rivers Park District  
3000 Xenium Lane North  
Plymouth, MN 55441  
763-559-6718

## **EXHIBIT A**

### **Legal Description of Subject Property**

UNPLATTED 32 119 24 THAT PART OF THE W 1/2 OF NE 1/4 OF NW 1/4 LYING N OF S 10 ACRES THOF EXCEPT ROAD, HENNEPIN COUNTY, MINNESOTA.

Property Identification Number: 32-119-24-21-0008



MARKET VALUE APPRAISAL  
FULL ACQUISITION VALUE  
KUNKEL PROPERTY  
8580 REBECCA PARK TRAIL  
GREENFIELD, MINNESOTA

DATE OF REPORT:  
July 24, 2017

PREPARED FOR:  
Three Rivers Park District  
3000 Xenium Lane North  
Plymouth, MN 55441

PREPARED BY:  
Patchin Messner Dodd & Brumm  
Sunset Pond Executive Offices  
13961 West Preserve Boulevard  
Burnsville, MN 55337

## SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Fee Owner: Agatha Kunkel (Estate of)

Location: 8580 Rebecca Park Trail  
Greenfield, Minnesota

Date of Valuation: June 22, 2017

Date of Inspection: June 22, 2017

Property Appraised: Real Property

Rights & Interests Appraised: Fee Simple Market Value

Zoning/Guiding:

City of Greenfield: The subject is zoned PKS, Parks District. However, since the purpose of this appraisal is to estimate the subject's market value, and the existing zoning restricts the economic use of the site, we have disregarded the current zoning for purposes of this appraisal. Based on the adjacent zoning and surrounding existing land uses, the subject property would likely be zoned RR, Rural Residential if the Parks zoning is disregarded.

Greenfield  
Comprehensive Plan: The subject is located within Greenfield Future Land Use Boundaries. According to the City of Greenfield Future Land Use Map, the subject property is guided Parks. However, as previously noted, the existing zoning/guiding restricts the economic use of the site, and for purposes of this appraisal, we are disregarding the current guiding, and recognize that the property would likely be guided Rural Residential if the Parks guiding is disregarded.

Property Description: The subject consists of an improved 8.93-acre tract of land, net of existing right-of-way, and is located in the northern portion of Lake Rebecca Park Reserve. The property is divided into a northern and southern portion, bifurcated by Rebecca Park Trail. The southerly portion of the subject totals approximately 4.52 acres, and is relatively level and mostly open. This portion of the subject is currently being utilized for agricultural purposes (hay field).

**SUMMARY OF SALIENT FACTS AND CONCLUSIONS**

(CONTINUED)

Property Description (Cont'd): The northerly portion of the subject totals approximately 4.41 acres, and is improved with a single-family home and outbuildings. The terrain in the northerly portion of the subject contains wooded areas, with a creek traversing the easterly portion of the home site.

Description of Improvements: The northerly 4.41 acres of the subject property is improved with a one and one-half story, single-family residence that was reportedly constructed in 1920 and contains approximately 1,573 SF of total finished area. The home contains three bedrooms and one 3/4 bathroom, with an additional 3/4 bathroom in the basement. The property is also improved with an attached 2.5-car garage, as well as multiple outbuildings (barn, chicken coop, two detached garages, small shed, metal cow shed, and a temporary storage quonset-style structure). It is noted that the temporary storage quonset is not on a foundation and is considered personal property.

NOTE: The description of the improvements is based on Hennepin County records and an inspection of the property.

Highest and Best Use

As Vacant: Development with one single-family home on the northerly 4.41 acres, with agricultural use of the southerly 4.52 acres of tillable land

As Improved: Continued use as currently improved on the northerly 4.41 acres, with continued agricultural use of the southerly 4.52 acres

Site Area: 8.93 Acres

Value Conclusion:

Land Value	\$237,000
Contributory Value Of Improvements	<u>\$ 88,000</u>
Total	\$325,000