

Business Item

Metropolitan Parks and Open Space Commission



Community Development Committee Meeting: April 15, 2024

For the Metropolitan Council: April 24, 2024

Business Item: 2024-89

Cottage Grove Ravine Regional Park, Park Acquisition Opportunity Fund Award (Stu-Mac), Washington County

District(s), Member(s):	District F, Cecily Harris District 12, Susan Vento
Policy/Legal Reference:	Minn. Const. art. XI, sec. 15; Minn. Stat. § 473.315; <i>2040 Regional Parks Policy Plan</i> , Chapter 4, Siting and Acquisition Policy- Strategy 1; Chapter 5, Planning Policy- Strategy 1; Chapter 8, Finance Policy- Strategy 7. FM 15-2 Grant/Loan Approval Policy, FM 14-2 Expenditures for the Procurement of Goods and Services Policy.
Staff Prepared/Presented:	Jessica Lee, Senior Planner, 651-602-1621
Division/Department:	Community Development / Regional Planning

Proposed Action

That the Metropolitan Council:

1. Approve a grant of up to \$406,722 from the Park Acquisition Opportunity Fund to Washington County to acquire approximately 11 acres located at 9826 East Point Douglas Road South in Cottage Grove, MN, for the Cottage Grove Ravine Regional Park.
2. Authorize the Executive Director of Community Development to execute the grant agreement and restrictive covenant on behalf of the Council.

Background

Regional Park Implementing Agency and Project Request

Washington County requested a Park Acquisition Opportunity Fund (PAOF) grant on February 27, 2024, to fund the acquisition of approximately 11 acres for the Cottage Grove Ravine Regional Park. A copy of the Agency's request is attached to this item as Exhibit 2 with application details in Exhibit 3.

Cottage Grove Ravine Regional Park is in the southern part of Washington County (see Exhibit 1, Figures 1 and 2). The regional park is comprised of diverse natural systems with hills, heavily wooded ravines, prairies, wetlands, and ponds (see Exhibit 1, Figure 3). The park also contains Ravine Lake, a major attraction to the park.

Subject Property

The subject property is within the Council-approved boundary of the Cottage Grove Ravine Regional Park. The 11-acre undeveloped property contains a mix of prairie, hardwoods, wetlands,

and ponds that provide important habitat for wildlife used for nesting, foraging, and a travel corridor.

Park Acquisition Opportunity Fund (PAOF)

The Council’s Park Acquisition Opportunity Fund (PAOF) Program provides funding to purchase property and easements via two state sources: the Parks and Trails Legacy Fund (PTLF) and the Environment and Natural Resources Trust Fund (ENRTF). The Council contributes by matching every \$3 in state funds with \$2 in Council funds. The \$3 to \$2 match is required at the program level, not the individual project level.

State and Council funds contribute up to 75% of the purchase price and eligible costs; the Regional Park Implementing Agency (Agency) contributes the remaining 25% as local match.

Project Budget

The appraised value of the subject property is \$525,000 and the Seller has agreed to that amount. See Exhibit 4 for more information on the appraisal. The total project cost including legal fees, environmental assessments, stewardship, taxes, and appraisal is \$542,296, as shown in Table 1 below.

Table 1. Project Budget

Budget item	Requested amount
Purchase price	\$525,000
Appraisal, legal fees, taxes, closing costs	\$14,696
Environmental assessments, phase I	\$2,100
Site remediation and land stewardship	\$500
Total Costs	\$542,296
Grant structure	
Grant amount	\$406,722
Local match	\$135,574

Acquisition Details

This is a straightforward fee title acquisition.

Rationale

Council staff conduct the review of each PAOF request on a first-come-first-served basis under the following standards:

- the proposed acquisition complies with state statute and Council policy
- all necessary documentation for the acquisition is in place
- the appraisal is reasonable and appropriate

This acquisition is consistent with:

- The Parks and Trails Legacy Fund
- The *2040 Regional Parks Policy Plan*
 - Planning Policy Strategy 1 requires that before an Agency can receive a grant for acquisition, the proposed project must be consistent with a Council-approved long-range plan. The Council approved the Cottage Grove Ravine Regional Park long-range plan in 2017 ([Business Item 2017-76](#)). The proposed acquisition is within the boundaries of the approved long-range plan.
 - Siting and Acquisition Strategy 1 prioritizes the acquisition of lands with natural resource features, access to water, and/or restoration potential for the Regional Parks System. The subject property contains approximately 11 acres of undeveloped land with high-quality



natural resources including prairie, hardwoods, and wetlands.

- Finance Strategy 7 authorizes the use of PAOF as the funding mechanism for the acquisition of Regional Park and Trail lands and matching every \$3 in state funds with \$2 in Council bonds.

Thrive Lens Analysis

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

Funding

The Council will fund the 75% share with Parks and Trails Legacy Fund and Council funds. The PAOF program has available funds in the Council's Authorized Capital Program.

Washington County will provide a local match of \$135,574.

Exhibit List

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



Exhibit 1 – Images

Figure 1. Map of the Regional Parks System and the Cottage Grove Ravine Regional Park (circled in red).

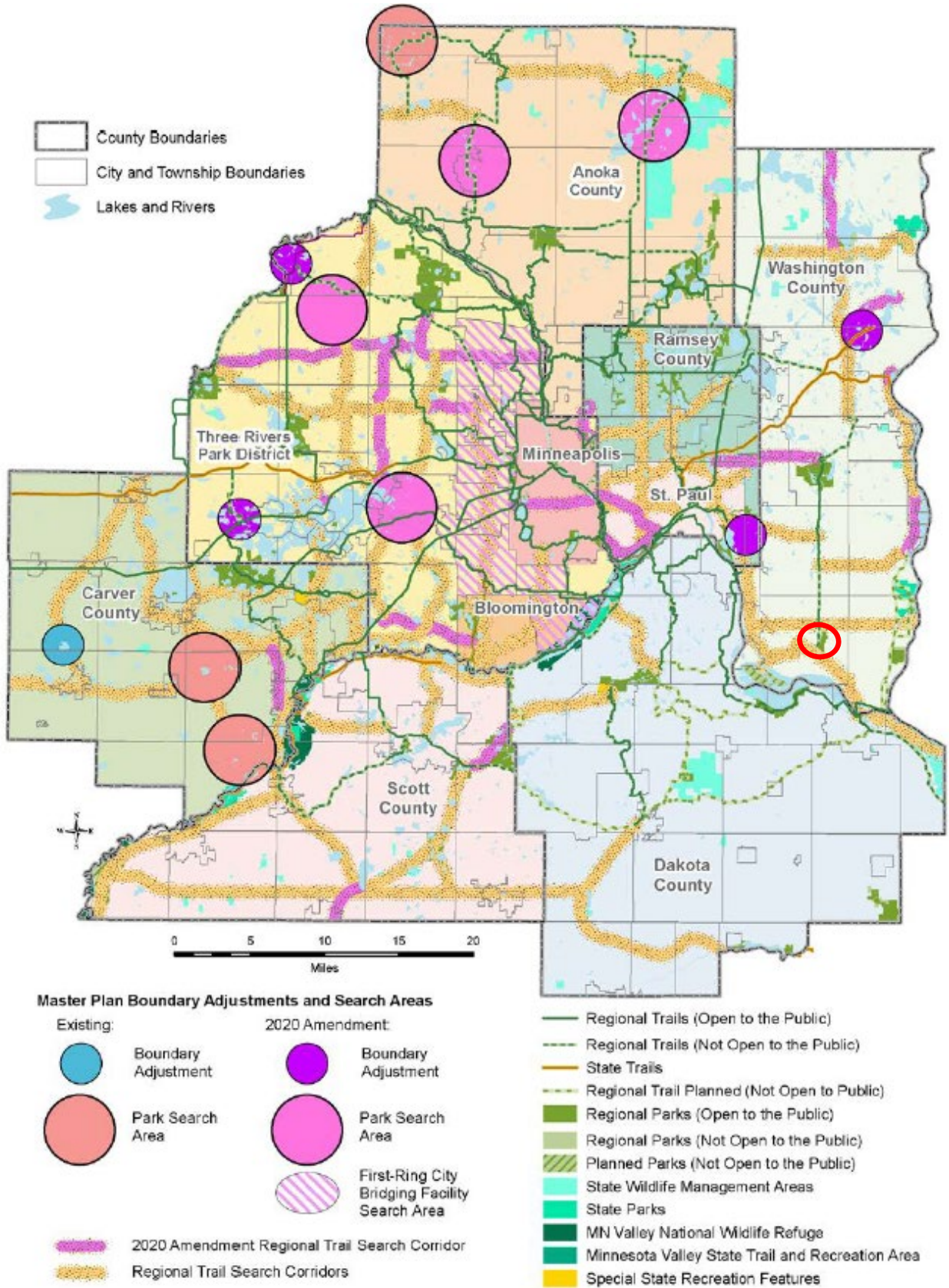


Figure 2. Map of Cottage Grove and the Regional Park System showing the location of Cottage Grove Ravine Regional Park and nearby park and natural areas.

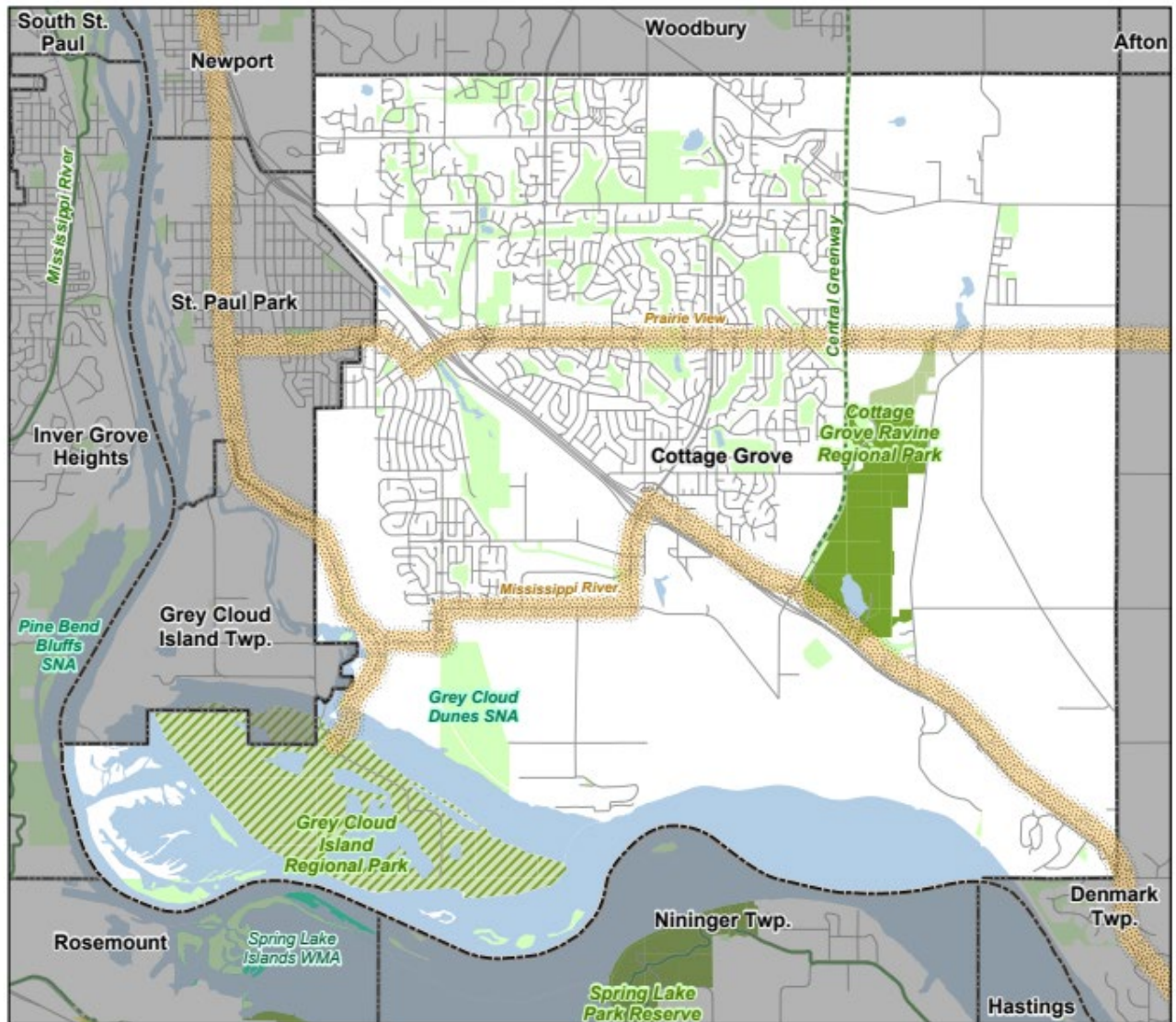
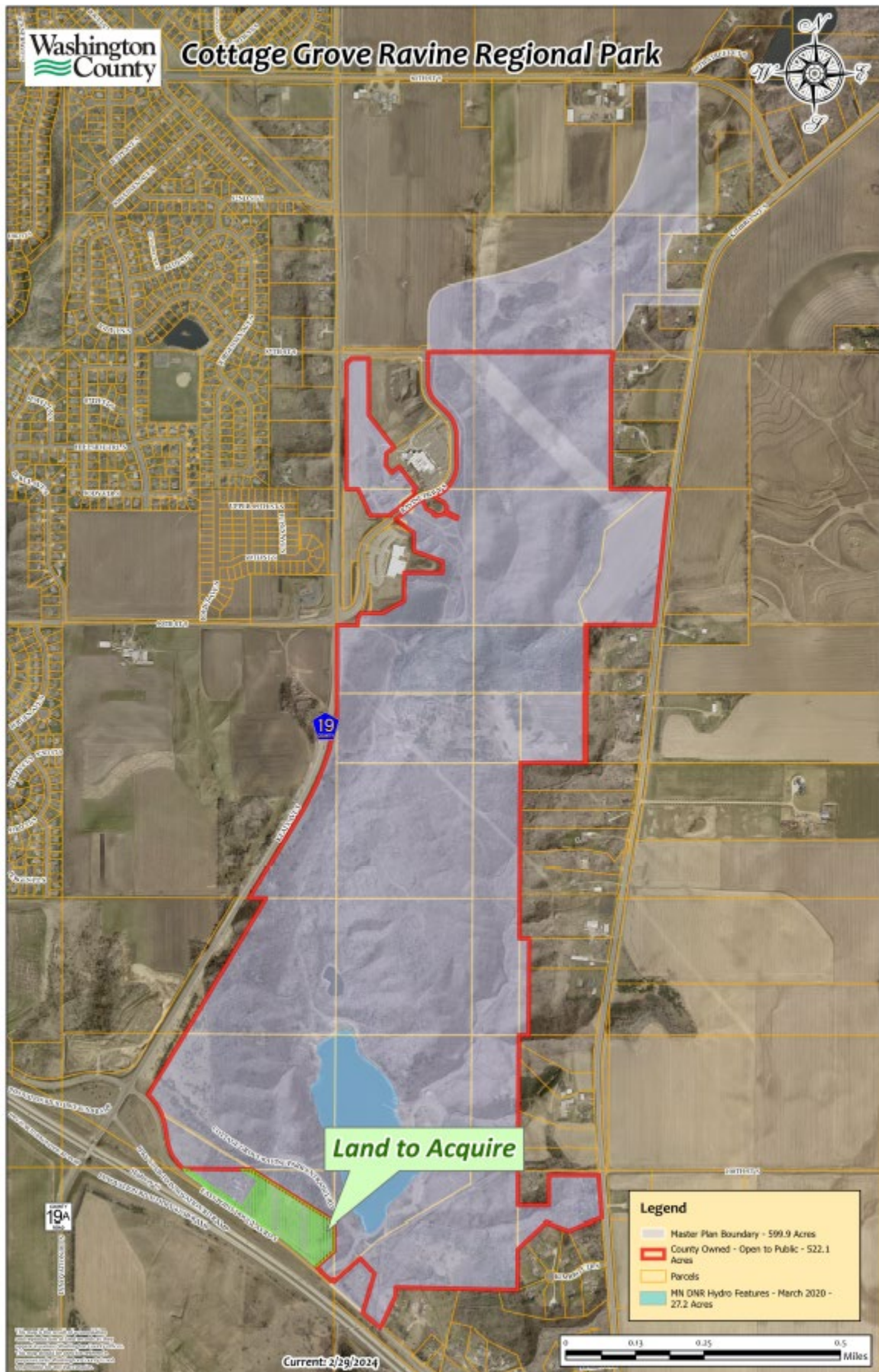


Figure 3. Map of Cottage Grove Ravine Regional Park showing the park boundary and the subject property.





PUBLIC WORKS

Wayne Sandberg, P.E., Director, County Engineer
Frank D. Ticknor, P.E., Deputy Director

February 27, 2024

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

RE: Request for Acquisition Opportunity Grant Funds for Purchase of a portion of Stu-Mac Properties - in Cottage Grove Ravine Regional Park

Dear Jessica,

Washington County requests that Metropolitan Council consider providing acquisition opportunity grant funds for the purchase of a portion of the Stu-Mac Properties located within the boundary of Cottage Grove Ravine Regional Park in the City of Cottage Grove. This property is vacant land with no improvements. The agreed upon price is the same as the appraised value.

This offer presented here has been signed by both the landowner and the Washington County Board on February 6, 2024. Funding for this project is requested to be 75% from Metropolitan Council’s Acquisition Opportunity Fund with remaining 25% funded by Washington County funds.

Estimated Acquisition Costs:

Purchase Price	\$525,000.00
Estimated costs related to purchase	\$ 17,296.00

	\$542,296.00

Proposed Revenue Sources:

Acquisition Opportunity Fund (75%)	\$406,722.00
Washington County (25%)	\$135,574.00

	\$542,296.00

We understand that there are funds available for the 2024 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 2025 fiscal year. We anticipate closing this at the end of August 2024 following Met Council action on the grant request.

A great place to live, work and play...today and tomorrow

North Shop | 11660 Myeron Road North | Stillwater, MN 55082-9537
P: 651-430-4300 | F: 651-430-4350 | TTY: 651-430-6246
www.co.washington.mn.us

Washington County is an equal opportunity organization and employer

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February 27, 2024

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Sharon M. Price". The signature is fluid and cursive.

Sharon M. Price
Property Acquisition Manager

cc: Alex McKinney, Parks Director

Exhibit 3: Grant application



Application

18956 - FY2024 Park Acquisition Opportunity Fund Program - Final Application

21039 - Stu-Mac Property Purchase - CGRRP
Parks Grants Acquisition

Status: Submitted **Submitted Date:** 02/29/2024 10:50 PM **Submitted By:** Sharon Price

Applicant Information

Primary Contact:

Feel free to edit your profile any time your information changes. Create your own personal alerts using My Alerts.

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

Title:* Land Acquisition

Department:

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

Address:* 11660 Myeron Road N.

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

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

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

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 Cottage Grove Ravine RP- Washington County

Master plan

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

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

If yes, name of master plan and date of Council approval Cottage Grove Ravine Regional Master Plan 03/02/2017

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**.

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 if you propose using ENRTF, be sure your closing schedule accommodates planning to be included on a future LCCMR agenda.

Is any portion of the property currently in the public domain?

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

Format: mmddyyyy (Do not enter any punctuation.)

Type of agreement

Purchase Agreement

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

Date agreement expires

Format: mmddyyyy (Do not enter any punctuation.)

Relocation costs

Payment of relocation costs is required by both state and federal law, unless the seller waives those rights. Please consult with Agency attorneys to determine applicability for this acquisition. If the seller has waived relocation rights, you must upload an executed copy of the waiver.

Does the requested grant amount include relocation costs?

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 08/17/2023
Appraised value \$525,000.00
Amount being offered the seller (net of closing and other costs) \$525,000.00 100.0%
 % of appraised value

Who performed the appraisal? Gordon Tuchenhagen

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? Yes
 Fully Partially
...wooded? Yes
 Fully Partially
...shoreline?
 Fully Partially

Describe the existing natural resources it contains

Cottage Grove Ravine Regional Park is comprised of diverse natural systems with some wetlands and ponds throughout. This parcel contains a mix of prairie, hardwoods together with wetlands and ponds that provide important habitat for wildlife used for nesting, foraging and a travel corridor.

Known opposition

Is the Agency aware of any opposition to this acquisition? No

If yes, explain:

Encumbrances

To your knowledge, are there any current or anticipated assessments or liens on property? No

If yes, describe.

Are there easements or other encumbrances on any part of the property? No

If yes, describe

Clear title

To your knowledge, does the current owner have clear title to the property? Yes

If not, what must be done to clear the title, and when will that be completed?

Suggested funding source

For guidance, see the PAOF rules in the 2040 Regional Parks Policy Plan at <http://metro council.org/Parks/Publications-And-Resources/POLICY-PLANS/2040-Regional-Parks-Policy-Plan.aspx>; for **ENRTF fee title acquisition project requirements**, see http://www.lccmr.leg.mn/pm_info/enrtf_fee-title-acquisition-project-requirements.pdf

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

Anticipated funding source

Select as many as apply

Funding source comments, if desired

Structures currently on the property

Does the property contain ANY structures? No

If yes, are there any habitable structures? No

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

If yes, what is the plan for the structure(s)?

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

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

For ENRTF funding only

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

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

This purchase could be eligible for ENRTG funds as it contains no structures.

Stewardship and minimal access

Describe the stewardship plan.

The property to be purchased contains various types of natural resources and the plan surrounding this area to manage what would include prairie and savanna restoration. The first step in making this transaction would be removing invasive species and the replanting 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 Cottage Grove Ravine Regional Park 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

If yes, how will those funds be used?

Site Description

Land Use History

Current land uses Residential
Select as many as apply

Previous land uses Residential
Select as many as apply

Adjacent land uses Residential
Select as many as apply

Inspection

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

Sellers and parcels

Seller name	Parcel address	PID	Acres (SF for easements)	Date PA signed	Habitable structures?	MN House district	City	County	Met Council district	MPOSC	Latitude	Longitude
Stu-Mac Properties	Portion of: 9826 E Point Douglas Road South	27.027.21.11.0001	11.0	02/28/2024	No	41B	Cottage Grove	Washington			44.80375	-92.90657
			0.00									

Local match

Source of local match

Grant agreement signatories

Full name	Title	If this is an attorney, is the signature 'for form only'?
Stan Karwoski	Board Chair	No
Kevin Corbid	County Administrator	No
Andrew Jackola	Assistant County Attorney	Yes

Acquisition Costs

Cost Items	Amount	State funds	Metro funds	Match funds
Purchase price				
Negotiated purchase price	\$525,000.00	\$236,250.00	\$157,500.00	\$131,250.00
Appraisal expenses				
Appraisal	\$3,500.00	\$1,575.00	\$1,050.00	\$875.00
Appraisal review	\$0.00	\$0.00	\$0.00	\$0.00
Environmental expenses				
Phase I environmental site assessment	\$2,100.00	\$945.00	\$630.00	\$525.00
Phase II environmental site assessment	\$0.00	\$0.00	\$0.00	\$0.00
Environmental contamination remediation	\$0.00	\$0.00	\$0.00	\$0.00
Holding expenses				
Interest	\$0.00	\$0.00	\$0.00	\$0.00
Land stewardship	\$500.00	\$225.00	\$150.00	\$125.00

Land development	\$0.00	\$0.00	\$0.00	\$0.00
Pro-rated share of all property taxes/assessments	\$2,376.00	\$1,069.00	\$713.00	\$594.00
Legal services and closing costs	\$0.00	\$0.00	\$0.00	\$0.00
Property tax equivalency payment-473.341	\$3,583.00	\$1,612.00	\$1,075.00	\$896.00
Relocation costs to seller	\$0.00	\$0.00	\$0.00	\$0.00
State deed tax/conservation fee	\$1,737.00	\$782.00	\$521.00	\$434.00
Title insurance	\$3,500.00	\$1,575.00	\$1,050.00	\$875.00
Well disclosure statement	\$0.00	\$0.00	\$0.00	\$0.00
Other holding	\$0.00	\$0.00	\$0.00	\$0.00
Other expenses				
Other expenses	\$0.00	\$0.00	\$0.00	\$0.00
Totals	\$542,296.00	\$244,033.00	\$162,689.00	\$135,574.00

Total Estimated Acquisition Costs

Totals	Total acquisition cost	Total paid with state funds	Total paid with metro funds	Total paid by agency	Total grant amount
Total Estimated Acquisition Cost (calculated after costs above are entered)	\$542,296.00	\$244,033.00	\$162,689.00	\$135,574.00	\$406,722.00

Required Attachments - Acquisition

Attachment	Description	File Name	Type	File Size
SECTION 1 - All of the following are required to BEGIN review unless otherwise indicated				
1.0 Grant request letter (REQ'D)	CGRRP - Stu-Mac Properties Grant Request Letter	2-27-24_Grant Request Letter.pdf	pdf	190 KB
2.0 Master plan documentation (REQ'D)	CGRRP - Master Plan	CGRRP Master Plan_Reduced.pdf	pdf	89.9 MB
3.0 RECORDED Governing Board action authorizing grant request (REQ'D)	CGRRP - Resolution Authorizing Purchase - Stu-Mac Properties	2024-009 Resolution to Aquire_Stu-Mac_CGRRP.pdf	pdf	155 KB
4.0 Signed purchase agreement/instrument (REQ'D)	CGRRP - Stu-Mac Properties Signed PA	Stewart PA_1-17-24_owner signed - Final.pdf	pdf	419 KB
5.1 Appraisal report (REQ'D)	CGRRP - Stu-Mac Properties Appraisal	Report_Vacant Land_CGRRP.pdf	pdf	3.7 MB
5.2 Appraisal review report (NOT req'd)				
5.3 Client's instructions to appraiser (REQ'D)	CGRRP - RFP for Stu-Mac Properties Appraisal Services	RFP - Appraisers 6-28-23.pdf	pdf	244 KB
5.4 Title documentation (Req'd before finalization)				
6.1 Phase 1 ESA (if land may be contaminated or have abandoned wells)				
6.2 Phase II environmental assessment report (required if indicated in Phase I)				
7.0 Survey report (NOT req'd)				
8.0 Legal description in Microsoft Word that includes PIDs and, if available, address	CGRRP - Stu-Mac Properties Legal Description	Stu-Mac_Legal Description.docx	docx	13 KB
9.0 Land stewardship plan	CGRRP - Stu-Mac Properties Stewardship Plan	Stu-Mac_Stewardship Plan.pdf	pdf	66 KB
10.0 Relocation description and estimated costs OR signed waiver of relocation rights				
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)	CGRRP - Park Boundary Map and Stu-Mac Properties	CGRPboundaryNewParcelFeb2024.pdf	pdf	5.3 MB
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)				

Exhibit 4: Appraisal excerpt

Summary of Important Facts and Conclusions

Subject Information			
Subject			
Name	Stu-Mac Properties Land		
Address	9826 E Point Douglas Road South, Cottage Grove, M *approximate address		
Legal Description	See Site Analysis		
Property Owner	Stu Mac Properties		
Use of Report			
Intended Use	For Purchase Decision Making Purposes		
Intended User	Washington County - Public Works Department and the Department of Natural		
Tax Parcel ID Nos.			
Tax Parcel	27.027.21.11.0001		
Premise, Interest Dates			
Report Date	September 11, 2023		
Premise	As Is		
Perspective	Current		
Interest	Fee Simple		
Date of Value	August 17, 2023		
Date of Inspection	August 17, 2023		
Highest and Best Use			
As Vacant	Residential		
As Improved	Residential		
Market Exposure			
Marketing	12 Months		
Exposure	12 Months		
Land Area			
Name	Acquisition Area		
Gross SF	609,840	Entire Holding	
Useable SF	479,160	Proposed Acquisition Area	
Current Zoning	R1, Rural Residential		
Flood Zone	Available	February 3, 2010	Zone X

Summary of Value Indications	
	As Is August 17, 2023
Sales Comparison Approach	\$525,000
Cost Approach	Not Considered
Income Approach	Not Considered
Reconciled Value	\$525,000

Exhibit 5: Board approval to purchase property

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

RESOLUTION NO. 2024-009

DATE February 6, 2024
MOTION
BY COMMISSIONER Clasen

DEPARTMENT Public Works - Parks
SECONDED BY
COMMISSIONER Bigham

**RESOLUTION TO PURCHASE A PORTION OF PROPERTY FROM
PID 27.027.21.11.0001 IN THE CITY OF COTTAGE GROVE
FOR INCLUSION INTO COTTAGE GROVE RAVINE REGIONAL PARK**

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

WHEREAS, the owner, STU-MAC PROPERTIES, agrees to sell the property to the County.

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

That part of the NE ¼ of Section 27 North, Range 21 West, Washington County, Minnesota, described as follows:

Commencing at the Northeast corner of said Northeast Quarter; thence on an assumed bearing of North 89 degrees 19 minutes 38 seconds West, along the north line of said Northeast Quarter, 780.97 feet to the Point of Beginning of the property to be described; thence continuing North 89 degrees 19 minutes 38 seconds West, along said north line of said Northeast Quarter, 125.87 feet; thence South 57 degrees 08 minutes 56 seconds East, 187.55 feet; thence South 32 degrees 51 minutes 04 seconds West, 304.90 feet to a line drawn 60 feet northeasterly of and parallel with the centerline of East Point Douglas Road, a.k.a. Old Highway 61 as established from Washington County Document number 88487; thence South 57 degrees 08 minutes 56 seconds East, along said parallel line, 365.37 feet; thence southeasterly, 431.35 feet, along a tangential curve concave to the southwest, with a radius of 2924.93 feet and a central angle of 08 degrees 26 minutes 59 seconds; thence North 48 degrees 41 minutes 57 seconds West, tangent to the last described curve, 142.35 feet; thence North 48 degrees 27 minutes 30 seconds East, 205.07 feet to a point on the east line of said Northeast Quarter; thence North 00 degrees 15 minutes 21 seconds East, 270.60 feet to a point on the east line of said Northeast Quarter, said point being 492.60 feet southwest of said Northeast corner of the Northeast Quarter; thence North 57 degrees 12 minutes 16 seconds West, 926.37 feet to the point of Beginning.

For the sum of \$525,000.

ATTEST:

Kevin Corbid

COUNTY ADMINISTRATOR

Stan Karwowski

COUNTY BOARD CHAIR

YES NO

MIRON	<u>X</u>	___
KARWOSKI	<u>X</u>	___
KRIESEL	<u>X</u>	___
BIGHAM	<u>X</u>	___
CLASEN	<u>X</u>	___

Exhibit 6: Purchase agreement

DocuSign Envelope ID: B7F1D9B4-3B38-4BD5-BFF6-8C13DA3900F8

PURCHASE AGREEMENT

Between

STU-MAC PROPERTIES

("SELLER")

and

WASHINGTON COUNTY

("BUYER")

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this "**Agreement**") is made to be effective the 18.00 day of January, 2024.00 (the "**Effective Date of this Agreement**") between STU-MAC PROPERTIES, (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 Exhibit "A" (the "**Property**").
2. Seller desires to sell and Buyer desires to purchase the Property subject to the terms and conditions hereof.

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

COVENANTS

1. **SALE AND PURCHASE** Seller agrees to sell and Buyer agrees to purchase the Property upon the terms and conditions set forth in this Agreement.
2. **CLOSING DATE** The closing of the transaction contemplated by this Agreement (the "**Closing**") shall be on or before August 31, 2024 ("**Closing Date**").
3. **PURCHASE PRICE** The "**Purchase Price**" shall be Five Hundred Twenty-Five Thousand and no/100 (\$525,000.00) Dollars. The Purchase Price shall be payable in cash or cash equivalent at Closing.
4. **TITLE, TAXES, CLOSING COSTS**

4.1 Within a reasonable amount of time after execution of this Agreement, Seller shall provide Buyer with a title commitment for an owner's policy of title insurance for the Property, which shall include proper searches covering bankruptcies and state and federal judgments, liens, and levied and pending special assessments (the "**Title Commitment**"). Buyer shall have twenty (20) days after receipt of the Title Commitment to have Buyer's attorney examine the Title Commitment and provide Seller or Seller's attorney with written objections. Buyer shall be deemed to have waived any title objection not made within said 20-day period. If written objections are received as specified above and Seller agrees to cure such objections in writing, then, at Seller's discretion, the Closing Date shall be delayed for a reasonable period in order for Seller to cure such objections. Seller shall provide Buyer with written notice of its intention to delay the Closing Date, said notice shall include the new Closing Date. If Seller does not agree to cure any such objections, then Buyer may

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

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

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

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

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

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

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

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

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

TO SELLERS: Stu-Mac Properties
 ATTN: Allen Stewart, Partner
 ATTN: Jeffrey McKenzie, Partner
 11730 Point Douglas Road
 Hastings, MN 55033

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

7. **BROKERAGE INDEMNITY AGREEMENT** Seller and Buyer agree that neither party has retained any real estate brokers or agents in connection with this transaction. Both parties agree to indemnify and hold the other party harmless from any inaccuracy in their respective foregoing representation with respect to real estate brokers and agents.
8. **WELL DISCLOSURE** Seller certifies that there is/are 1.00 wells on the Property.
9. **SEPTIC SYSTEM** Seller has/has no (circle one) knowledge that there is a private sewer system on the Property.
10. **DEFAULT** If this transaction is not consummated by reason of default by Seller or Buyer hereunder, then the non-defaulting party shall be entitled to terminate this Agreement upon thirty (30) days' prior written notice to the other party, which notice shall be consistent with Minnesota Statutes § 559.21. In addition, either Buyer or Seller may sue for specific performance or damages, so long as such party commences suit within ninety (90) days after

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

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

12. **MISCELLANEOUS**

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

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

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

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

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

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

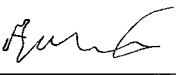
12.7 Total size of this property is approximately 13.95 acres. The Seller is in the process of completing a minor subdivision to retain approximately three (3) acres for their own use. The remainder acreage is for the sole purpose of selling to Washington County for inclusion into Cottage Grove Ravine Regional Park. This purchase is conditioned upon the approval of that minor subdivision from the City of Cottage Grove which will require road right of way dedication.

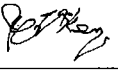
12.8 This Agreement shall not be binding or effective until properly executed and delivered by Seller and Buyer.

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

SELLERS:


STU-MAC PROPERTIES


By: 
Allen Stewart
Its: Partner

By: 
Jeffrey McKenzie
Its: Partner

BUYER:

WASHINGTON COUNTY


Buyer Stan Karwoski
Its: County Board Chair


Buyer Kevin Corbid
Its: County Administrator

Approved as to form:


Assistant County Attorney

As per Washington County Board Resolution
No. _____ dated the _____ day
of _____, 20__

EXHIBIT A
Legal Description of Property
(Excluding Road Right of Way)

That part of the NE $\frac{1}{4}$ of Section 27 North, Range 21 West, Washington County, Minnesota, described as follows:

Commencing at the Northeast corner of said Northeast Quarter; thence on an assumed bearing of North 89 degrees 19 minutes 38 seconds West, along the north line of said Northeast Quarter, 780.97 feet to the Point of Beginning of the property to be described; thence continuing North 89 degrees 19 minutes 38 seconds West, along said north line of said Northeast Quarter, 125.87 feet; thence South 57 degrees 08 minutes 56 seconds East, 187.55 feet; thence South 32 degrees 51 minutes 04 seconds West, 304.90 feet to a line drawn 60 feet northeasterly of and parallel with the centerline of East Point Douglas Road, a.k.a. Old Highway 61 as established from Washington County Document number 88487; thence South 57 degrees 08 minutes 56 seconds East, along said parallel line, 365.37 feet; thence southeasterly, 431.35 feet, along a tangential curve concave to the southwest, with a radius of 2924.93 feet and a central angle of 08 degrees 26 minutes 59 seconds; thence North 48 degrees 41 minutes 57 seconds West, tangent to the last described curve, 142.35 feet; thence North 48 degrees 27 minutes 30 seconds East, 205.07 feet to a point on the east line of said Northeast Quarter; thence North 00 degrees 15 minutes 21 seconds East, 270.60 feet to a point on the east line of said Northeast Quarter, said point being 492.60 feet southwest of said Northeast corner of the Northeast Quarter; thence North 57 degrees 12 minutes 16 seconds West, 926.37 feet to the point of Beginning.