**Metropolitan Parks and Open Space Commission**  
Meeting date: July 9, 2019
For the Community Development Committee meeting of July 15, 2019
For the Metropolitan Council meeting of July 24, 2019

Subject: Park Acquisition Opportunity Fund Grant for Big Marine Park Reserve, Washington County (Nelson)

MPOSC District: F, Cecily Harris

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

Policy/Legal Reference: Minn. Stat. § 85.53, subd. 3(4) and Minn. Stat. § 473.315; 2040 Regional Parks Policy Plan Siting and Acquisition Policy – Strategy 1; Planning Policy – Strategy 1; System Protection Strategy 4; Finance Strategy 7.

Staff Prepared/Presented: Jessica Lee, Senior Grants Administrator 651-602-1621
Division/Department: Community Development / Regional Planning

Proposed Action
That the Metropolitan Council:

1. Approve a grant of up to $813,048.22 to Washington County to acquire the 75.4-acre Nelson property located at 12096 170th Street in the City of Marine on St. Croix for Big Marine Park Reserve, contingent on Council approval of the 2019 Quarter 2 Unified Budget Amendment, Business Item 2019-166 JT; and

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

Background

**Regional Park Implementing Agency (Agency) and Location**
Washington County requested this grant on February 11, 2019. A copy of the Agency’s request is attached to this item as Exhibit 2. The Nelson property is located within the Council-approved boundary of Big Marine Park Reserve (*Business Item 2010-393*).

**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). In the PAOF program, the Council matches every $3 in state funds, with $2 in Council bonds. State and Council funds contribute up to 75% of the purchase price and eligible costs; the Agency contributes the remaining 25% as local match.

**Council review**
Council staff:

- 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 75.4-acre property is an inholding within the Council-approved boundary of the Big Marine Park Reserve (note Figure 1, Exhibit 1). The property includes natural resources consisting of prairie, hardwoods, pines, open water, and wetlands. There is a single-family residential dwelling (built in 1959), a barn, and a storage shed on the property. These structures will be either relocated or demolished. In the short term, the Agency plans on restoring prairie, savanna, wetlands, and open water shorelines. After removing the structures, vegetation will be planted to stabilize the site. Longer term restoration efforts will consist of plantings consistent with the Big Marine Park Reserve master plan.

Acquisition details
This is a straightforward, fee simple transaction with no easements or other property restrictions.

Rationale
This acquisition is consistent with:

- The 2040 Regional Parks Policy Plan
  - Siting and Acquisition Strategy 1 requires that lands with natural resource features, access to water, and/or restoration potential will be a priority for the Regional Parks System. The property recommended for acquisition has natural prairie, hardwoods, pines, open water, and wetlands.
  - Planning Policy Strategy 1 requires that before an Agency can receive a grant for acquisition, the proposed project must be consistent with a Council-approved master plan. The master plan for this park reserve was approved by the Council in 1988 and updated in 2010.
  - System Protection Policy – Strategy 4 requires that a Phase 1 Environmental Site Assessment (ESA) be completed on land that is suspected to be contaminated or land suspected to have abandoned wells as part of its due diligence process for land acquisition. The assessment revealed no evidence of recognized environmental conditions (REC) in connection with the Property except for the following:
    - REC #1- Historic equipment maintenance in the barn,
    - REC #2- Oil storage in the grain shed.
  - Finance Strategy 7 authorizes the use of PAOF as the funding mechanism for the acquisition of Regional Park lands and matches every $3 in state funds with $2 in Council bonds.

- The Big Marine Park Reserve master plan was updated and approved by the Council on December 8, 2010 (Business Item 2010-393); and

- All requirements of PTLF and the 2020 appropriation have been reviewed by Council staff. This funding aligns with the goals of the Parks and Trails Legacy Fund strategic pillar of “Acquire land – create opportunities.”

Thrive Lens Analysis
This request is consistent with Thrive’s Livability outcome because the Council’s investment in the Park Reserve will increase access to nature and outdoor recreation, thereby enhancing the region’s quality of life. This request is also consistent with Thrive’s Stewardship outcome, because the land will be restored to a more natural state.
**Funding**

The Council will fund this grant through PTLF and Council match. Funding is included in the Quarter 2 Budget Amendment Business Item 2019-166 JT which is pending approval in the July 15, 2019 Community Development Committee and July 24, 2019 Metropolitan Council meeting.

**Project budget**

The appraised value is $1,050,000, and the Agency has offered the seller 100% of the appraised amount plus closing and other costs as shown in Table 1 below.

**Table 1. Project Budget and Grant Structure**

<table>
<thead>
<tr>
<th>Budget item</th>
<th>Requested amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase price</td>
<td>$1,050,000.00</td>
</tr>
<tr>
<td>Due diligence (appraisal, Phase I environment site assessment, etc.)</td>
<td>$7,500.00</td>
</tr>
<tr>
<td>Holding and closing costs</td>
<td>$6,564.29</td>
</tr>
<tr>
<td>Stewardship</td>
<td>$20,000.00</td>
</tr>
<tr>
<td><strong>Total costs</strong></td>
<td><strong>$1,084,064.29</strong></td>
</tr>
</tbody>
</table>

**Grant structure**

- State FY 2020 PTLF PAOF: $487,828.93
- Council bonds: $325,219.29
- **Grant amount not to exceed**: $813,048.22
- Local match: $271,016.07

**Known Support / Opposition**

There is no known opposition.
Exhibit List

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

Legend
- Parcels
- Master Plan Boundary - 1883.8 Acres

Veteran’s Camp Properties
Excluded From Master Plan Boundary

Nelson Property
Parcel ID’s: 050120410001, 050120430001, 050120440001 & 0803120110001
Total Parcel +/- 82.4 Acres
February 7, 2019

Ms. Tori Dupre  
Metropolitan Council  
390 North Robert Street  
St. Paul, MN 55101

REQUEST FOR ACQUISITION OPPORTUNITY GRANT FUNDS FOR PURCHASE OF THE NELSON PROPERTY IN BIG MARINE PARK RESERVE

Dear Tori,

Washington County request that the Metropolitan Council consider providing acquisition opportunity grant funds for the purchase of the Nelson property located within the boundary of Big Marine Park Reserve in May Township. This property includes an older home and out buildings that will be removed within a year of purchase. The agreed upon price is the same as the appraised value.

The offer presented here has been signed by both landowner and the Washington County Board on February 12, 2019. Funding for this project is requested to be 75% from Metropolitan Council’s Acquisition Opportunity Fund with the remaining 25% funded by Washington County funds.

Estimated Acquisition Costs:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Price</td>
<td>$1,050,000.00</td>
</tr>
<tr>
<td>Estimated costs related to purchase</td>
<td>$34,064.29</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,084,064.29</strong></td>
</tr>
</tbody>
</table>

Proposed Revenue Sources:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition Opportunity Fund (75%)</td>
<td>$813,048.22</td>
</tr>
<tr>
<td>Washington County (25%)</td>
<td>$271,016.07</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,084,064.29</strong></td>
</tr>
</tbody>
</table>

We understand that there are funds available in the 2018 fiscal year and hope to be able to use said funds. If the funds are not available, we request that this acquisition be funded in the 2019 fiscal year. We anticipate closing this at the end of July, 2019 following Met Council action on the grant request.
Thank you for your consideration of this request. If you have any questions or need additional information, please let me know.

Sincerely,

Sharon M. Price
Property Acquisition Manager

cc: Sandy Breuer, Parks Director
    June Mathiowetz, Land & Water Legacy Program
Application

10851 - 2019 Parks Acquisition Opportunity Fund - Final Application

12099 - BMPR - 12096 170th St (Nelson)
Parks Grants Acquisition

Status: Submitted

Original Submitted Date: 02/11/2019 10:54 AM
Last Submitted Date: 05/06/2019 3:27 PM

Applicant Information

Primary Contact:

Name:* Ms. Sharon Price
Salutation First Name Middle Name Price
Title:* Land Acquisition
Department:
Email:* Sharon.Price@co.washington.mn.us
Address:* 11660 Myron Road N.

Phone:* 651-430-4391
Ext.
Fax:

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

Organization Information

Name:* WASHINGTON CTY
Jurisdictional Agency (if different):
Organization Type:
Organization Website:
Address:* PUBLIC WORKS
11660 MYERON RD

County:* Washington
Phone:* 651-430-4325
Ext.
Fax:
PeopleSoft Vendor Number 0000028637A10
Project description

PAOF grants are limited to a single park or trail. Do not mix properties from more than one park or trail on a single request.

**Park or trail name**

Big Marine PR-Washington County

**Master plan**

An acquisition request will not be considered complete until the property is included in a Council-approved master plan.

**Is the project consistent with a Council-approved master plan?**

Yes

**If yes, name of master plan and date of Council approval**

Big Marine Park Reserve Master Plan

Name of master plan

Council approval date - Format: mm/dd/yyyy (Do not enter any punctuation.)

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

No

**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?**

**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 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**

07/31/2019

Format: mm/dd/yyyy (Do not enter any punctuation.)

**Type of agreement**

Purchase Agreement

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

**Date agreement expires**

Format: mm/dd/yyyy (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**  08/21/2018

**Appraised value**  $1,050,000.00

**Amount being offered the seller** (net of closing and other costs)  $1,050,000.00  100.0%  % of appraised value

**Who performed the appraisal?**  Kelly Lindstrom

**Who contracted for the appraisal (i.e., was it done at arms’ length)?**  Washington County

**Survey**

**Was a survey done?**  No

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

...undeveloped?

- Fully
- Partially

...wooded?

- Fully
- Partially

...shoreline?

- Fully
- Partially

Describe the existing natural resources it contains

Big Marine Park Reserve is comprised of diverse natural systems with many lakes and wetlands throughout. This parcel contains a mix of prairie, hardwoods and pines together with open water and wetlands that provide important habitat for wildlife used for nesting, foraging, loafing and a traveling 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://metrocouncil.org/Parks/Publications-And-Resources/_POLICY-PLANS/2040-Regional-Parks](http://metrocouncil.org/Parks/Publications-And-Resources/_POLICY-PLANS/2040-Regional-Parks).
Anticipated funding source

Funding source comments, if desired

Structures currently on the property

| Does the property contain ANY structures? | Yes |
| Do the property currently contain any revenue-generating businesses? | No |
| If yes, what is the plan for the structure(s)? | We are looking at having these structures either removed or demolished. |
| If there are habitable structures, could they be relocated? If yes, how? If no, why not? | We will consider a bid process to either relocate the structures or demolish the structures. |
| If the property contains habitable structures or revenue-generating businesses, describe: |

For ENRTF funding only

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

The Council will review your project specifics and work with you to determine the optimal funding source(s).

NOTICE: ENRTF funding has specific requirements for disseminating information to the public when property is purchased 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.

The property for purchase is an old hobby farm containing 82.4 acres (75.4 acres net right of way). All of the property, with the exception of the 4.7 acre improved lot could be eligible for ENRTF funds as they do not contain any structures.

Stewardship and minimal access

Describe the stewardship plan.

The Nelson property contains various types of natural resources and the plan surrounding this area to manage would include prairie restoration, savanna restoration and wetland restoration including managing the open water shorelines to minimize the potential for erosion and prevent contaminated runoff from draining directly into surface water areas. The first step in making this transition from a home site to a restoration area is to remove the structures; followed closely by planting vegetation in the disturbed areas. The initial vegetation planted would be a wildlife cover to stabilize the site. Longer term restoration efforts over this area would consist of plantings consistent within the Big Marine Park Reserve master plan.

How will the stewardship implementation be funded?

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

Are you requesting funds to provide minimal access to the property (prior to it being open to the public) as part of this grant request? No
**Site Description**

**Land Use History**

- **Current land uses**: Residential
  - Select as many as apply
- **Previous land uses**: Residential, Agricultural
  - Select as many as apply
- **Adjacent land uses**: Wetland
  - Select as many as apply

**Inspection**

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

**Sellers and parcels**

<table>
<thead>
<tr>
<th>Seller name</th>
<th>Parcel address</th>
<th>PID</th>
<th>Acres (SF for easements)</th>
<th>Date PA signed</th>
<th>Habitable structures?</th>
<th>MN House district</th>
<th>City</th>
<th>County</th>
<th>Met Council district</th>
<th>MPOSC</th>
<th>Latitude</th>
<th>Longitude</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estate of Marian Nelson</td>
<td>12096 170th Street, May Township, MN</td>
<td>05.031.20.44.0001</td>
<td>0.02/12/2019</td>
<td>Yes</td>
<td>39A</td>
<td>Marine-on-St. Croix</td>
<td>Washington</td>
<td>12</td>
<td>F</td>
<td>45.197280</td>
<td>-92.856695</td>
<td></td>
</tr>
</tbody>
</table>

**Local match**

- Source of local match

  Will you be requesting consideration for future reimbursement of any part of your local match?
  - If yes, how much? $0.00

**Grant agreement signatories**

<table>
<thead>
<tr>
<th>Full name</th>
<th>Title</th>
<th>If this is an attorney, is the signature 'for form only'?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stan Karwoski</td>
<td>County Board Chair</td>
<td></td>
</tr>
<tr>
<td>Molly O’Rourke</td>
<td>County Administrator</td>
<td></td>
</tr>
<tr>
<td>Richard Hodsdon</td>
<td>Assistant County Attorney</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**Acquisition Costs**

<table>
<thead>
<tr>
<th>Cost Items</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase price</td>
<td></td>
</tr>
</tbody>
</table>
Negotiated purchase price $1,050,000.00

**Appraisal expenses**

- Appraisal $5,000.00
- Appraisal review $0.00

**Environmental expenses**

- Phase I environmental site assessment $2,500.00
- Phase II environmental site assessment $0.00
- Environmental contamination remediation $0.00

**Holding expenses**

- Interest $0.00
- Land stewardship $20,000.00
- Land development $0.00
- Pro-rated share of all property taxes/assessments $1,156.09
- Legal services and closing costs $0.00
- Property tax equivalency payment-473.341 $688.20
- Relocation costs to seller $0.00
- State deed tax/conservation fee $3,470.00
- Title insurance $1,200.00
- Well disclosure statement $50.00
- Other holding $0.00

**Other expenses**

- Other expenses $0.00

**Total Estimated Acquisition Costs**

<table>
<thead>
<tr>
<th>Totals</th>
<th>Total acquisition cost</th>
<th>Total paid with state funds</th>
<th>Total paid with metro funds</th>
<th>Total paid by agency</th>
<th>Total grant amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Estimated Acquisition Cost (calculated after costs above are entered)</td>
<td>$1,084,064.29</td>
<td>$487,928.93</td>
<td>$325,219.29</td>
<td>$271,016.07</td>
<td>$813,048.22</td>
</tr>
</tbody>
</table>

**Required Attachments - Acquisition**

<table>
<thead>
<tr>
<th>Attachment</th>
<th>Description</th>
<th>File Name</th>
<th>Type</th>
<th>File Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0 Grant request letter (REQ'D)</td>
<td>Nelson Property - Grant Request Letter</td>
<td>Nelson Property Grant Request Letter.pdf</td>
<td>pdf</td>
<td>60 KB</td>
</tr>
<tr>
<td>2.0 Master plan documentation (REQ'D)</td>
<td>Big Marine Master Plan</td>
<td>Big Marine Master Plan-2010_Reduced.pdf</td>
<td>pdf</td>
<td>12.1 MB</td>
</tr>
<tr>
<td>3.0 RECORDED Governing Board action authorizing grant request (REQ'D)</td>
<td>Nelson Resolution to Acquired (Approval 2-12-19)</td>
<td>Resolution to Acquire Nelson_2-12-19.pdf</td>
<td>pdf</td>
<td>18 KB</td>
</tr>
<tr>
<td>4.0 Signed purchase agreement/instrument (REQ'D)</td>
<td>Nelson Purchase Agreement</td>
<td>Owner Signed PA.pdf</td>
<td>pdf</td>
<td>346 KB</td>
</tr>
<tr>
<td>5.1 Appraisal report (REQ'D)</td>
<td>Nelson Property Appraisal</td>
<td>Report Nelson Property Report_Reduced.pdf</td>
<td>pdf</td>
<td>8.5 MB</td>
</tr>
<tr>
<td>5.2 Appraisal review report (NOT req'd)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.3 Client's instructions to appraiser (REQ'D)</td>
<td>Nelson Property Appraisal Contract</td>
<td>Lindstrom 11990.pdf</td>
<td>pdf</td>
<td>1.9 MB</td>
</tr>
<tr>
<td>5.4 Title documentation (Req'd before finalization)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.1 Phase 1 ESA (if land may be contaminated or have abandoned wells)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.2 Phase II environmental assessment report (required if indicated in Phase I)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.0 Survey report (NOT req'd)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.0 Legal description in Microsoft Word that includes PID's and, if available, address</td>
<td>Nelson Property Legal Description</td>
<td>Nelson Property Legal Description.docx</td>
<td>docx</td>
<td>14 KB</td>
</tr>
<tr>
<td>10.0 Relocation description and estimated costs OR signed waiver of relocation rights</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**SECTION 2 - Condemnation only - all required for eminent domain**
11.1 For condemnations, copy of notice to Council
     advising court filing
11.2 Condemnation or administrative settlement
11.3 Documentation of when petition was filed with court

SECTION 3 - Matching grant

12.0 If this grant will serve as match to another grant, 
copy of other grant is required

SECTION 4 - Required images & GIS information

13.1 Aerial photo showing park/trail boundary with 
     parcel overlay (REQ'D)
13.2 For trails, parcel map showing trail route 
     (Required for trails)
13.3 Image documenting location of property 
     within RPS unit (REQ'D)
13.4 GIS shape-file for property (REQ'D)

SECTION 5 - Invoices

14.1 Invoices: State deed tax or conservation fee (REQ'D)
14.2 Invoices: Current property tax statement with 
     pro-rated share of tax due (REQ'D)
14.3 Invoices: Tax equivalency payment (REQ'D)
14.4 Invoices: Phase I environmental assessment 
     (Required if claimed in application)
14.5 Invoices: Phase II environmental assessment 
     (Required if claimed in application)
14.6 Invoices: Appraisal (Required 
     if claimed in application)
14.7 Invoices: Appraisal review invoice (Required 
     if claimed in application)
14.8 Invoices: Title insurance (Required if claimed in application)

SECTION 6 - Estimated costs

15.1 Estimated costs: Itemized ESTIMATE of closing costs
15.2 Estimated costs: Land stewardship
15.3 Estimated costs: Minimal access development
15.4 Estimated costs: Other (NOT req'd)

<table>
<thead>
<tr>
<th>Additional attachments</th>
</tr>
</thead>
</table>

BMPRPropertyMapFebruary.pdf | 916 KB |
Nelson Property - Estimated State Deed Tax and Conservation Fee | | pdf 9 KB |
Nelson Property - Estimate of 2019 Prorated Taxes | | pdf 12 KB |
Nelson Property - Estimated 2019 Tax Equivalency for May Township | | pdf 15 KB |
Nelson Property - Phase I Estimate (waiting on completed report and invoice) | | docx 13 KB |
Nelson Appraisal Invoice | | pdf 20 KB |
Nelson Property - Estimated Title Insurance | | pdf 9 KB |
Nelson Property - Estimate of Closing Costs | | pdf 9 KB |
Nelson Property - Land Stewardship Estimate | | pdf 14 KB |
Nelson Property Closing Cost Estimate.pdf | | pdf 9 KB |
Nelson Property Stewardship Estimate.pdf | | pdf 14 KB |
RESOLUTION TO PURCHASE NELSON PROPERTY
BIG MARINE PARK RESERVE

WHEREAS, Washington County is interested in acquiring the property described herein in May Township, Minnesota, for inclusion into the Big Marine Park Reserve; and,

WHEREAS, the owners agree to sell the property to the County.

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

Government Lots Three and Four and the South Two acres of Government Lot Two, all in Section 5, Township 31 North, Range 20 West, Washington County Minnesota.

AND

The North Half of the Northeast Quarter of Section 8, Township 31 North, Range 20 West, Washington County, Minnesota,

EXCEPT the North 624.00 feet of the West 698.00 feet of the East 1213.70 feet of the North Half of the Northeast Quarter of Section 8, Township 31 North, Range 20 West, Washington County, Minnesota.

And EXCEPT that part of the North Half of Northeast Quarter of Section 8, Township 31 North, Range 20 West, Washington County, Minnesota, lying west of the East 1,213.70 feet thereof.

And EXCEPT all that part of the Northeast Quarter of Section 8, Township 31 North, Range 20 West, May Township, Washington County, State of Minnesota, described as follows: Commencing at the northeast corner of Section 8, Township 31 North, Range 20 West, Washington County, Minnesota; thence South along the east line of said Section 8 for 1107.3 feet to the point of beginning of this description; thence continuing south along said east line of Section 8 for 350.0 feet; thence West and parallel with the north line of Section 8 for 507.0 feet to the present easterly shoreline of the un-meandered lake; thence northerly along said present easterly shoreline of the lake for 375 feet, more or less, to its intersection with a line drawn parallel with the last described course and at a distance of 350 feet northerly therefrom; thence east and parallel with said north line of Section 8 for 515.7 feet to the point of beginning.

And EXCEPT the north 137 feet of the South 350 feet of the east 515.7 feet of the Northeast Quarter of the Northeast Quarter of Section 8, Township 31 North, Range 21 West.

For the sum of $1,050,000.

ATTEST:

COUNTY ADMINISTRATOR

COUNTY BOARD CHAIR

MIRON
KARWOSKI
KRIESEL
JOHNSON
WEIK

YES NO
PURCHASE AGREEMENT

Between

ESTATE OF MARIAN R. NELSON

("SELLER")

and

WASHINGTON COUNTY

("BUYER")
PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this "Agreement") is made to be effective the _____ day of ____________, 2019 (the "Effective Date of this Agreement") between the Estate of Marian R. Nelson, (hereinafter referred to as "Seller") and Washington County (hereinafter referred to as "Buyer").

RECITALS AND PRELIMINARY STATEMENT OF FACTS

1. Seller is the owner of certain real property located in the County of Washington, State of Minnesota, and legally described in the attached Exhibit "A" (the "Property").

2. Seller desires to sell and Buyer desires to purchase the Property subject to the terms and conditions hereof.

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

COVENANTS

1. **SALE AND PURCHASE** Seller agrees to sell and Buyer agrees to purchase the Property upon the terms and conditions set forth in this Agreement.

2. **CLOSING DATE** The "Closing" and "Closing Date" shall be on or before September 30, 2019.

3. **PURCHASE PRICE** The "Purchase Price" shall be One Million Fifty Thousand and no/100 ($1,050,000.00) Dollars. The Purchase Price shall be payable in cash or cash equivalent at Closing.

4. **TITLE, TAXES, CLOSING COSTS**

   4.1 Within fourteen (14) days after full execution of this Agreement, Seller shall provide Buyer with an updated abstract of title (certified to within 30 days of acceptance of this Purchase Agreement) to include proper searches and covering bankruptcy, state and federal judgments and liens, levied and pending assessments. Buyer shall have fifteen (15) days after receipt of the Title to have Buyer's attorney examine the Title and provide Sellers and/or their attorney with written objections Buyer shall be deemed to have waived any title objection not made within the applicable fifteen (15) day period. If written objections are received as specified above and Seller agrees to cure such objections, then closing shall be delayed for a reasonable period in order for Seller to cure such objections. If Seller does not agree to cure any such objections, then Buyer may proceed to closing which shall constitute a waiver by Buyer of such objections or this Agreement shall be terminated upon receipt by
Seller's attorney of a cancellation of this Agreement executed by Buyer. Seller shall pay the costs of the updated Abstract of Title.

4.2 Seller and Buyer shall prorate real estate taxes payable in the year 2019 as of the Closing Date. Seller shall pay special assessments either pending or levied as of the Effective Date of this Agreement. Seller is responsible for all taxes due and owing in all previous years.

4.3 On the Closing Date Seller shall deliver to Buyer the following "Transfer Documents":

(i) a Personal Representative’s Deed subject to the following exceptions:

(a) building and zoning laws, ordinances, state and federal regulations;

(b) restrictions relating to use or improvements of the Property without effective forfeiture provisions;

(c) any reservation of any mineral or mineral rights to the State of Minnesota;

(d) drainage and utility easements which do not interfere with existing improvements;

(e) assessments which become pending after the Effective Date of this Agreement;

(f) other matters approved by Buyer in writing or deemed to be waived by Buyer in accordance with the terms of this Agreement;

(ii) a standard form Seller's Affidavit;

(iii) Closing Statement; and,

(iv) such other documents as may be reasonably necessary to consummate this transaction.

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

(i) a Certificate of Real Estate Value with respect to the Property;

(ii) a Closing Statement;

(iii) all documents relating to any Buyer financing or otherwise reasonably necessary to consummate this transaction.
4.5 Buyer shall be responsible for payment of state deed tax and Buyer shall be responsible for payment of all recording fees relating to the Warranty Deed.

5. **ENVIRONMENTAL.** Seller makes no warranties express or implied with respect to the environmental condition of the Property.

6. **NOTICE** All notices required by this Agreement shall be sent in writing and shall be deemed given (1) if and when personally delivered; (2) upon receipt if sent by a nationally recognized overnight courier addressed to a party at its address set forth below; or, (3) on the third business day after being deposited in the United States mail to the following addresses by postage prepaid certified or registered mail. Any party may change that party's address for notice by giving written notice thereof in accordance with the provisions of this Section to the other parties.

**TO SELLER:**

Jeff Nelson, Personal Representative  
Estate of Marian R. Nelson  
P. O Box 43  
Scandia, MN 55073

**TO BUYER:**

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

7. **BROKERAGE INDEMNITY AGREEMENT** Seller and Buyer agree that neither has retained any real estate brokers or agents in connection with this transaction. Both parties agree to indemnify and hold the other party harmless from any inaccuracy in their respective forthcoming representation with respect to real estate brokers and agents.

8. **SURVIVAL** No covenants or representations of Seller contained in this Agreement shall survive Closing.

9. **DEFAULT** If this transaction is not consummated by reason of default by Seller or Buyer hereunder, then the non-defaulting party shall be entitled to terminate this Agreement upon thirty (30) days' written notice to the other party consistent with Minnesota Statutes § 559.21. In addition, either Buyer or Seller may sue for specific performance or damages, so long as such party commences suit within ninety (90) days after the time the cause of action arises. The non-defaulting party shall be entitled to recover its attorney fees and costs incurred as a result of a default under this Agreement.

10. **ASSIGNABILITY** This Agreement and Buyer's rights hereunder and Buyer's interest in the Property shall not be assigned without Seller's consent.
11. **CONDITION OF PROPERTY** The Property is being purchased by Buyer in its present physical condition and Buyer acknowledges that UPON CLOSING, BUYER SHALL BE DEEMED TO HAVE PURCHASED THE PROPERTY “AS IS”, WITHOUT ANY REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED. Buyer and Seller agree that this Section 11 is an integral and bargained for term of this Agreement. No personal property is included in the sale of the Property. All personal property remaining on the Property after Closing shall be deemed abandoned.

12. **WELL DISCLOSURE** Seller certifies that Seller has knowledge of a well on the Property.

13. **STS DISCLOSURE** Seller discloses that the sewer generated on the Property does not go to a facility permitted by the MPCA and to the best of Seller’s knowledge the last time it was pumped was 2018.

14. **MISCELLANEOUS**

14.1 Buyer may obtain a Phase I Environmental Assessment of the Property. In the event Buyer determines that a Phase II Environmental Assessment or any resultant corrective action is necessary, such corrective action and an allocation of those costs shall be negotiated between the parties. The cost of the Phase I Environmental Assessment shall be borne by the Buyer.

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

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

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

14.5 Washington County is a participant in the grant program authorized by chapter 563, Laws of Minnesota, 1974. This program was established pursuant to the law to provide for acquisition, preservation, protection, development, and betterment of regional recreational open space for public use. This purchase is conditioned upon Washington County being approved to receive these grant funds. If these funds are denied or no longer available to Washington County, this Agreement shall be null and void and neither party shall be liable for damages to the other.
14.6 This Agreement shall not be binding or effective until properly executed and delivered by Seller and Buyer.

14.7 This Purchase Agreement may be executed and delivered in counterparts, by facsimile or e-mail transmission, and by facsimile signatures, all of which when taken together shall constitute one and the same original agreement. The facsimile signatures of Buyer and Seller shall be as binding as original signatures.

14.8 Time is of the essence with respect to the performance of each provision of this Agreement.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FollowS]
IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed on the date last below written.

SELLER:

ESTATE OF MARIAN R. NELSON

By: ________________________________
   Jeffrey Nelson
Its: Personal Representative

BUYER:

WASHINGTON COUNTY

By: ________________________________
   Stan Karwoski
   Its Washington County Board Chair

By: ________________________________
   Molly O’Rourke
   Washington County Administrator

Approved as to form:

______________________________
Assistant County Attorney

As per Washington County Board Resolution No. 2019-015 dated the 12th day of February, 2019.
EXHIBIT A
Legal Description of the Property

Government Lots Three and Four and the South Two acres of Government Lot Two, all in Section 5, Township 31 North, Range 20 West, Washington County Minnesota.

AND

The North Half of the Northeast Quarter of Section 8, Township 31 North, Range 20 West, Washington County, Minnesota,

EXCEPT the North 624.00 feet of the West 698.00 feet of the East 1213.70 feet of the North Half of the Northeast Quarter of Section 8, Township 31 North, Range 20 West, Washington County, Minnesota.

And EXCEPT that part of the North Half of Northeast Quarter of Section 8, Township 31 North, Range 20 West, Washington County, Minnesota, lying west of the East 1,213.70 feet thereof.

And EXCEPT all that part of the Northeast Quarter of Section 8, Township 31 North, Range 20 West, May Township, Washington County, State of Minnesota, described as follows: Commencing at the northeast corner of Section 8, Township 31 North, Range 20 West, Washington County, Minnesota; thence South along the east line of said Section 8 for 1107.3 feet to the point of beginning of this description; thence continuing south along said east line of Section 8 for 350.0 feet; thence West and parallel with the north line of Section 8 for 507.0 feet to the present easterly shoreline of the un-meandered lake; thence northerly along said present easterly shoreline of the lake for 375 feet, more or less, to its intersection with a line drawn parallel with the last described course and at a distance of 350 feet northerly therefrom; thence east and parallel with said north line of Section 8 for 515.7 feet to the point of beginning.

And EXCEPT the north 137 feet of the South 350 feet of the east 515.7 feet of the Northeast Quarter of the Northeast Quarter of Section 8, Township 31 North, Range 21 West.
# APPRAISAL SUMMARY

<table>
<thead>
<tr>
<th>Project</th>
<th>Acquisition No.</th>
<th>Project No. S.P.</th>
<th>Parcel</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed total acquisition of 12096 170th Street North, May Township, MN</td>
<td>N/A</td>
<td>N/A</td>
<td>12096 170th Street North May Township, MN</td>
<td>Washington County</td>
</tr>
</tbody>
</table>

## APPRAISER:
Kelly Lindstrom  
11042 Sweetwater Path  
Woodbury, MN 55129  
Telephone No. (651) 436-8842

## OWNER:
Estate of Marian F. Nelson  
12096 170th Street North, May Township, MN  
Telephone No. 612-964-3785 Jeff Nelson’s cell

<table>
<thead>
<tr>
<th>County Property Tax I.D. Number</th>
<th>Section</th>
<th>Township</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>05.031.20.41.0002</td>
<td>05</td>
<td>031</td>
<td>020</td>
</tr>
<tr>
<td>05.031.20.44.000</td>
<td>05</td>
<td>031</td>
<td>020</td>
</tr>
<tr>
<td>05.031.20.43.0001</td>
<td>05</td>
<td>031</td>
<td>020</td>
</tr>
<tr>
<td>08.031.20.11.0001</td>
<td>08</td>
<td>031</td>
<td>020</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Zoning</th>
<th>Township/Municipality</th>
<th>Population</th>
<th>School District</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural Residential with Shoreland District</td>
<td>May Township</td>
<td>2,776 (2010)</td>
<td>831</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Real Estate Taxes - Current Year</th>
<th>Delinquent Amount</th>
<th>Special Assessments</th>
<th>Assessment Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,672.00</td>
<td>$ 0.00</td>
<td>$ 0.00</td>
<td>$ 0.00</td>
</tr>
</tbody>
</table>

Road Frontage:  _X_ Paved  _Gravel - ___ feet  Road Name:  ____ 170th Street North and May Avenue North

Water Frontage:  _X_ Lake  _Stream - _____ feet  Water Body:  Big Marine Lake

Recreational Quality of Water Frontage:  ____ Fishing and Swimming  ___ Fishing Only  _X_ None

Public Hazards:  _None_
Total contiguous ownership consists of $+/- 75.4$ acres / $+/- 3,589,344$ square feet (SF).

Proposed ACQUISITION consists of: 75.4 acres at $1,050,000

Marketing Time Estimate 6-12 Months

<table>
<thead>
<tr>
<th>Appraiser’s Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Signature]</td>
<td>October 15, 2018</td>
</tr>
</tbody>
</table>

License # 20315256

TOTAL: $1,050,000.00
October 15, 2018

Ms. Sharon M. Price  
Property Acquisition Manager  
Washington County Public Works Department  
11660 Myeron Road North  
Stillwater, MN  55082

RE: Appraisal Report  
Estate of Marian F. Nelson Property  
12096 170th Street North, May Township, MN

Dear Ms. Price:

Pursuant to your request, a market value appraisal has been performed and an appraisal report prepared for the above referenced property. The appraisal estimates the August 21, 2018 (the date of the most recent property inspection) fee simple market value of the subject property subject to the certification, assumptions and limiting conditions herein stated. The methods and reasoning used in the analyses, as well as the data gathered during the investigation of the property and marketplace are also detailed in this report.

After careful consideration of all the pertinent factors influencing fair market value, it is my opinion that the value of the subject property, in fee simple estate, as of August 21, 2018 (the date of the most recent property inspection), is:

One Million Fifty Thousand and no/100 Dollars ($1,050,000.00)

This appraisal report has been completed in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) of the American Appraisal Foundation, Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and the UASFLA (Minnesota DNR Supplemental) Guidelines. All statements of fact contained in this report upon which the analyses, opinions, and conclusions expressed herein are based, are true and correct to the best of my knowledge.

Please feel free to contact me if you have any questions regarding this report. Thank you for the opportunity to assist you in this valuation matter.

Respectfully Submitted,

Kelly Lindstrom, Certified General Appraiser  
Minnesota Certified General Appraiser License # 20315256
APPRAISAL CERTIFICATION

I hereby certify that:

COUNTY: Washington DATE OF VALUE: 8/21/2018 MARKET VALUE: $1,045,000

The property owner or representative was invited to accompany me on my inspection of the property and the property owner’s representative did accompany me during the inspection on 8/21/2018.

The appraiser has not provided any services related to the subject property within the three year period immediately preceding acceptance of the assignment, or in any other capacity.

There is not a pending purchase agreement on the subject property (attach if applicable).

This appraisal has been prepared in compliance with UASFLA.

The appraiser has not observed any environmental concerns on or near the subject property.

I have been provided a copy of the DNR Landowners Disclosure Form completed by the landowner or representative.

My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and with the Minnesota DNR Supplemental Appraisal and Appraisal Review Guidelines (1/1/16).

The OPINION OF VALUE DATE specified above is the date I personally inspected the property and the date to which my opinion of value applies. (If more than one person signs the report, this certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.) I have also made a field inspection of the comparable sales relied upon in making this appraisal which are represented by the photos in the report.

The ESTIMATED MARKET VALUE specified above is my independent opinion for the proposed acquisition on the date specified.

I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.

My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.

I am aware that this appraisal and report may be reviewed by a Federal agency.

I understand that the appraisal report is to be used as the basis for an offer of just compensation by the State of Minnesota; that the appraisal has been made in conformity with the appropriate State Laws, regulations, policies, and procedures applicable to appraising land for such purposes; and that should the State acquire the property, this report will be considered public data. To the best of my knowledge, no portion of the value assigned to such property consists of items, which are non-compensable under the established law of the State.

In making this appraisal, I have disregarded any increase or decrease in the before value caused by the project for which the property is being acquired.

I will not reveal the findings and results of this appraisal to anyone other than the proper officials of the State of Minnesota until authorized by State officials to do so, or until I am required to do so by due process of law.

I was provided no significant professional assistance in preparing this report.

I am licensed as a real estate appraiser by the State of Minnesota, license, number 2031526, expiring 8-31-19. I am licensed and competent to perform an appraisal for the type of property presented in this report.

To the best of my knowledge and belief, the statements contained in the appraisal report are true, and the information upon which my opinions are based is correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

That use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report, I, Kelly Lindstrom, have completed the Standards and Ethics Education Requirement for the Candidates/Practicing Affiliates of the Appraisal Institute,

__________________________
Kelly A. Lindstrom
Certified General Appraiser; Minn. # 2031526