

Business Item

Metropolitan Parks and Open Space Commission



Community Development Committee Meeting: May 20, 2024

For the Metropolitan Council: June 12, 2024

Business Item: 2024-112

Lake Minnetonka Regional Trail, Park Acquisition Opportunity Fund Award (HCRRA), Carver County

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

Proposed Action

That the Metropolitan Council:

1. Approve a grant of up to \$395,957 from the Park Acquisition Opportunity Fund to Carver County to acquire approximately 40 acres of a former Hennepin County Regional Railroad Authority trail corridor located in Victoria, MN, for the Lake Minnetonka LRT Regional Trail.
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

Carver County requested a Park Acquisition Opportunity Fund (PAOF) grant on March 26, 2024, to fund the acquisition of approximately 40 acres for the Lake Minnetonka LRT Regional Trail. A copy of the Agency's request is attached to this item as Exhibit 2 with application details in Exhibit 3.

Lake Minnetonka LRT Regional Trail starts in the northeastern part of Carver County near Carver Park Reserve and travels about 3.5 miles in Victoria before crossing into Hennepin County and traveling an additional 12.5 miles to meet the Minnesota River Bluffs Regional Trail in Hopkins (see Exhibit 1, Figures 1 and 2). The subject property is 3.5 miles of a former railroad corridor owned by the Hennepin County Regional Railroad Authority (HCRRA) in Carver County. HCRRA wants to divest their interest in the portion of the trail corridor that falls outside of Hennepin County. The subject trail corridor starts in the southwest part of Victoria and travels to the northeast border of Victoria, all in Carver County (see Exhibit 1, Figure 3).

Subject Property

The subject property is within the Council-approved boundary of the Lake Minnetonka LRT Regional Trail and is an existing regional trail corridor, currently owned by HCRRA and managed by Three Rivers Park District. After acquisition of the property, Carver County will own and manage the trail corridor. The property is mostly wooded on either side of the trail itself and abuts many wetlands as well as the Carver Park Reserve. (see Exhibit 1, Figure 4). The trail corridor is in need of repairs in order to maintain a safe and usable trail. The County completed a feasibility study that found seven culverts, ten ADA ramps, and a retaining wall in need of immediate repair or replacement. These costs are reflected in the site remediation and land stewardship costs in Table 1 below.

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 \$10,000,000. HCRRA is selling the property to Carver County for \$1. The difference in value, \$9,999,999, will be used as in-kind match. See Exhibit 4 for more information on the appraisal. The total project cost including legal fees, environmental assessments, stewardship, taxes, and appraisal is \$395,957 as shown in Table 1 below.

Table 1. Project Budget

Budget item	Requested amount
Purchase price	\$1
Appraisal, legal fees, taxes, closing costs	\$15,509
Environmental assessment	\$6,655
Site remediation and land stewardship	\$373,792
Total Costs	\$395,957

Grant structure	
Grant amount	\$395,957
Local match	\$9,999,999 (in-kind)

Acquisition Details

HCRRA wants to divest its interest in 3.5 miles of former railroad corridor within Carver County, so they have agreed to sell the land to Carver County for \$1. This acquisition will end the current agreement that HCRRA has with Three Rivers Park District, who currently maintain the trail corridor, and allow Carver County to own and operate the trail corridor.

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 Lake Minnetonka Regional Trail long-range plan in 2022 ([Business Item 2022-189](#)). The proposed acquisition is within the boundaries of the approved acquisition 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 trail corridor is primarily wooded vegetation along both sides and abuts wetlands and the Carver Park Reserve.
 - 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 Lake Minnetonka LRT Regional Trail will provide additional access to nature and the outdoors and enhance quality of life.

Funding

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

Carver County will provide an in-kind local match of \$9,999,999, the value of the land donation.

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 Lake Minnetonka LRT Regional Trail (circled in red).

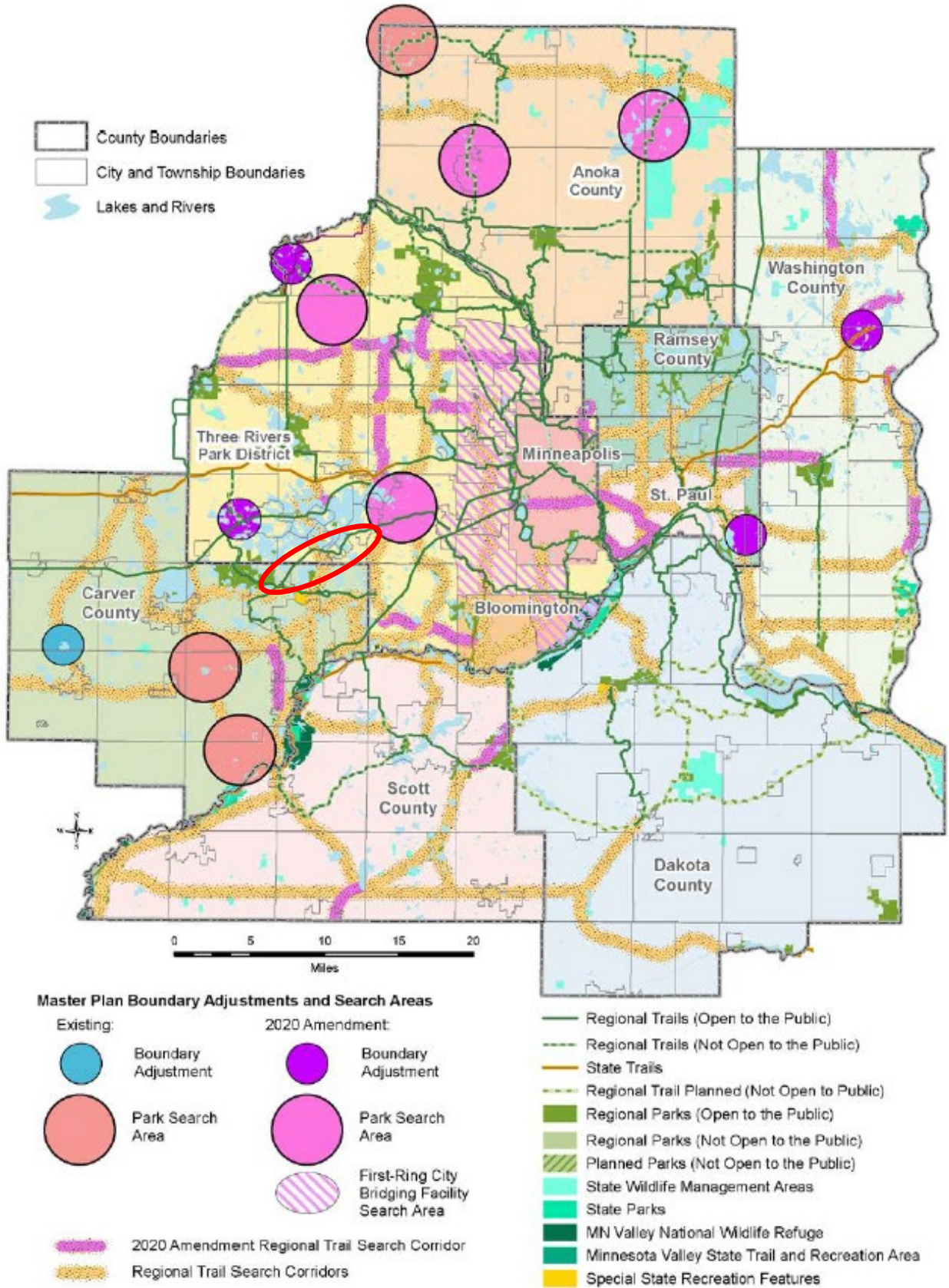


Figure 2. Map of the Lake Minnetonka LRT Regional Trail. The Carver County portion of the corridor is circled in red.

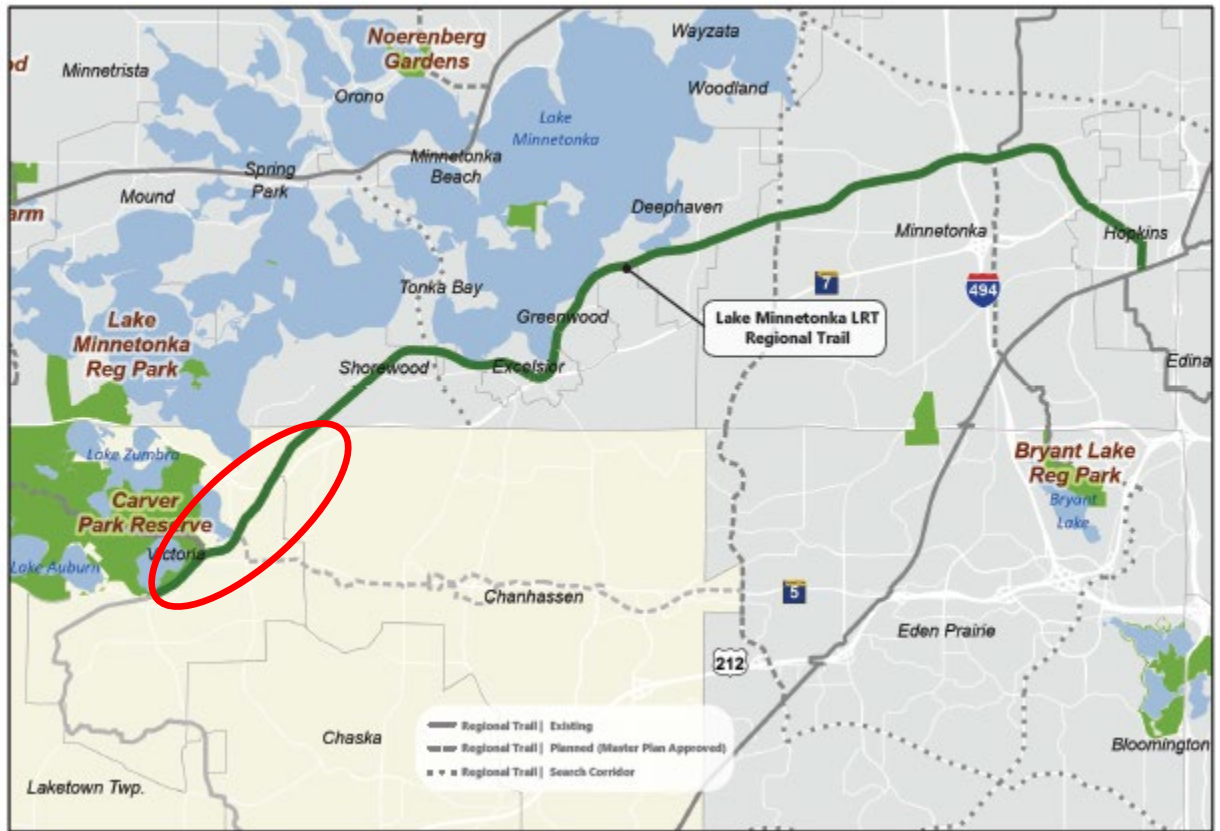


Figure 3. Map of the City of Victoria and the regional parks and trails system. The subject trail corridor is the Victoria portion of the Lake Minnetonka LRT Regional Trail, with the starting and ending points starred.

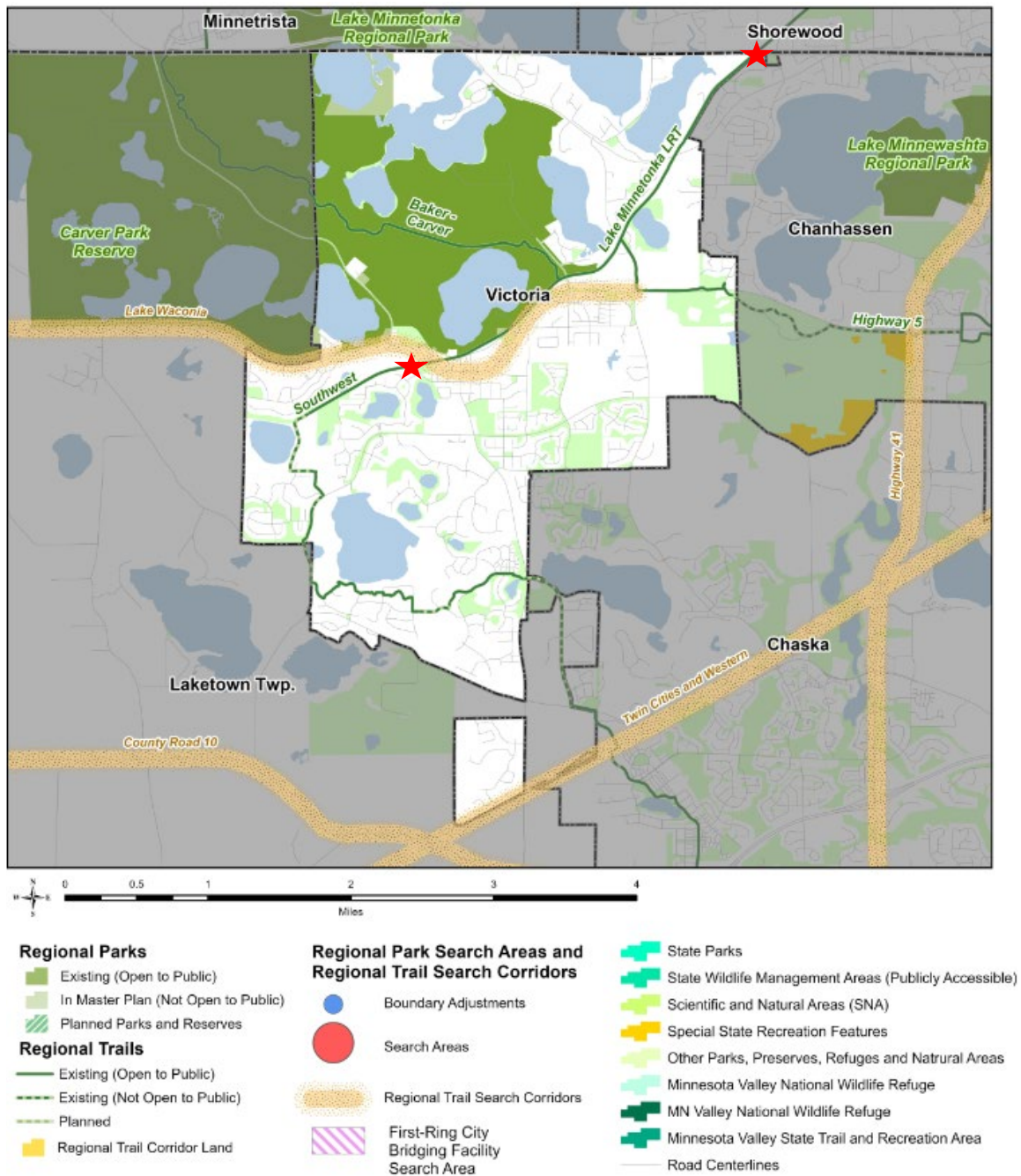


Exhibit 2: Grant request letter



**Carver
County
Parks**

11360 Highway 212 West, Suite 2
Cologne, MN 55322

March 26, 2024
Emmett Mullin
Regional Parks and Natural Resources Manager
390 Robert Street North
St. Paul, MN 55101

Dear Mr. Mullen,

Carver County would like to request Park Acquisition Opportunity Funding to acquire and provide stewardship for property owned by the Hennepin County Regional Railroad Authority (HCRRA). This property contains a segment of the Lake Minnetonka Regional Trail and is comprised of 41.92 acres. The 3.4-mile segment of property is within the geographical boundary of Carver County.

The appraised value of the land is \$10,000,000.

Carver County and the HCRRA entered into a purchase agreement for the property on December 15, 2023 for the purchase price of one dollar (\$1.00) and other considerations. The sale price represents a large land value donation as a match to the requested funding outlined below.

Item	Eligible Expenses	PAOF Request
Appraised Land Value	\$10,000,000	\$1.00
Closing Cost (Estimated)	\$5,000	\$5,000
Stewardship Costs	\$358,000	\$358,000
Phase I Environmental	\$6,655	\$6,655
Appraisal	\$8,000	\$8,000
Condition Assessment Report	\$15,792	\$15,792
Closing Cost (Estimated)	\$2,509	\$2,509
Total	\$10,395,956	\$395,957

Carver County respectfully requests \$395,957 in of Park Acquisition Opportunity Funding from the FY 2024 appropriation. Please contact me with any questions you may have.

Sincerely,

Martin Walsh
Parks and Recreation Director

CARVER COUNTY



Menu | Help | Log Out

Back | Print | Add | Delete | Edit | Save

Application

Instructions

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

[Application Details](#) | [Map](#) | [Print to PDF](#) | [Release for Review](#) | [Negotiation](#) | [Annotations\(0\)](#) | [Versions](#) | [Feedback](#) | [Withdraw](#)

18956 - FY2024 Park Acquisition Opportunity Fund Program - Final Application

21086 - Acquisition of 3 miles Hennepin County Regional Railroad Authority Property for the Lake Minnetonka Regional Trail Parks Grants Acquisition

Status: Submitted **Submitted Date:** 03/26/2024 1:34 PM **Submitted By:** Marty J Walsh

Applicant Information

Primary Contact:

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

Name:* Mr. **Marty** **J** **Walsh**
Pronouns First Name Middle Name Last Name

Title:* Parks Director

Department: Parks

Email:* mwalsh@co.carver.mn.us

Address:* 11360 Hwy 212

*** City:** Cologne **State/Province:** Minnesota **Postal Code/Zip:** 55322

Phone:* 952-466-5252 Ext.

Fax: 952-466-5223

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

Organization Information

Name:* CARVER COUNTY

Jurisdictional Agency (if different):

Organization Type: County Government

Organization Website:

Address:* PARKS
11360 HWY 212 W #2

*** City:** COLOGNE **State/Province:** Minnesota **Postal Code/Zip:** 55322-0300

County:* Carver

Phone:* 612-467-4200

Ext.

Fax:

PeopleSoft Vendor Number 0000026790A15

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 Lake Minnetonka LRT RT -Three Rivers Park District

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 Nine Regional Trail Master Plan/ Lake MTKA RT 07/27/2022

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**.*

This is not a routine purchase. The planned acquisition of 3.5 miles of trail corridor from Hennepin County Regional Railroad Authority to Carver County would be for the cost of \$1.00, far below the appraised value of \$10,000,000.

Does this acquisition involve eminent domain? No

Eminent domain

If eminent domain is being used:

(1) you must upload a copy of the notice your Agency provided to the Council that the petition to the Court was filed.

(2) Include documentation of your governing body's authorization (on the Other Acquisition Attachments web page).

When was the Council notified of your intention to use eminent domain?

Date the petition was filed.

Settlement date

Public domain

Note that ENRTF funding cannot be used for acquisitions of property already in the public domain unless a minimum of 12 LCCMR commissioners approve the transaction. If this is a public domain acquisition and if you propose using ENRTF, be sure your closing schedule accommodates planning to be included on a future LCCMR agenda.

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

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.

Hennepin County Regional Railroad Authority wants to divest its interest in 3.5 miles of former railroad corridor within the geographical boundary of Carver County. The transfer is required as HCRRA want to divest its interest in the corridor. Transferring the corridor to Carver County maintains the public interest in the corridor for trail and other transportation purposes and transfers the management to the correct jurisdiction. The switch in ownership leads to efficiencies when dealing with members of the public and adjacent landowners within the county.

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 05/31/2024

Format: mmddyyyy (Do not enter any punctuation.)

Type of agreement Purchase

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

Date agreement expires 12/01/2024
Format: mmddyyyy (Do not enter any punctuation.)

Relocation costs

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

Does the requested grant amount include relocation costs? No

Appraisal

The appraisal must have an effective date within one year of the date the purchase agreement is signed. The appraisal **MUST** list the Metropolitan Council as an intended user, and the intended use must include "negotiation and grant reimbursement."

Appraisal effective date 11/29/2023
Appraised value \$10,000,000.00

Amount being offered the seller (net of closing and other costs) \$1.00 0%
% of appraised value

Who performed the appraisal? Patchin Messner Valuation Counselors

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

Survey

Was a survey done? No

Quality of natural resources - is the property...

...undeveloped?

Fully Partially

...wooded?

Fully Yes
Partially

...shoreline?

Fully Partially

Describe the existing natural resources it contains

Existing natural resource is primarily wooded vegetation along both sides of the corridor. The property does abut wetlands and Carver Park Reserve. The corridor likely provides habitat for wildlife and pollinators.

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.

NA

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

If yes, describe

The property has a number of utility, landscaping, trail, and road crossings agreements.

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?

NA

Suggested funding source

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

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

Anticipated funding source PTLF Legacy / Council match
Select as many as apply

Funding source comments, if desired

PTLF best source.

Structures currently on the property

Does the property contain ANY structures? Yes

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)? The property has a pedestrian bridge, and an underpass at Hwy 7. Other minor structures include benches, signage, biff screen, plaza area adjacent to City of Victoria. The structures would be maintained.

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

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

NA

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.

NA

Stewardship and minimal access**Describe the stewardship plan.**

Carver County is seeking land Park Acquisition Stewardship Funding for needed repairs to maintain the trail corridor in a safe and usable condition for trail purposes. Many culverts within the corridor need repair or replacement. The County has completed a Feasibility Study- Current Condition and Improvement Recommendation report. The estimated cost for these repairs is \$229,000. \$358,000

Carver County will incorporate other elements of the stewardship plan from the Lake Minnetonka Regional Trail into its management program for operating the trail.

How will the stewardship implementation be funded?

It is requested that Park Acquisition Opportunity Funds be provided to repair and replace identified culverts in the Feasibility Study- Current Condition and Improvement Recommendation report.

Other stewardship costs will be incorporated into the County operation and maintenance program. Approximately 90 percent of these funds comes from the General Fund of the County and 9 percent is provided by operation and maintenance funding provided by the state.

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? Yes

If yes, how will those funds be used? Repair drainage conveyance systems and maintain trail integrity at those locations.

Site Description

Land Use History

Current land uses Park
Select as many as apply

Previous land uses Commercial
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
Hennepin County Regional Railroad Authority	Intersection of Hwy 5	650144100	2.57	12/15/2023	No	48A	Victoria	Carver		District B (44.859812	-93.665389
Hennepin County Regional Railroad Authority	Along Stieger Lake Lane	650136700	4.73	12/15/2023	No	48A	Victoria	Carver	4	District B	44.860544	-93.661148
Hennepin County Regional Railroad Authority	Intersection of Park Drive	650121900	9.88	12/15/2023	No	48A	Victoria	Carver	4	District B	44.863711	-93.653966
Hennepin County Regional Railroad Authority	Nearest Intersection of Rolling Acres Road	650073500	1.0	12/15/2023	No	48A	Victoria	Carver	4	District B	44.870906	-93.640244
Hennepin County Regional Railroad Authority	Intersection of Rolling Acres Road	650073400	6.99	12/15/2023	No	48A	Victoria	Carver	4	District B	44.872473	-93.639133
Hennepin County Regional Railroad Authority	Near Fox Grove Circle	654700220	1.42	12/15/2023	No	48A	Victoria	Carver	4	District B	44.878380	-93.633410
Hennepin County Regional Railroad Authority	Just west of Hwy 7	650062800	1.0	12/15/2023	No	48A	Afton Victoria	Anoka Carver	4	District B	44.880634	-93.631677
Hennepin County Regional Railroad Authority	Near Aster Circle	650062700	5.47	12/15/2023	No	48B	Victoria	Carver	4	District B	44.886427	-93.627369
Hennepin County Regional Railroad Authority	Just south of the intersection of W 62 St.	650050200	1.81	12/15/2023	No	48B	Victoria	Carver	4	District B	44.891288	-93.620294
			34.87									

Local match

Source of local match

Value of the corridor provided by Hennepin County Regional Railroad Authority. Carver County seeking \$229,000 for stewardship. plus appraisal, Phase 1 environmental, and related closing costs.

Grant agreement signatories

Full name	Title	If this is an attorney, is the signature 'for form only'?
Gayle Degler	Board Chair	
David Hemze	County Administrator	
Patrick Conness	Assistant County Attorney III	Yes

Acquisition Costs

Cost Items	Amount	State funds	Metro funds	Match funds
Purchase price				
Negotiated purchase price	\$10,000,000.00	\$1.00	\$0.00	\$9,999,999.00 (in-kind land donation)
Appraisal expenses				
Appraisal	\$8,000.00	\$4,800.00	\$3,200.00	\$0.00
Appraisal review	\$0.00	\$0.00	\$0.00	\$0.00
Environmental expenses				
Phase I environmental site assessment	\$6,655.00	\$3,993.00	\$2,662.00	\$0.00
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	\$373,792.00	\$224,275.00	\$149,517.00	\$0.00
Land development	\$0.00	\$0.00	\$0.00	\$0.00
Pro-rated share of all property taxes/assessments	\$0.00	\$0.00	\$0.00	\$0.00
Legal services and closing costs	\$7,509.00	\$4,505.00	\$3,004.00	\$0.00
Property tax equivalency payment-473.341	\$0.00	\$0.00	\$0.00	\$0.00
Relocation costs to seller	\$0.00	\$0.00	\$0.00	\$0.00
State deed tax/conservation fee	\$0.00	\$0.00	\$0.00	\$0.00
Title insurance	\$0.00	\$0.00	\$0.00	\$0.00
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	\$10,395,956.00	\$237,574.00	\$158,383.00	\$9,999,999.00 (in-kind match)

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)	\$10,395,956.00 -\$9,999,999 land donation \$395,957 total cost	\$237,574.00	\$158,383.00	\$9,999,999.00 (in-kind match)	\$395,957.00

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)	Request letter	PAOF Request Letter on LH -.docx	docx	128 KB
2.0 Master plan documentation (REQ'D)	Lake Minnetonka Regional Trail Master Plan	long range plan_reduced.pdf	pdf	18.1 MB
3.0 RECORDED Governing Board action authorizing grant request (REQ'D)	County Board Meeting Minutes of December 13,2023	December 19th Board Meeting Approving of PA.pdf	pdf	2.4 MB
4.0 Signed purchase agreement/instrument (REQ'D)	Purchase Agreement for Lake Minnetonka LRT Corridor between HCRRA and Carver	Purchase Agreement No. A2211359 with Carver County.fully executed.pdf	pdf	1.2 MB

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Fee Owners:	Hennepin County Regional Railroad Authority and City of Victoria
Location:	3.5-mile trail segment from Kirke Lachen Park to 62 nd Street West in Victoria, Minnesota
Date of Inspection:	November 29, 2023
Date of Valuation:	November 29, 2023
Property Appraised:	Real Property
Rights & Interests Appraised:	Fee Simple Market Value
Zoning:	The subject corridor appraised herein is proximate to several zoning districts in Victoria including R-1: Residential District 1, CBD: Central Business District, P-1: Parks and Open Space, AG: Agricultural District, and I-1, Light Industrial District. Additionally, the subject corridor is proximate to the RSF, Single-Family Residential District in Chanhassen.
Guiding:	Further, the subject corridor is adjacent to several planned land uses in Victoria’s 2040 Comprehensive Plan which include Agriculture, Park, Open Space, Downtown Mixed Use, High Density Residential and Low Density Residential. Additionally, the subject is proximate to the Residential Low Density (Net Density 1.2-4 u/Acre) and the Parks – Open Space future land use designations on Chanhassen’s 2040 Comprehensive Plan.
Site Description:	The subject corridor is approximately 3.5 miles in length and totals 41.92 acres of land. The end points include Kirke Lachen Park in Victoria (southwest) and 62 nd Street West (northeast). The corridor is improved with a gravel/bituminous-surfaced pedestrian trail known as the Lake Minnetonka Regional Trail. The westerly portion of the corridor traverses public recreational land as well as downtown Victoria. Further east, the corridor traverses single-family residential properties and other public recreational land and open space.
Current Use:	Lake Minnetonka Regional Trail
Highest and Best Use:	Utility or public recreation corridor
Value Conclusion:	\$10,000,000

Exhibit 5: Board approval to purchase property

REGULAR SESSION
December 12, 2023

A Regular Session of the Carver County Board of Commissioners was held in the County Government Center, Chaska, on December 12, 2023. Chair John P. Fahey convened the session at 9:00 a.m.

Members present: John P. Fahey, Chair, Tom Workman, Vice Chair, Gayle Degler, Matt Udermann and Tim Lynch.

Degler moved, Lynch seconded, to approve the agenda. Motion carried unanimously.

Workman moved, Lynch seconded, to approve the minutes of the November 28, 2023, Special Session and November 28, 2023, Budget Public Hearing. Motion carried unanimously.

Degler moved, Workman seconded, to approve the following consent agenda items:

Approved contract with Barr Engineering Company pending finalization of the contract review process for radon testing and related Facilities budget amendment.

Contract with NorthStar Regional for a certified peer recovery specialist.

Approved professional services agreement with the Improve Group for the completion of the Community Resource Center community assessment with a not to exceed amount of \$72,408 for the period of December 1, 2023, through July 31, 2024.

Resolution #89-23, Authorizing Settlement of Compensation to Owners for Acquisition of Real Property Interests Needed for the Highway 40 Project-Belle Plaine Area.

Approved amendment 1 to PSA with WSB & Associates in the amount of \$125,047 for additional land acquisition services for the Highway 212 Project-Benton Township, pending finalization of the contract review process.

Resolution #90-23, County Board Acknowledgment Highway 11 Resurfacing Project, Final Payment.

Resolution #91-23, County Board Acknowledgment 2023 Pavement Marking Project, Final Payment.

Resolution #92-23, County Board Acknowledgment 2023 HSIP Pavement Marking Project, Final Payment.

Grant agreement SG-24P5-03-01 with the Metropolitan Council and authorized Chair to sign pending finalization of the contract review process and related Parks budget amendment.

Grant agreement SG-24PZ-03-01 with the Metropolitan Council and authorized the Chair to sign pending finalization of the contract review process and related Parks budget amendment.

Grant agreement SG-24P4-03-02 and SG-24-P4-03-03 with the Metropolitan Council and authorized the Chair to sign pending finalization of the contract review process.

Authorized HH&S acceptance of cash donation in the amount of \$15,000 and approved investment of funds to support Health & Human Services employees' professional skills development activities and related budget amendment.

Approved agreement with DemCon for containers and hauling of commingled materials and cardboard for recycling.

Approved entering into an agreement to purchase wetland credits from Scott County SWCD for \$21,396.20 for the Highway 212 Project-Benton Township, pending finalization of the contract review process.

Renewed Microsoft Enterprise Agreement for the period 2024-2026 with SHI pending completion of the contract review process.

Adopted the recommendations in the master space plan as guidance for the next planning phases and approved entering into an agreement with Leo A Daly for predesign of the Government Center pending finalization of the contract review process.

Reviewed December 5, 2023, Community Social Services' actions/Commissioners' warrants in the amount of \$198,479.22 and reviewed December 12, 2023, Community Social Services' actions/Commissioners' warrants in the amount of \$356,431.74.

Martin Walsh, Parks, requested the Board approve a purchase agreement with Hennepin County Regional Railroad Authority for a three-mile segment of the Lake Minnetonka Regional Trail located in the County. He noted the previous agreement regarding the possible transfer, key terms included in that agreement and identified the location of the trail. He stated some repairs will be needed and they ran into some title issues. Walsh indicated the needed repairs are eligible to receive funding from the Met Council.

He explained they were working on a cost estimate for the needed repairs and an appraisal of the property is underway that was required to apply for Met Council funding. Walsh highlighted terms of the agreement that included it could only be used for transportation projects and the County's purchase was conditioned on receiving Met Council funding.

Mary Shimshak, Assistant County Attorney, stated the title work did expose some gaps and they requested Hennepin County correct these. She also pointed out Hennepin County has owned the property for 40 years and has not had an adverse claim.

Workman moved, Fahey seconded, to enter into a purchase agreement with HCRRA pending finalization of the contract review process. Degler, Fahey, Lynch, Workman voted aye. Udermann voted nay. Motion carried.

Dave Hemze, County Administrator, requested the Board approve their 2024 legislative priorities.

Exhibit 6: Purchase agreement

PURCHASE AGREEMENT

This Purchase Agreement ("**Agreement**") is made and entered into this 15th day of December, 2023, by and between the **HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY**, a political subdivision and local government unit of the State of Minnesota, ("**HCRRA**"), and the County of Carver, a political subdivision and municipal corporation under the laws of the State of Minnesota, ("**COUNTY**"). HCRRA and COUNTY each are referred to individually hereinafter as a "**Party**," and both are referred to collectively hereinafter as the "**Parties**."

WITNESSETH:

The Parties mutually agree hereto as follows:

Section 1. Sale and Purchase of Property.

HCRRA, the owner of certain real property located in Carver County, Minnesota, hereby agrees to sell and convey and COUNTY hereby agrees to purchase and accept under the terms and conditions set forth in this Agreement, all of HCRRA's right, title and interest in and to the real property which is legally described in Exhibit A and depicted in Exhibit B, both exhibits attached hereto and incorporated herein ("**Land**"), together with all fixtures, improvements, and facilities affixed or installed thereto or thereon, including without limitation, the culverts, ballast, bridges, and appurtenances thereto, to the extent owned by HCRRA, ("**Personal Property**"). The Land and the Personal Property are referred to collectively hereinafter as the "**Property**."

The conveyance made pursuant to this Agreement shall be subject to any and all applicable federal, state, and local laws, orders, rules, and regulations, and any and all outstanding rights whether or not of record, or open and obvious upon the ground.

Section 2. Purchase Price

The purchase price for the Property ("**Purchase Price**") shall be ONE DOLLAR AND NO/100 CENTS (\$1.00).

Section 3. Conditions Precedent.

The Parties shall execute this Agreement and shall Close on the conveyance that is the subject of this Agreement only if all of the following terms are satisfied beforehand:

- (a) Board Approval. The Carver County Board of Commissioners acting as the governing body of the COUNTY, approves of this Agreement by Board Resolution.
- (b) Physical Inspection. HCRRA granted the right and privilege to the COUNTY its officials, employees, contractors, and agents to enter, cross over, and be upon the Property to complete a Phase I Environmental Site Assessment and any other

inspecting, monitoring, testing, or surveying of the Property, or any other similar activities desired by the COUNTY (“**Physical Inspection**”). The COUNTY completed a Physical Inspection and identified specific infrastructure on the Property which need repair, (“**Repairs**”). The COUNTY has determined in its sole discretion that the Property will be suitable “as is” for COUNTY’s intended use and enjoyment when the Repairs are made by the COUNTY. COUNTY.

- (c) The County obtained an appraisal of the Property from a Minnesota-licensed Certified General Real Property Appraiser to obtain the fair market value of the Property as of the date of said appraisal, (“**Appraised Value**”).
- (d) The Metropolitan Council, a political subdivision and public corporation of the State of Minnesota, “**MET COUNCIL**,” appropriates sufficient funds to the COUNTY to support this Agreement, including but not limited to the making of the Repairs on the Property.
- (e) Title. COUNTY accepts title to the Property “as-is” and HCRRA shall have no obligation to correct or cure title.
- (f) Indemnification. Each Party shall be liable for its own acts to the extent provided by law and hereby agrees to indemnify, hold harmless, and defend the other Party, its officers, and its employees against any and all liability, loss, costs, damages, expenses, claims, or actions, including attorney’s fees that the other Party, its officers, and its employees may hereafter sustain, incur, or be required to pay arising out of or by reason of any act or omission of the Party or its agents, servants, or employees, in the execution or performance of, or failure to adequately perform its rights or obligations pursuant to this Agreement.

The Parties understand and agree that the liability of each Party shall be limited by the provisions of Minn. Stat. Chap. 466 and/or other applicable law.

- (f) Assignment Agreement. The obligation of either of the Parties to Close is contingent upon HCRRA and COUNTY executing an assignment agreement (“**Assignment Agreement**”) whereby HCRRA assigns to COUNTY, and COUNTY accepts all or part of HCRRA’s interest in any permits or other agreements related to the Property (“**Assigned Agreement**”). If not already provided by Closing, HCRRA shall deliver copies of all Assigned Agreements to COUNTY within thirty (30) days following Closing.

The Assignment Agreement shall provide that HCRRA assigns to COUNTY, and COUNTY assumes, all or part of HCRRA's obligations, liabilities, rights, title, and interest in and to the Assigned Agreements. Rentals and other payments under any Assigned Agreements, if any, shall be prorated between the Parties as of the Closing Date. Prior to Closing, HCRRA shall cancel any and all agreements or permits that cannot be assigned by the terms of the respective agreement or permit.

If any license or lease affecting the Property is identified after the Closing Date, then HCRRA's rights (including, without limitation, any income) under such license or lease will be assigned to and assumed by COUNTY after Closing in accordance with the terms of the Assignment Agreement.

Section 4. Execution Date. The Agreement shall become effective on the date the last Party signs Agreement, ("**Execution Date**"). The Execution Date shall be inserted into the preamble.

Section 5. Closing.

- (a) The conveyance and acceptance of title to and possession of the Property ("**Close**" or "**Closing**") shall occur at such date, place, and time as the Parties shall mutually agree, ("**Closing Date**").
- (b) At Closing, HCRRA shall deliver the following:
 - i. A quit-claim deed, subject to any Permitted Encumbrances, in substantially the form as shown on **Exhibit C** attached.
 - ii. A seller's affidavit representing that no encumbrances have been placed on the Property by HCCRA since the Execution Date of this Agreement.
 - iii. The Assignment Agreement.
 - iv. The Bill of Sale in substantially the form as shown on **Exhibit D** attached.
 - v. A FIRPTA affidavit as required by section 1445 of the Internal Revenue Code.
 - vi. Any other documents or disclosures required by law or reasonably required by COUNTY or a title company to close the transaction contemplated by this Agreement.
- (c) At Closing, HCRRA shall pay HCRRA's share of real estate taxes and levied special assessments pro-rated as of the Closing Date, assessed against the Property and due and payable in the year of Closing. Payment of any levied special assessment shall be based upon the longest time period allowed for payment of said special assessment and shall only be the payment due in the year of Closing. Notwithstanding the above, if the real property taxes on the Property are assessed as part of HCRRA's unitary assessment in Carver County, Minnesota, then HCRRA shall pay its unitary assessment when due and taxes shall not be prorated between the Parties.
- (d) At Closing, COUNTY shall pay the following costs:
 - (i) Purchase Price;

- (ii) COUNTY's pro rata share of real estate taxes or levied special assessments against the Property and due and payable for the year of Closing;
- (iii) Title charges;
- (iv) Recording fees/Transfer charges; and
- (v) The Minnesota State deed tax if any.

Section 6. As Is; Release and Indemnity.

COUNTY acknowledges that it is entering into this Agreement on the basis of COUNTY's own Physical Inspection of the Property, and COUNTY hereby assumes the risk that adverse physical and environmental conditions may not have been revealed by its physical investigation.

Section 7. Financial Encumbrances.

HCRRA acknowledges, represents, and warrants that it purchased the Property from Chicago North Western Transportation Company, a Delaware corporation, in 1981 using HCRRA's own local funds; that neither HCRRA nor the County of Hennepin, a political subdivision and local government unit of the State of Minnesota, ("**Hennepin County**"), have entered into any legally binding agreement with another entity which financially encumbers the Property, including but not limited to using the Property as security or collateral for another financial transaction involving HCRRA and/or Hennepin County; and HCRRA agrees to assume any and all financial responsibility and liability arising from any undisclosed agreement made prior to Closing between HCRRA and any other entity or entities, which financially encumbers the Property.

Section 8. Notices, Demands, Elections, and Instruments.

All notices, demands, elections, and other instruments required or permitted to be given under this Agreement shall be in writing and personally served by either Party upon the other Party by mail or electronic mail. All notices, demands, elections, and instruments given by mail shall be sent, postage prepaid, by certified mail, return receipt requested, addressed to the Party to receive at the following address or at such other address as the Party may from time to time direct in writing, unless the Parties designate in writing a different address to which notice shall be given:

HCRRA:	HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY
	Attn: Jessica Galatz
	701 Fourth Avenue South, Suite 700
	Minneapolis, MN 55415
	Telephone: (612) 348-2691
	e-mail: Jessica.Galatz@hennepin.us

With copy to: Rick J. Sheridan
Assistant Hennepin County Attorney
C-2000 Government Center
300 South Sixth Street
Minneapolis, MN 55487
e-mail: rick.sheridan@hennepin.us

COUNTY: CARVER COUNTY
Carver County Public Works Division
ATTN: Martin Walsh, Parks, and Recreation Director
11360 U.S. Highway 212
Cologne, MN 55322

With copy to: Mary E. Shimshak
Office of the Carver County Attorney
Assistant Carver County Attorney
604 East 4th Street
Chaska, Minnesota 55318
E-mail: mshimshak@co.carver.mn.us

Express delivery notices shall be deemed to be given upon receipt. Postal notices shall be deemed to be given three (3) business days after deposit with the United States Postal Service.

Section 9. Assignment.

COUNTY shall not transfer or assign any rights or obligations under this Agreement, or any interest herein, before Closing without prior written consent of HCRRA. Any such transfer or assignment of right or obligations under this Agreement, or interest herein before Closing, whether voluntary, by operation of law or otherwise, without such prior written consent, shall be absolutely void and shall, at the option of HCRRA, terminate this Agreement. Obligations or liabilities of COUNTY of this Agreement incurred prior to termination by HCRRA under this Section shall survive such termination.

The County shall be entitled to transfer or assign all of its rights and obligations under this Agreement to the Carver County Regional Railroad Authority, a political subdivision and local government unit of the State of Minnesota, (“CCRRA”), any time after Closing without prior consent of HCRRA.

Section 10. Use Restriction.

COUNTY agrees that the Property shall only be used for transportation purposes, including, but not limited to, light-rail and pedestrian or bike trail. COUNTY shall not use, or permit any use on, the Property for any purpose that is inconsistent with, or interferes with the use of the Property as a transportation corridor. This use restriction shall be included in the deed conveying the Property, shall be a burden running with the land, and shall be binding upon the successors or assigns of COUNTY.

Section 11. Waiver of Breach.

A waiver by either of the Parties hereto of a breach of the other Party hereto of any covenant or condition of this Agreement shall not impair the right of the Party not in default to avail itself of any remedy related to any subsequent breach thereof. Leniency, delay, or failure of either Party to insist upon strict performance of any agreement, covenant, or condition of this Agreement, or to exercise any right herein given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition, or right.

Section 12. Time of the Essence.

Time is of the essence of this Agreement.

Section 13. Law Governing.

This Agreement shall be governed in all respects by the laws of the State of Minnesota.

Section 14. Merger.

The terms, provisions, covenants, and conditions herein contained shall merge into the Deed to be delivered by HCRRA to COUNTY at Closing and shall not survive Closing, except for the provisions of Sections 6, 7, 8, 9, 11, 12, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23.

Section 15. No Broker's Commission.

The negotiations relative to this Agreement and the transactions contemplated hereby have been carried on by the Parties without the intervention of any person that would give rise to any valid claim against either of the Parties hereto for brokerage commissions or other like payment. Each Party hereto shall indemnify and hold harmless the other Party against and from any and all claims for brokerage commission or other like payment arising out of the transaction contemplated by this Agreement and occasioned by the actions of such indemnifying Party.

Section 16. Successors and Assigns.

This Agreement shall be binding upon and inure to the benefit of the Parties hereto, their successors and assigns.

Section 17. HCRRA's Representations.

HCRRA represents and warrants that HCRRA has the full power and authority to enter into and perform the terms of this Agreement.

Section 18. Not An Offer.

The submission of this Agreement to COUNTY for review or signature does not constitute an offer by HCRRA to sell the Property to COUNTY or the granting of an option or other rights

with respect to the Property to COUNTY. No agreement with respect to the conveyance and acceptance of the Property shall exist, and this writing shall have no binding force or effect, until this Agreement has been executed and delivered by the Parties.

Section 19. Severability.

In the event that any of the provisions of this Agreement shall be held to be invalid or unenforceable by a court of competent jurisdiction under applicable law, the remaining portions hereof shall remain in full force and effect and such provision shall be enforced to the maximum extent possible so as to effectuate the intent of the Parties and shall be reformed to the extent necessary to make such provision valid and enforceable.

Section 20. Representation on Authority of Parties.

Each person signing this Agreement represents and warrants to the other that he or she is duly authorized and has the legal capacity to execute, acknowledge, and deliver this Agreement and other documents or instruments, incur such expenses, and take such actions, as may be necessary or appropriate to consummate the sale and conveyance, and the purchase and acceptance of the Property under the terms of this Agreement, in the name of its political subdivision and local government unit of the State of Minnesota. Each of the Parties represents and warrants to the other that the execution and delivery of the Agreement and the performance of that Party's obligations hereunder have been duly authorized, and that the Agreement is a valid and legal agreement binding on such Party and enforceable in accordance with its terms.

Section 21 Entire Agreement.

It is understood and agreed that all agreements, whether written or oral, heretofore had between the Parties hereto are merged in this Agreement, which alone fully and completely expresses the agreement of the Parties, that neither of the Parties is relying upon any statement or representation not embodied in this Agreement, made by the other, and that this Agreement may not be changed except by an instrument in writing signed by both Parties. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.

Section 22. Attorney's Fees.

If any legal action is brought by either of the Parties to enforce any provision of this Agreement, then the prevailing Party shall be entitled to recover from the other Party the reasonable attorney's fees and court costs in such amounts as allowed by the court.

Section 23. Additional Documents.

HCRRA and COUNTY agree to execute such additional documents as may be reasonably necessary to carry out the provisions of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as authorized by their respective governing bodies.

Reviewed by the County
Attorney's Office

Phil J. Heverson

Date: Dec 27, 2023

**HENNEPIN COUNTY REGIONAL
RAILROAD AUTHORITY
STATE OF MINNESOTA**

By: *Chamie Jones*

Chair of Its Board

Date: Dec 31, 2023

ATTEST: *M.R.K.*

Maria Rose (Jan 1, 2024 15:22 CST)

Deputy/Clerk of County Board

Date: Jan 1, 2024

By: *[Signature]*

Executive Director

Date: Dec 28, 2023

By: *Sira K. Cerny*

Deputy Executive Director

Date: Dec 27, 2023

Recommended for Approval:


Joseph Gladke

Assistant Director, Transportation Project Delivery

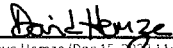
Date: Dec 27, 2023

CARVER COUNTY

Dated: 12/15/23, 2023

By: 
John P. Fahey
Its: Chair

Dated: 12/15/23, 2023

By: 
Dave Hemze
Its: County Administrator

As to form and execution:

Dated: 12/15/23, 2023

By: 
Mary E. Shimshak. No. 0296958
Assistant Carver County Attorney
Assistant Carver County Attorney
Carver County Government Center
604 East Fourth Street
Chaska, MN 55318
mshimshak@co.carver.mn.us
(952) 361-1400

ATTORNEY FOR CARVER COUNTY

EXHIBIT A

(Legal Description of Property)

Parcel 1

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Northwest Quarter of the Northwest Quarter of Section 5, Township 116, Range 23.

Parcel 2

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Northeast Quarter of the Northeast Quarter of Section 6, Township 116, Range 23.

Parcel 3

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Southeast Quarter of the Northeast Quarter of Section 6, Township 116, Range 23.

Parcel 4

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Southwest Quarter of the Northeast Quarter of Section 6, Township 116, Range 23.

Parcel 5

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Northwest Quarter of the Southeast Quarter of Section 6, Township 116, Range 23.

Parcel 6

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the North Half of the Southwest Quarter of the Southeast Quarter of Section 6, Township 116, Range 23.

Parcel 7

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the South Half of the Southwest Quarter of the Southeast Quarter of Section 6, Township 116, Range 23.

Parcels 8 & 9

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Southeast Quarter of the Southwest Quarter of Section 6, Township 116, Range 23, now known as Outlot D, South Lake Virginia Shores Addition.

Parcel 10

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Northeast Quarter of the Northwest Quarter of Section 7, Township 116, Range 23.

Parcel 11

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Northwest Quarter of the Northwest Quarter of Section 7, Township 116, Range 23.

Parcel 12

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across Government Lot 1 of Section 7, Township 116, Range 23.

Parcel 13

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Northwest Quarter of the Southwest Quarter of Section 7, Township 116, Range 23.

Parcel 14

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across Government Lot 2 of Section 12, Township 116, Range 24.

Parcel 15

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across Government Lot 7 of Section 12, Township 116, Range 24.

Parcel 16

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across Government Lot 8 of Section 12, Township 116, Range 24.

Parcel 17

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the

Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Northeast Quarter of the Northwest Quarter of Section 13, Township 116, Range 24.

Parcel 18

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across Government Lot 1 of the Northwest Quarter of the Northwest Quarter; together with the following described parcels of land:

Beginning at a point where the South right of way line of the Minneapolis and St. Louis Railway Company crosses the West line of Section 13, Township 116, Range 24; thence South along said section line 35 feet; thence Northeasterly along and parallel to said railway 260 feet; thence Northwesterly and at right angle to said line 33 feet to said right of way line and thence Southwesterly along said line to the point of beginning.

Beginning at the point where the North right of way line of the Minneapolis and St. Louis Railway crosses the West line of Section 13, Township 116, Range 24; thence North along said section line 13 feet; thence Northeasterly along and parallel to said line a distance of 220 feet; thence Southeasterly at right angles to said railroad line 12 feet to the right of way line; thence Southwesterly along said right of way to point of beginning.

All of the above strips and parcels of land being located in Government Lot 1 of the Northwest Quarter of the Northwest Quarter, Section 13, Township 116, Range 24 and excepting therefrom the following:

That part of Government Lot 1 of the Northwest Quarter of the Northwest Quarter of Section 13, Township 116 North, Range 24 West of the Fifth Principal Meridian, bounded and described as follows: Beginning at a point on the Southeasterly boundary line of the right of way of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company), being a line drawn parallel with and distant 50 feet Southeasterly, measured at right angles, from the center line of the main track of said Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company), as said main track was originally located and established across said Government Lot 1, said point being distant 657.3 feet Northeasterly, measured along said parallel line, from the West line of said Government Lot 1; thence Northeasterly along said parallel line a distance of 390 feet; thence Northwesterly along a line at right angles to the last described course, a distance of 25 feet, more or less, to a point distant 10 feet Southeasterly, measured at right angles, from the center line of a spur track of the Chicago and North Western Transportation Company (ICC #14), as now located and established; thence Southwesterly, along a line parallel with said spur track center line, a distance of 390 feet, more or less, to a point on a line drawn at right angles through the point of beginning; thence Southeasterly along said right angle line, a distance of 25 feet, more or less, to the point of beginning.

That part of Government Lot 1 of the Northwest Quarter of the Northwest Quarter of

Section 13, Township 116 North, Range 24 West of the Fifth Principal Meridian, bounded and described as follows: Commencing at a point on the West line of said Government Lot 1, distant 83 feet Southeasterly, measured radially, from the center line of the main track of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company), as said main track was originally located and established across said Section 13; thence Northeasterly along a line parallel with said center line, a distance of 260 feet; thence Northwesterly along a line drawn radially to said center line, a distance of 33 feet, more or less, to a point distant 50 feet Southeasterly, measured radially, from said center line, said point being the point of beginning of the land herein described; thence continuing Northwesterly along said radial line, a distance of 30 feet, more or less, to a point distant 9 feet Southeasterly, measured radially, from the center line of a spur track of said Chicago and North Western Transportation Company (ICC #14), as now located and established; thence Northeasterly along a line parallel with said spur track center line a distance of 343 feet, more or less, to a point on a line drawn at right angles through the center line of the main track of the Chicago and North Western Transportation Company, as now located and established, distant 560 feet Northeasterly measured along said center line, from the West line of said Government Lot 1; thence Southeasterly along said last described right angle line a distance of 70 feet, more or less, to a point on the Northwesterly line of a public highway located upon said Government Lot 1; thence Southwesterly along the Northwesterly line of said public highway a distance of 270 feet, more or less, to a point distant 50 feet Southeasterly, measured radially, from the original main track center line of said Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company); thence Southwesterly parallel with said original center line a distance of 75 feet, more or less, to the point of beginning.

That part of Government Lot 1 of the Northwest Quarter of the Northwest Quarter of Section 13, Township 116 North, Range 24 West of the Fifth Principal Meridian, bounded and described as follows: Commencing at the intersection of the West line of said Government Lot 1 and the center line of the main track of the Chicago and North Western Transportation Company, as now located and established; thence Northeasterly along said main track center line, a distance of 560 feet; thence Southeasterly along a line at right angles to the last described course, a distance of 23 feet, more or less, to a point distant 8.5 feet Southeasterly, measured at right angles, from the center line of a spur track of the Chicago and North Western Railway Company (ICC #14), as now located and established, for the point of beginning of the parcel of land herein described; thence continuing Southeasterly along said right angle line, a distance of 68 feet, more or less, to a point on the Northwesterly line of a public highway located upon said Government Lot 1; thence Northeasterly along the Northwesterly line of said public highway a distance of 67 feet, more or less, to a point on a line drawn at right angles through the Southeasterly boundary line of the right of way of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company), being a line drawn parallel with and distant 50 feet Southeasterly, measured at right angles and radially, from the center line of the main track of said Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company), as said main track was originally located and established across said Government Lot 1, at a point distant 657.3 feet

Northeasterly, measured along said last described parallel line, from the West line of said Government Lot 1; thence Northwesterly along said last described right angle line a distance of 78 feet, more or less, to a point distant 8.5 feet Southeasterly, measured at right angles, from the center line of said spur track ICC #14; thence Southwesterly along a line parallel with said spur track center line, a distance of 70 feet, more or less, to the point of beginning.

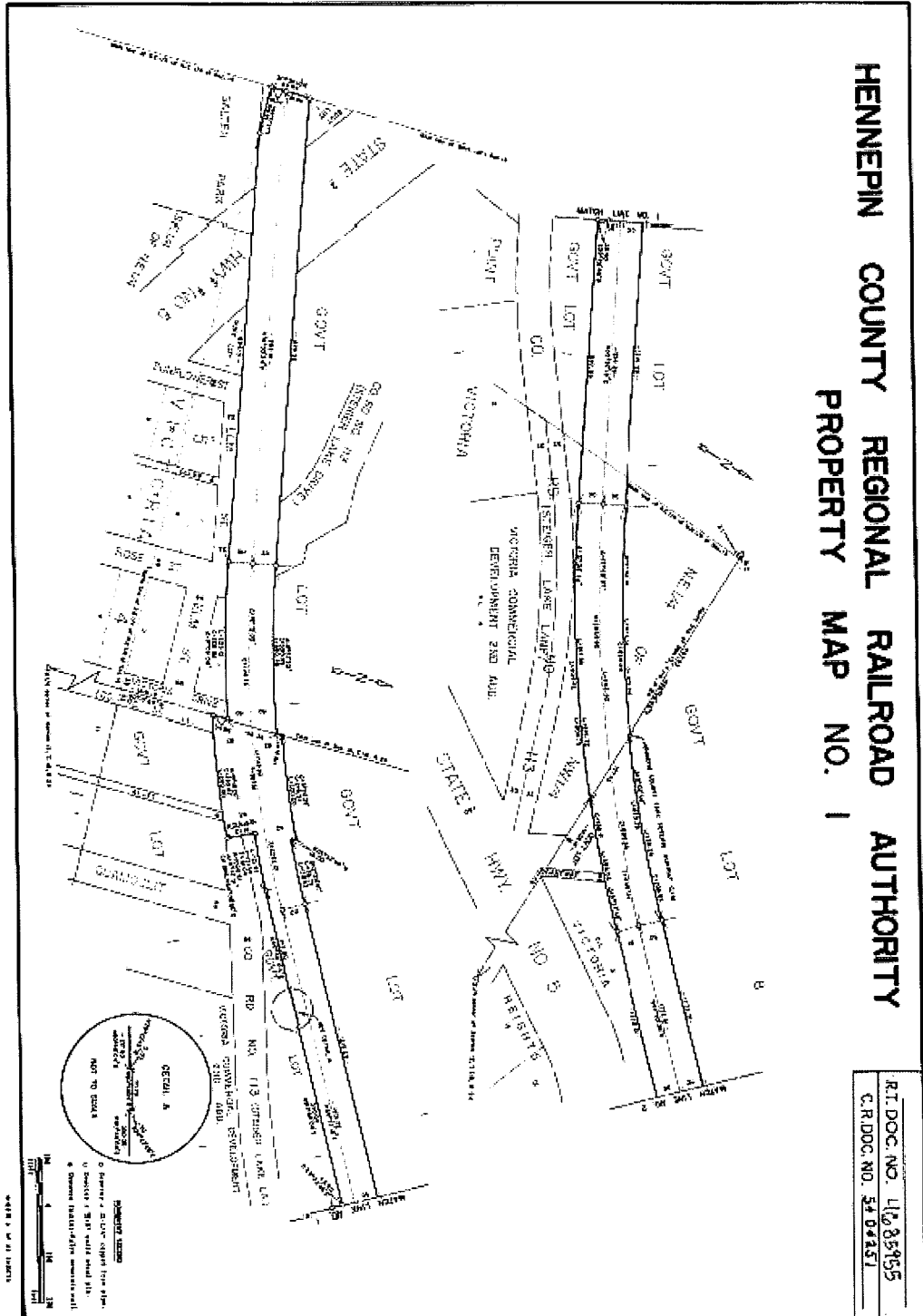
Parcel 19

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across Government Lot 1 of Section 14, Township 116, Range 24.

Together with and including all of the Hennepin County Regional Railroad Authority's right, title and interest in and to bridges A35.9, A36.0 and A34.20, presently located on the above described real estate.

EXHIBIT B

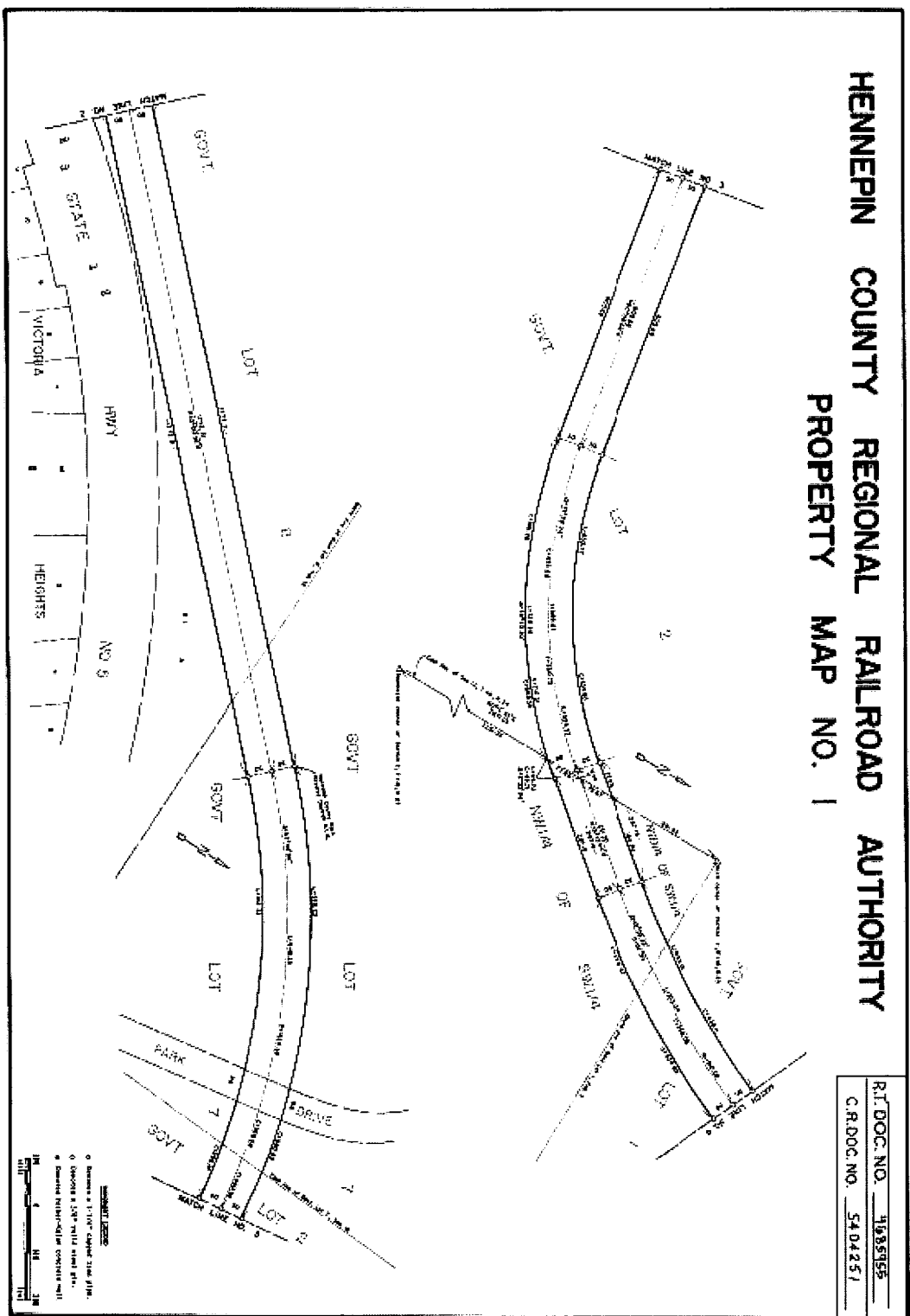
(Depiction of Property)



HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY PROPERTY MAP NO. 1

R.I. DOC. NO. 1488195
C.R. DOC. NO. SA 04251

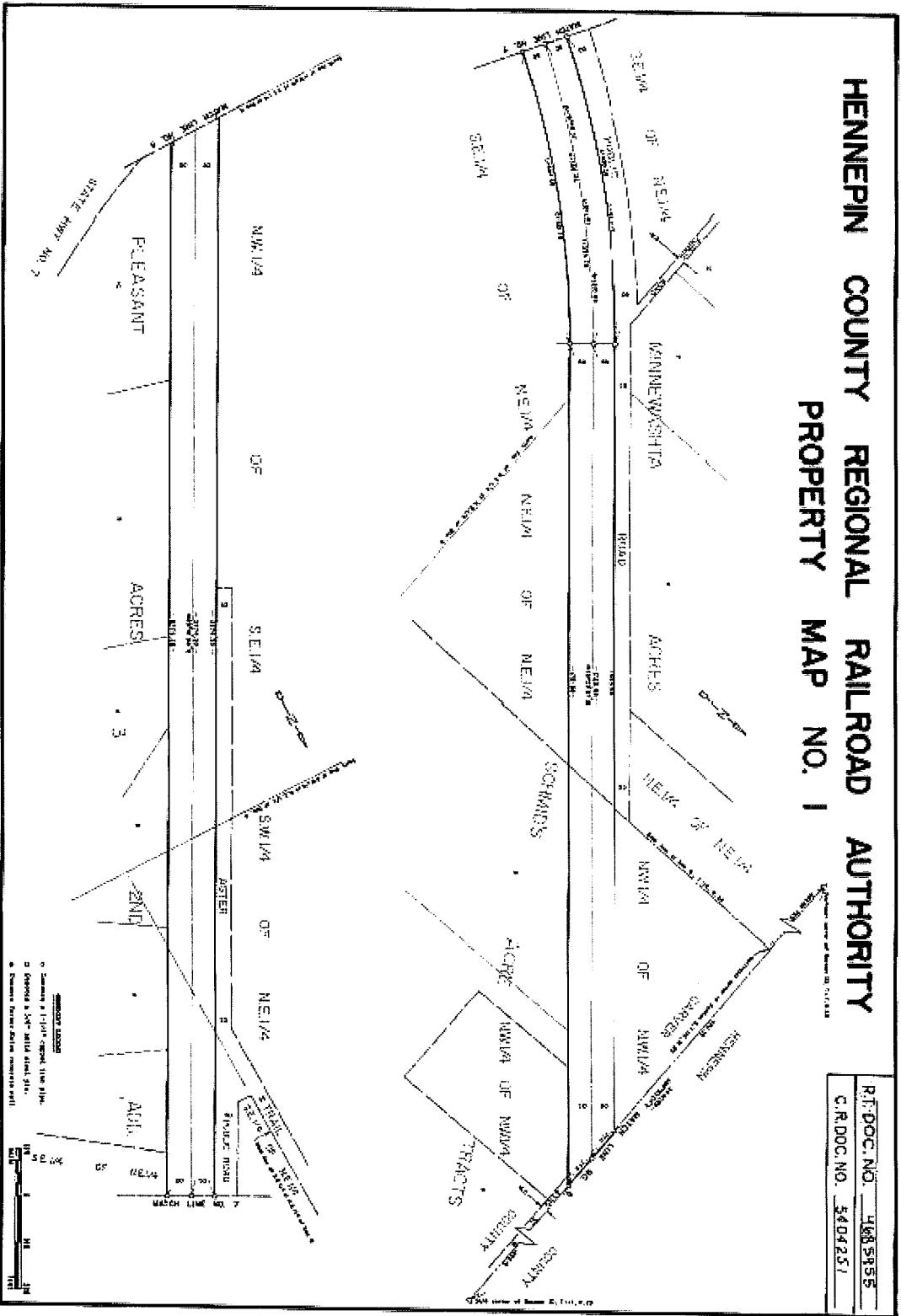
SHEET 3 OF 23 SHEETS



HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY
 PROPERTY MAP NO. 1

R.F. DOC. NO. 468 SRS
 C.R. DOC. NO. 5404251

SHEET 3 OF 22 SHEETS



PROPERTY

SHEET 3 OF 22 SHEETS

EXHIBIT C

(Quick Claim Deed)

(Top 3 inches reserved for recording data)

QUIT CLAIM DEED Minnesota Uniform Conveyancing Blanks
Business Entity to Business Entity Form 10.3.5 (2013)

eCRV number: _____

DEED TAX DUE: \$ _____

DATE: _____
(month/day/year)

FOR VALUABLE CONSIDERATION, Hennepin County Regional Railroad Authority
(Insert name of Grantor)

a political subdivision under the laws of Minnesota ("Grantor"),
hereby conveys and quitclaims to County of Carver
(Insert name of Grantee)

a political subdivision and local government unit under the laws of Minnesota ("Grantee"),
real property in Carver County, Minnesota, legally described as follows:
See attached Exhibit A.

Subject to restrictions, terms and conditions on attached Exhibit B.

The total consideration for this transaction is \$3000.00 or less
Check here if all or part of the described real property is Registered (Torrens)

together with all hereinafterments and appurtenances belonging thereto.

Check applicable box:

- The Seller certifies that the Seller does not know of any wells on the described real property.
- A well disclosure certificate accompanies this document or has been electronically filed. (if electronically filed, insert WDC number: _____.)
- I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

Grantor

HENNEPIN COUNTY REGIONAL RAILROAD AUTHORITY
(Name of Grantor)

By: _____
(signature)

Its: Chair
(type of authority)

By: _____
(signature) David J. Hough

Its: Executive Director
(type of authority)

State of Minnesota, County of Hennepin

This instrument was acknowledged before me on _____ by _____
(month/day/year) (name of authorized signer)

_____ as Chair
(type of authority)

and by David J. Hough
(name of authorized signer)

as Executive Director of Hennepin County Regional Railroad Authority
(type of authority) (name of grantor)

(Stamp)

(signature of notarial officer)

Title (and Rank): _____

My commission expires: _____
(month/day/year)

THIS INSTRUMENT WAS DRAFTED BY:
(insert name and address)

Hennepin County Attorney's Office
300 South Sixth Street
Minneapolis, MN 55487

TAX STATEMENTS FOR THE REAL PROPERTY DESCRIBED IN THIS INSTRUMENT SHOULD BE SENT TO:

(insert name and residential or business address of grantee)

Carver County
Adm. Administration
602 4th St E
Chaska, MN 55318-2102

Exhibit A to Quit Claim Deed

Legal description of "Property"

Parcel 1

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Northwest Quarter of the Northwest Quarter of Section 5, Township 116, Range 23.

Parcel 2

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Northeast Quarter of the Northeast Quarter of Section 6, Township 116, Range 23.

Parcel 3

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Southeast Quarter of the Northeast Quarter of Section 6, Township 116, Range 23.

Parcel 4

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Southwest Quarter of the Northeast Quarter of Section 6, Township 116, Range 23.

Parcel 5

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Northwest Quarter of the Southeast Quarter of Section 6, Township 116, Range 23.

Parcel 6

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the North Half of the Southwest Quarter of the Southeast Quarter of Section 6, Township 116, Range 23.

Parcel 7

Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the South Half of the Southwest Quarter of the Southeast Quarter of Section 6, Township 116, Range 23.

Parcels 8 & 9

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the

Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Southeast Quarter of the Southwest Quarter of Section 6, Township 116, Range 23, now known as Outlot D, South Lake Virginia Shores Addition.

Parcel 10

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Northeast Quarter of the Northwest Quarter of Section 7, Township 116, Range 23.

Parcel 11

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Northwest Quarter of the Northwest Quarter of Section 7, Township 116, Range 23.

Parcel 12

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across Government Lot 1 of Section 7, Township 116, Range 23.

Parcel 13

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Northwest Quarter of the Southwest Quarter of Section 7, Township 116, Range 23.

Parcel 14

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across Government Lot 2 of Section 12, Township 116, Range 24.

Parcel 15

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across Government Lot 7 of Section 12, Township 116, Range 24.

Parcel 16

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across Government Lot 8 of Section 12, Township 116, Range 24.

Parcel 17

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across the Northeast Quarter of the Northwest Quarter of Section

13, Township 116, Range 24.

Parcel 18

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across Government Lot 1 of the Northwest Quarter of the Northwest Quarter; together with the following described parcels of land:

Beginning at a point where the South right of way line of the Minneapolis and St. Louis Railway Company crosses the West line of Section 13, Township 116, Range 24; thence South along said section line 35 feet; thence Northeasterly along and parallel to said railway 260 feet; thence Northwesterly and at right angle to said line 33 feet to said right of way line and thence Southwesterly along said line to the point of beginning.

Beginning at the point where the North right of way line of the Minneapolis and St. Louis Railway crosses the West line of Section 13, Township 116, Range 24; thence North along said section line 13 feet; thence Northeasterly along and parallel to said line a distance of 220 feet; thence Southeasterly at right angles to said railroad line 12 feet to the right of way line; thence Southwesterly along said right of way to point of beginning.

All of the above strips and parcels of land being located in Government Lot 1 of the Northwest Quarter of the Northwest Quarter, Section 13, Township 116, Range 24 and excepting therefrom the following:

That part of Government Lot 1 of the Northwest Quarter of the Northwest Quarter of Section 13, Township 116 North, Range 24 West of the Fifth Principal Meridian, bounded and described as follows: Beginning at a point on the Southeasterly boundary line of the right of way of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company), being a line drawn parallel with and distant 50 feet Southeasterly, measured at right angles, from the center line of the main track of said Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company), as said main track was originally located and established across said Government Lot 1, said point being distant 657.3 feet Northeasterly, measured along said parallel line, from the West line of said Government Lot 1; thence Northeasterly along said parallel line a distance of 390 feet; thence Northwesterly along a line at right angles to the last described course, a distance of 25 feet, more or less, to a point distant 10 feet Southeasterly, measured at right angles, from the center line of a spur track of the Chicago and North Western Transportation Company (ICC #14), as now located and established; thence Southwesterly, along a line parallel with said spur track center line, a distance of 390 feet, more or less, to a point on a line drawn at right angles through the point of beginning; thence Southeasterly along said right angle line, a distance of 25 feet, more or less, to the point of beginning.

That part of Government Lot 1 of the Northwest Quarter of the Northwest Quarter of Section 13, Township 116 North, Range 24 West of the Fifth Principal Meridian, bounded and described as follows: Commencing at a point on the West line of said Government Lot 1, distant 83 feet Southeasterly, measured radially, from the center line of the main track of the Minneapolis and St. Louis Railway Company (now Chicago and

North Western Transportation Company), as said main track was originally located and established across said Section 13; thence Northeasterly along a line parallel with said center line, a distance of 260 feet; thence Northwesterly along a line drawn radially to said center line, a distance of 33 feet, more or less, to a point distant 50 feet Southeasterly, measured radially, from said center line, said point being the point of beginning of the land herein described; thence continuing Northwesterly along said radial line, a distance of 30 feet, more or less, to a point distant 9 feet Southeasterly, measured radially, from the center line of a spur track of said Chicago and North Western Transportation Company (ICC #14), as now located and established; thence Northeasterly along a line parallel with said spur track center line a distance of 343 feet, more or less, to a point on a line drawn at right angles through the center line of the main track of the Chicago and North Western Transportation Company, as now located and established, distant 560 feet Northeasterly measured along said center line, from the West line of said Government Lot 1; thence Southeasterly along said last described right angle line a distance of 70 feet, more or less, to a point on the Northwesterly line of a public highway located upon said Government Lot 1; thence Southwesterly along the Northwesterly line of said public highway a distance of 270 feet, more or less, to a point distant 50 feet Southeasterly, measured radially, from the original main track center line of said Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company); thence Southwesterly parallel with said original center line a distance of 75 feet, more or less, to the point of beginning.

That part of Government Lot 1 of the Northwest Quarter of the Northwest Quarter of Section 13, Township 116 North, Range 24 West of the Fifth Principal Meridian, bounded and described as follows: Commencing at the intersection of the West line of said Government Lot 1 and the center line of the main track of the Chicago and North Western Transportation Company, as now located and established; thence Northeasterly along said main track center line, a distance of 560 feet; thence Southeasterly along a line at right angles to the last described course, a distance of 23 feet, more or less, to a point distant 8.5 feet Southeasterly, measured at right angles, from the center line of a spur track of the Chicago and North Western Railway Company (ICC #14), as now located and established, for the point of beginning of the parcel of land herein described; thence continuing Southeasterly along said right angle line, a distance of 68 feet, more or less, to a point on the Northwesterly line of a public highway located upon said Government Lot 1; thence Northeasterly along the Northwesterly line of said public highway a distance of 67 feet, more or less, to a point on a line drawn at right angles through the Southeasterly boundary line of the right of way of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company), being a line drawn parallel with and distant 50 feet Southeasterly, measured at right angles and radially, from the center line of the main track of said Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company), as said main track was originally located and established across said Government Lot 1, at a point distant 657.3 feet Northeasterly, measured along said last described parallel line, from the West line of said Government Lot 1; thence Northwesterly along said last described right angle line a distance of 78 feet, more or less, to a point distant 8.5 feet Southeasterly, measured at right angles, from the center line of said spur track ICC #14; thence Southwesterly along

a line parallel with said spur track center line, a distance of 70 feet, more or less, to the point of beginning.

Parcel 19

A strip of land 100 feet in width, the same being 50 feet on each side of the center line of the Minneapolis and St. Louis Railway Company (now Chicago and North Western Transportation Company) as located over and across Government Lot 1 of Section 14, Township 116, Range 24. Together with and including all of the Hennepin County Regional Railroad Authority's right, title and interest in and to bridges A35.9, A36.0 and A34.20, presently located on the above described real estate.

Exhibit B to Quit Claim Deed
Restrictions, Terms, and Conditions on “Property”

Grantee agrees that the real property described on Exhibit A (“Property”) shall only be used for transportation purposes, including, but not limited to, light-rail and pedestrian or public recreational trail purposes.

Grantee shall not use, or permit any use on, the Property for any purpose that is inconsistent with, or interferes with the use of the Property as a transportation corridor. It is the express intent of the Grantor and the Grantee that this use restriction shall be a burden running with the land and shall be binding upon the successors or assigns of Grantee.

Grantee, for itself, and its successors or assigns, agrees that if all, or a part, of the Property described on Exhibit A is sold by Grantee for other than nominal consideration, then Grantor and Grantee shall be entitled to split equally all of the net proceeds of the sale, with 50% of the net proceeds going to Grantee and 50% of the net proceeds going to Grantor. For the purposes of this paragraph, the term “net proceeds” shall mean the total sales price less any customary charges or expenses associated with a commercial real estate transaction in the Minneapolis-St. Paul metropolitan area at the time of the sale.