# **Business Item**

Metropolitan Parks and Open Space Commission



Community Development Committee Meeting: August 18, 2025 For the Metropolitan Council: Sept 10, 2025

# Business Item: 2025-196

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

**District(s), Member(s):** District A, Monica Dillenburg

District 1, Judy Johnson

Policy/Legal Reference: Minn. Const. art. XI, sec. 15; Minn. Stat. § 473.315; 2050

Regional Parks and Trails Policy Plan, Section 3, Natural Systems Policy Action 1: Locate and acquire land; Section 5, Planning Policy Action 1: Long-range plan requirements; Section 8, Finance Policy Action 3: Park Acquisition

Opportunity Fund; FM 15-2 Grant/Loan Approval Policy, FM

14-2 Expenditures for the Procurement of Goods and

Services Policy.

Staff Prepared/Presented: Jessica Lee, Planning Analyst, 651-602-1621

Division/Department: Community Development / Regional Planning

# **Proposed Action**

That the Metropolitan Council:

- 1. Approve a grant of up to \$405,155 from the Park Acquisition Opportunity Fund to Three Rivers Park District to acquire a 1.14-acre parcel located at 17060 Dayton River Road in Dayton, MN, for the West Mississippi River Regional Trail.
- 2. Authorize the Executive Director of Community Development to execute the grant agreement and restrictive covenant on behalf of the Council.

# **Background**

# Regional Park Implementing Agency and Project Request

Three Rivers Park District requested a Park Acquisition Opportunity Fund (PAOF) grant on May 14, 2025, to fund the acquisition of 1.14 acres for the West Mississippi River Regional Trail. A copy of the Agency's request is attached to this item as Exhibit 2 with application details in Exhibit 3.

The West Mississippi River Regional Trail when completed will span 20 miles adjacent to or near the Mississippi River in northeast Hennepin County, connecting the communities of Dayton, Champlin, Brooklyn Park and Brooklyn Center. For a map of the entire regional trail, see Exhibit 1, Figures 1 and 2. Exhibit 1, Figure 3 shows the Dayton segment of the regional trail, and Figure 4 shows the subject parcel and nearby park property. The trail is within the National Park Service's Mississippi National River Recreation Area. Additionally, the regional trail is part of the National Mississippi River Trail that spans the entire length of the Mississippi River from the headwaters at

Itasca State Park to the mouth of the river in Louisiana.

# Subject Property

The subject 1.14-acre property is within the Council-approved boundary of the West Mississippi River Regional Trail. The property is situated along the Mississippi River and is partially in the river floodplain. The upland portion of the property contains dense forest along the eastern property boundary. The home will be removed from the property with the materials made available for reuse when possible.

# 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 \$460,000, 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 \$540,206, as shown in Table 1 below.

Table 1. Project Budget

Requested amount
\$460,000
\$17,706
\$2,500
\$60,000
\$540,206

Grant structure	
Grant amount	\$405,155
Local match	\$135,051

# 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 2050 Regional Parks and Trails Policy Plan
  - Planning Policy Strategy 1 requires that before an Agency can receive a grant for acquisition, the proposed project must be consistent with a Council-approved long-range plan. The Council approved the West Mississippi River Regional Trail long-range plan in

- 2018 (<u>Business Item 2018-85</u>). The proposed acquisition is within the boundaries of the approved long-range plan.
- Natural Systems and Policy Action 1 prioritizes the acquisition of lands with natural resource features, access to water, and/or restoration potential for the Regional Parks System. The subject property is necessary to complete the West Mississippi River Regional Trail and contains 150 linear feet of Mississippi River shoreline.
- Finance Action 3 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.

# **Imagine Lens Analysis**

On February 12, 2025, the Council adopted Imagine 2050, which builds on the policy direction established in Thrive MSP 2040. Under the Imagine lens, this request is consistent with the Regional Core Value of Stewardship. The Council's investment in the West Mississippi River Regional Trail will provide access to nature and the outdoors and enhance quality of life in the region, which is consistent with several of our Regional Goals including "Our communities are healthy and safe" and "We protect and restore natural systems."

# **Funding**

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

Three Rivers Park District will provide a local match of \$135,051.

## **Exhibit List**

Exhibit 1: Images

Exhibit 2: Grant request letter

Exhibit 3: Grant application

Exhibit 4: Appraisal excerpt

Exhibit 5: Board approval

Exhibit 6: Purchase agreement

# Exhibit 1 - Images

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

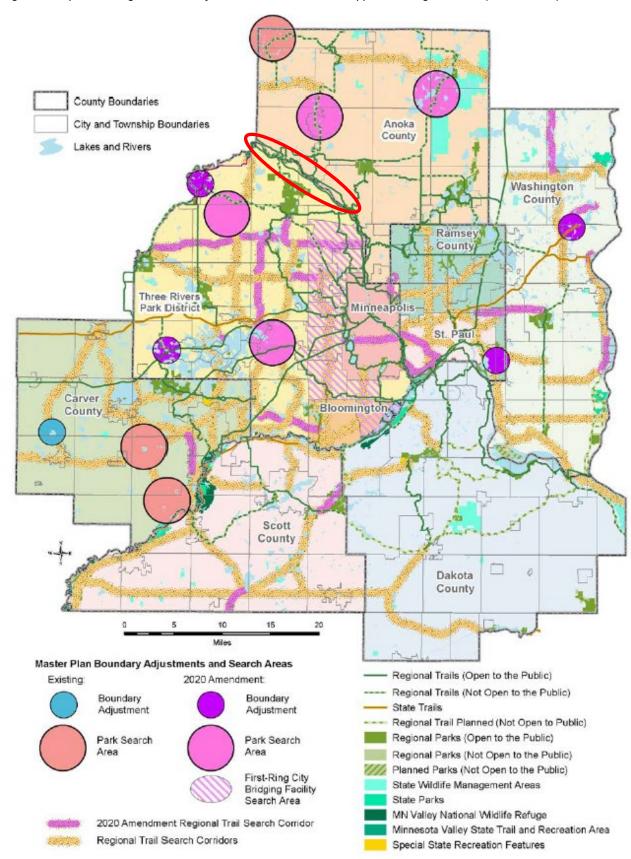


Figure 2. Excerpt from the West Mississippi River Regional Trail long-range plan showing a map of the regional trail, with the approximate location of the subject property starred.



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

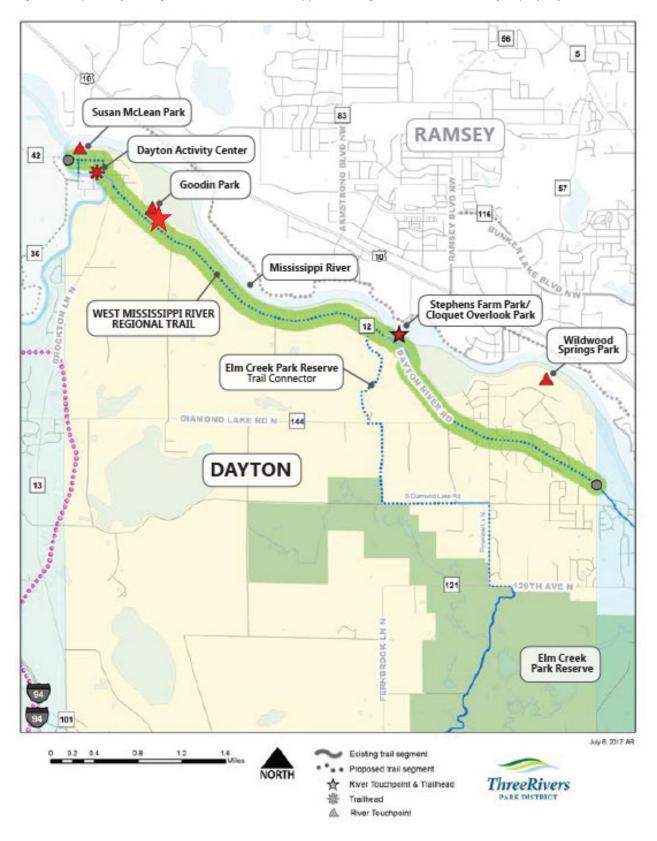
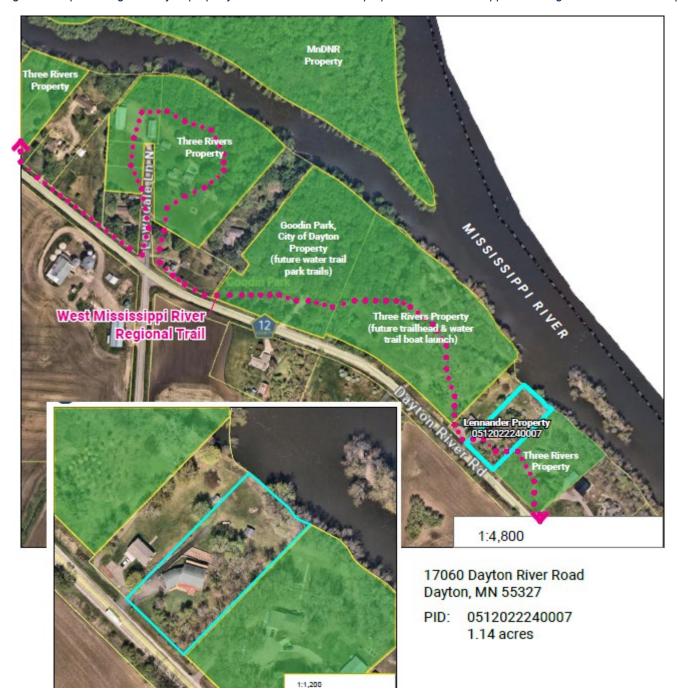


Figure 4. Map showing the subject property outlined in blue and the proposed West Mississippi River Regional Trail location in pink.



# **Exhibit 2: Grant request letter**



Three Rivers
Park District
Board of
Commissioners

Marge Beard District 1

Jennifer DeJournett Vice Chair District 2

> Erin Kolb District 3

Louise M. Segreto District 4

> John Gibbs Chair District 5

Jan Guenther Appointed At Large

Jesse Winkler Appointed At Large

Boe Carlson Superintendent May 14, 2025

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

RE: Trail Acquisition Opportunity Grant Fund Request

West Mississippi River Regional Trail: Lennander Property

17060 Dayton River Road, Dayton, Minnesota

PID: 0512022240007

Dear Emmett,

Three Rivers Park District respectfully requests a Park Acquisition Opportunity Grant for West Mississippi River Regional Trail in the amount of \$405,155 for acquisition of 1.14 acres located along the Mississippi River in the City of Dayton. Please process this request and forward to the Metropolitan Parks Open Space Commission, Community Development Committee, and Metropolitan Council for consideration and approval.

### **Background Summary**

Three Rivers is pursuing acquisition of properties along the West Mississippi River Regional Trail (WMRRT). The WMRRT is designated as a destination regional trail and is envisioned to function as a linear park or greenway, both connecting people to the Mississippi River and improving natural resources along the corridor. Acquisition of this property supports the long-term vision of the WMRRT corridor by preserving and restoring the existing natural resources along the Mississippi River.

### Regional Recreation Amenity

Acquisition of this parcel is critical to the long-term WMRRT vision. When complete, the regional trail will span over 20.2 miles from the confluence of the Mississippi and Crow Rivers in Dayton to the Grand Rounds in Minneapolis, thereby connecting the communities of Dayton, Champlin, Brooklyn Park and Brooklyn Center.

## Natural Resource Summary

During the planning for the WMRRT, parcels directly along the Mississippi River were identified so that the trail corridor could act as a buffer and provide some additional level of protection of the river. The property totals 1.14 acres including floodplain and forest.

# Funding Request

Three Rivers requests FY2026 Metropolitan Council acquisition funding consideration at the Council's earliest opportunity as the closing of the property will occur on September 29, 2025.

Thank you for your continued assistance through this process.

Ann Rexine

Principal Planner

Ann Rexine

C: Jonathan Vlaming, Associate Superintendent

Kelly Grissman, Director of Planning

Jessica Lee, Metropolitan Council

# **Exhibit 3: Grant application**







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#### 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 | Negotiation | Annotations(0) | Versions | Feedback | Withdraw

#### 23171 - FY2026 Park Acquisition Opportunity Fund Program - Final Application

## 24723 - Lennander Property - West Mississippi River Regional Trail **Parks Grants Acquisition**

Status: **Under Review**  Submitted Date:

05/16/2025 10:59 AM Submitted By:

Middle Name

Rexine

Ann Rexine

## Applicant Information

#### **Primary Contact:**

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

Name:\* She/her/her

Principal Planner

Department:

Title:\*

Email:\* ann.rexine@threeriversparks.org

Address:\* 3000 Xenium Lane North

**Plymouth** 

Minnesota

First Name

55441 Postal Code/Zip

Phone:\* 763-694-1103

Ext.

Fax:

What Grant Programs are you most

interested in?'

Regional Solicitation - Bicycle and Pedestrian Facilities

**Organization Information** 

Name:\* THREE RIVERS PARK DISTRICT

Jurisdictional Agency (if different):

Organization Type:

Organization Website:

Address: RESERVATIONS

3000 XENIUM LN N

**PLYMOUTH** 55441-2661 Minnesota

County: Hennepin Phone:\* 763-559-6700

Fax:

PeopleSoft Vendor Number 0000057347A1

### Project description

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

Park or trail name West Mississippi Regional Trail

Master plan

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

Is the project consistent with a Council-

approved master plan?

If yes, name of master plan and date of

Council approval

West Mississippi River Regional Trail Master Plan

04/25/2018

Name of master plan

Council approval date - Format: mmddyyyy (Do not enter any punctuation.)

Ext

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

**Acquisition method** 

Acquisition method Fee title

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

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

Does this acquisition involve eminent

domain?

No

### **Eminent domain**

If eminent domain is being used:

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

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

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

Date the petition was filed.

Settlement date

#### **Public domain**

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

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

No

If yes, describe/name the entity and the portion of the property it owns, as well as why this public-to-public transfer is necessary.

#### Closing date

The Council will process all acquisition requests expeditiously, but we do not guarantee that the approval process will be completed to meet your requested closing date. This date will be considered an estimate only. However, the acquisition must be completed during the standard one-year grant term unless prior approval is obtained from the Council or the grant term is amended.

Estimated closing date 09/29/2025

rmat: mmddyyyy (Do not enter any punctuation.)

Type of agreement Purchase Agreement

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?

Nο

#### 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 02/04/2025

Appraised value \$460,000.00

Amount being offered the seller (net of closing and other costs) \$460,000.00 100.0% 

\*\*Graph of appraised value\*\*

Who performed the appraisal? Nagal Appraisal & Consulting, Inc.

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

Three Rivers Park District

Survey

Was a survey done? No

Quality of natural resources - is the property...

...undeveloped?

Fully

Partially

...wooded?

Fully Partially

...shoreline? Yes

Partially

Describe the existing natural resources it contains

This property is situated along the Mississippi River and is partially in the river floodplain. The upland portion of the property contains dense forest along the western property boundary.

#### **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

No

property?

If yes, describe

The title committment (TBD) will typically show recorded easements including but not limited to; utility, access and drainage easements.

### 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 at http://metrocouncil.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

#### Structures currently on the property

Does the property contain ANY

structures?

Yes

If yes, are there any habitable

tructures?

Yes

Does the property currently contain any

revenue-generating businesses?

No

If yes, what is the plan for the

structure(s)?

Three Rivers Park District intends to remove the existing structures and return to open space.

If there are habitable structures, could they be relocated? If yes, how? If no,

why not?

At this time, it does not appear that the habitable structure can be relocated due to its split level construction into the property's topography.

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

The property contains a single-family residential home. The home is 2,300 finished square feet, was originally built in 1979 and is in average condition.

#### 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.

## Stewardship and minimal access

Describe the stewardship plan.

The structures will be demolished and the land will be restored to natural open space.

How will the stewardship implementation be funded?

Stewardship efforts on this property will be funded by the PAOF grant and in-kind by Three Rivers Natural Resources and Management staff.

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

Agricultural, Residential

Select as many as apply

Adjacent land uses

Residential
Select as many as apply

Inspection

Does the property contain any of the

following?

Wells, Septic, Potential asbestos-containing materials

Select as many as appl

# 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
Thomas G Lennander	17060 Dayton River Road	0512022240007	1.14	05/15/2025	Yes	34A	Dayton	Hennepin	1	Α	45.23183627367711	-93.49680731839567
			1.14									

# Local match

Source of local match

Three Rivers G.O. Bond Funds and Legacy Funding

# Grant agreement signatories

Full name Title If this is an attorney, is the signature 'for form only'?

Eric Quiring General Counsel Yes

Boe Carlson Superintendent and Secretary to the Board No

# **Acquisition Costs**

Cost Items		Amount	State funds	Metro funds	Match funds
Purchase price					
Negotiated purchase price		\$460,000.00	\$207,000.00	\$138,000.00	\$115,000.00
Appraisal expenses					
Appraisal		\$1,400.00	\$630.00	\$420.00	\$350.00
Appraisal review		\$0.00	\$0.00	\$0.00	\$0.00
Environmental expenses					
Phase I environmental site assessment		\$2,500.00	\$1,125.00	\$750.00	\$625.00
Phase II environmental site assessment		\$0.00	\$0.00	\$0.00	\$0.00
Environmental contamination remediation		\$0.00	\$0.00	\$0.00	\$0.00
Holding expenses					
Interest		\$0.00	\$0.00	\$0.00	\$0.00
Land stewardship		\$60,000.00	\$27,000.00	\$18,000.00	\$15,000.00
Land development		\$0.00	\$0.00	\$0.00	\$0.00
Pro-rated share of all property taxes/assessments		\$1,173.00	\$528.00	\$352.00	\$293.00
Legal services and closing costs		\$1,845.00	\$830.00	\$554.00	\$461.00
Property tax equivalency payment-473.341		\$2,252.00	\$1,014.00	\$675.00	\$563.00
Relocation costs to seller		\$0.00	\$0.00	\$0.00	\$0.00
State deed tax/conservation fee		\$0.00	\$0.00	\$0.00	\$0.00
Title insurance		\$1,150.00	\$517.00	\$345.00	\$288.00
Well disclosure statement		\$50.00	\$23.00	\$15.00	\$12.00
Other holding		\$0.00	\$0.00	\$0.00	\$0.00
Other expenses					
Other expenses		\$9,836.00	\$4,426.00	\$2,951.00	\$2,459.00
	Totals	\$540,206.00	\$243,093.00	\$162,062.00	\$135,051.00

# **Total Estimated Acquisition Costs**

# Required Attachments - Acquisition

Attachment	Description	File Name	Туре	File Size
SECTION 1 - All of the following are required to BEGIN review unless otherwise indicated				
1.0 Grant request letter (REQ'D)	Grant Request Letter	Grant Request Letter-Lennander.pdf	pdf	313 KB
2.0 Master plan documentation (REQ'D)	Relevant pages from West Mississippi River Regional Trail Master Plan	Relevant Pages from WMRRT5_17_2018.pdf	pdf	1.5 MB
3.0 RECORDED Governing Board action authorizing grant request (REQ'D)	Board Meeting 5-15-25 minutes, official minutes will be adopted June 2025	Unofficial Minutes Excerpt from 05-15-25 for Lennander Propety Acquisition.pdf	pdf	40 KB
4.0 Signed purchase agreement/instrument (REQ'D)	Lennander Purchase Agreement	Lennander Purchase Agreement - Signed.pdf	pdf	482 KB
5.1 Appraisal report (REQ'D)	Appraisal report	Lennander Nagel Appraisal.pdf	pdf	5.6 MB
5.2 Appraisal review report (NOT req'd)				
5.3 Client's instructions to appraiser (REQ'D)	Client instructions	Clients Instructions to Appraiser Lennander Email Letter.pdf	pdf	718 KB
5.4 Title documentation (Req'd before finalization)				
6.1 Phase 1 ESA (if land may be contaminated or have abandoned wells)	To be added once complete	Lennander To be added to application once complete.docx	docx	21 KB
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	Lennander Legal Description	Lenannder Legal Description.docx	docx	26 KB
9.0 Land stewardship plan	Stewardship Plan	Lennander Stewardship Plan.docx	docx	23 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)	Lennander Hennepin County Map	Lennander HC Record2p.pdf	pdf	932 KB
13.2 For trails, parcel map showing trail route (Required for trails)	Lennander Property with Trail	Lennander Property Map.pdf	pdf	2.0 MB
13.3 Image documenting location of property within RPS unit (REQ'D)	Location of Property	Lennander Context Map.pdf	pdf	745 KB
13.4 GIS shape-file for property (REQ'D)	Lennander Shapefile	Lennander Property.zip	zip	17 KB
SECTION 5 - Invoices				

# **Exhibit 4: Appraisal excerpt**

# **SUMMARY OF IMPORTANT FACTS & CONCLUSIONS**



General Description:	Residential property
Report Type:	Appraisal Report
Current Use:	Single-family residential property
Special Assumptions:	None, see rear of report for standard assumptions
Site Size:	49,875 SF (1.14 acres)
Year Built:	1979
Finished Area:	2,300 SF
Zoning:	A1, Agricultural District
Highest and Best Use:	Current use
Property Rights Appraised:	Fee Simple Interest
Business Value / FF&E:	No business value or FF&E included
Value Type:	As-Is
Cost Approach:	Not Applied
Sales Comparison Approach:	\$460,000
Income Approach:	Not Applied
Final Value Opinion:	\$460,000

# **VALUE TYPE, CONDITION & STABILITY OF PROPERTY**

Type of Value:	This report provides an opinion of <u>Market Value</u> .
Condition of Value:	This report provides an opinion of the <u>as-is</u> value.
Occupancy of Property:	Properties like the subject are typically owner occupied. The subject appears to have a history of owner occupancy.

# INTENDED USE OF THE APPRAISAL

Intended Use:	The client intends to use the appraisal for <u>decision making regarding a</u> <u>potential purchase of the subject.</u>
Intended User(s):	Three Rivers Park District & Metropolitan Council & LCCMR  No party, other than the named client and listed intended users, may use or rely upon any part of this report without the prior written authorization of both the named client and the appraiser. This report is not valid unless it contains the original signatures in blue ink. Any unauthorized third party relying upon any portion of this report does so at its own risk. Client may not rely on this appraisal for any other use.

# DATE OF APPRAISAL

Effective Date:	February 4, 2025
Inspection Date:	February 4, 2025
Date of Report:	July 9, 2025

May 15, 2025

# 5C. West Mississippi River Regional Trail: Acquisition Opportunity

MOTION by Guenther, seconded by Segreto, TO APPROVE A PURCHASE AGREEMENT IN THE AMOUNT OF \$460,000 FOR THE ACQUISITION OF PROPERTY FOR THE WEST MISSISSIPPI RIVER REGIONAL TRAIL OFF OF DAYTON RIVER ROAD (PID 0512022240007) IN THE CITY OF DAYTON; TO ENTER INTO AN ACQUISITION REIMBURSEMENT GRANT WITH THE METROPOLITAN COUNCIL; AND TO ESTABLISH A PROJECT BUDGET IN THE AMOUNT OF \$545,000 WITH LOCAL FUNDING FROM THE LAND ACQUISITION DEVELOPMENT AND BETTERMENT FUND.

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

**MOTION ADOPTED** 

### **PURCHASE AGREEMENT**

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

### **RECITALS**

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

**WHEREAS**, Seller owns property located at 17060 Dayton River Road, Dayton, Minnesota, legally described on Exhibit A hereto ("Subject Property"), containing approximately 1.14 acres; and

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

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

- **1. Conveyance**. Seller hereby agrees to convey to Buyer and Buyer agrees to accept from Seller the Subject Property together with all improvements and fixtures.
- **2.** <u>Consideration</u>. In consideration of the conveyance, transfer and delivery by the Seller to the Buyer of the Subject Property, the Buyer shall pay to the Seller the sum of Four Hundred Sixty Thousand Dollars (\$460,000) ("Purchase Price") at Closing.
- **3.** <u>Deed/Marketable Title</u>. Subject to performance by the Buyer, Seller agrees to execute and deliver a Warranty Deed in recordable form conveying marketable title to Subject Property subject only to the following exceptions:
  - (a) Building and zoning laws, ordinances, State and Federal regulations; and
  - (b) Reservation of any minerals or mineral rights to the State of Minnesota.
- **4.** Real Estate Taxes. Real estate taxes due and payable in the year of Closing shall be prorated between Seller and Buyer on a calendar year basis to the actual date of Closing. Seller shall pay the prorated portion of the real estate taxes up to and including the date prior to the date of Closing. Buyer shall pay its prorated portion of the real estate taxes from and after the date of Closing. Real estate taxes payable in the years prior to Closing shall be paid by Seller on or before the date of Closing. Real estate taxes payable in the years subsequent to Closing shall be paid by Buyer.

- **5.** <u>Special Assessments</u>. Seller shall pay on or before the date of Closing all special assessments levied or pending against the Subject Property as of the date of Closing.
- **6.** <u>Prorations</u>. Except as otherwise provided herein, all items customarily prorated and adjusted in connection with the Closing of the sale of the Subject Property shall be prorated as of the date of Closing. It shall be assumed that the Buyer will own the Subject Property for the entire date of the Closing.
- **7.** <u>Damages To Real Property</u>. Except for Buyer's inspection activities pursuant to Section 8(d), if there is any loss or damage to the Subject Property between the date hereof and the date of Closing, for any reason, the risk of loss shall be on the Seller. Seller shall notify Buyer of loss or damage to the Subject Property promptly upon such occurrence. If the Subject Property is destroyed or damaged before the Closing, this Agreement shall become null and void, at Buyer's sole option. Buyer shall have the right to terminate this Agreement within 30 days after Seller notifies Buyer of such damage. If Buyer elects to not terminate this Agreement, the proceeds of all insurance covering the Subject Property conveyed by this Agreement payable by reason of such damage or destruction shall be paid to Buyer.

# 8. Title and Documents.

- (a) <u>Documents and Information to be provided</u>. Within 15 days after the acceptance of this Agreement by the parties hereto, Seller shall provide Buyer with the following:
  - (i) Copies of any environmental audits or assessments of the Subject Property that are in Seller's possession.
  - (ii) Copies of any certificates, authorizations, permits, licenses and approvals which have been issued covering the Subject Property.
  - (iii) Copies of any surveys of the Subject Property that are in Seller's possession.
  - (iv) Copies of any written agreements affecting the ownership and use of the Subject Property known to Seller.
  - (v) An abstract of the Subject Property if in Seller's possession.
- (b) <u>Title Commitment</u>. Buyer agrees to obtain an owner's title commitment. Buyer shall pay the title commitment fee and shall pay the premium for any title insurance desired by Buyer.
- (c) <u>Review of Commitment</u>. Buyer shall have 30 days after receipt of the title commitment within which to object to the contents. If said objections are not made in writing within such time period, Buyer shall be deemed to have waived such objections. If Buyer objects to the contents of the title documents, Seller shall have 90 days from the date of such objections to make title marketable. If title is not made marketable within 90 days, this Agreement shall be null and void at the

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

- (d) Inspections; Document Review. With respect to all of the above items other than the title documents, Buyer shall have 90 days after delivery of the foregoing to Buyer during which to inspect all such items. Further, Buyer may inspect the Subject Property and conduct such other and further inspections or other review as seems necessary by Buyer during such period. If such review and/or inspection by the Buyer shall be unsatisfactory to Buyer, Buyer shall notify Sellers within such time period, and this Agreement shall be null and void at the sole discretion of the Buyer. If said period should expire without notice of Buyer's intention to terminate this Agreement, then this Agreement shall be considered in full force and effect and Buyer shall be deemed to have waived any objections based upon such review and inspection. Seller hereby grants Buyer and/or its agents the right to enter upon the Subject Property for the purpose of inspection and to prepare topological studies, planning, surveys, soil tests and other engineering studies, and environmental inspection and testing that may be deemed necessary; provided however that Buyer shall pay all costs thereof and shall protect, defend, indemnify, save and hold Seller and Subject Property harmless from and against any and all costs, damages and liabilities arising from entry upon inspection or testing of Subject Property, including but not limited to costs, damages and liabilities arising from mechanics, materialmens and other liens filed against Subject Property in connection with work performed or material furnished by or at the direction of Buyer and also any legal fees and court costs that may be expended or incurred in defending or releasing such liens. Notwithstanding anything to the contrary herein, this indemnification shall survive termination or cancellation of this Agreement.
- **9.** Environmental. To Seller's knowledge, and except as disclosed in the reports and other documents provided to Buyer, Seller's operations are in compliance with all applicable federal, state and local statutes, laws, rules, regulations, ordinances, orders, judicial or administrative decisions of any governmental authority or court of competent jurisdiction in effect and in each case, if applicable, as amended as of the Closing relating to (a) pollution of the environment, (b) a Release, as defined below, or threatened Release of Hazardous Materials, as defined below, or (c) the handling, storage, transport or disposal of Hazardous Materials (collectively, "Environmental Laws").

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

formaldehyde foam insulation or radon, and (c) any other chemical, material or substance, the handling, storage, transport or disposal of which is prohibited, limited or regulated by any governmental authority under applicable Environmental Laws.

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

- **10.** <u>Seller's Warranties</u>. As an inducement to Buyer to enter into this Agreement, and as part of the consideration therefore, Seller represents and warrants to and covenants with Buyer that to the best of Seller's knowledge at the time of Closing there are no persons in possession of the Subject Property, including, but not limited to tenants, licensees, or permittees.
- **11.** <u>Defaults/Right to Terminate</u>. In addition to the other rights to terminate this Agreement granted to each of the parties pursuant to this Agreement, either party may cancel this Agreement upon 30 day's written notice to the other party at any such time as such other party is in default of its agreements hereunder and remains in such default for 30 days following the written notice of such default.
- **12.** <u>Due Authorization</u>. Seller and Buyer hereby represent to the other that each has the requisite power and authority to execute this Agreement and the documents referred to herein and to perform its obligations hereunder and thereunder; and the individuals executing this Agreement and all such other documents that have a legal power, right and actual authority to bind each of the parties hereto to the terms and conditions of the Agreement and all other such documents. Further, each of the parties to this Agreement hereby represents to the other that its execution and performance of this Agreement and all other documents referred to herein shall not violate any applicable statute, ordinance, governmental restriction or regulation, or any prior restriction or agreement.

# 13. Closing; Contingencies.

- (a) <u>Performance at Closing</u>. Subject to satisfaction of Paragraphs 8 and 13(b) hereof, the Closing of the transaction contemplated by this Agreement shall take place at 3000 Xenium Lane North, Plymouth, MN 55441 on or before September 29, 2025 or at such other time as may be agreed upon between the parties.
  - (i) At the Closing Seller shall:
    - (a) sign an Affidavit of Seller confirming the absence of judgments, mechanics liens and unrecorded interests against the Subject Property not disclosed herein;

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

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

- 14. <u>Condemnation</u>. In the event of the initiation of proceedings for condemnation (or sale in lieu thereof) of any portion of the Subject Property prior to Closing, Buyer shall have the right to cancel this Agreement, in which case this Agreement shall be deemed null and void and neither of the parties shall have any further obligations. Conversely, Buyer may elect to purchase Subject Property and close the transaction notwithstanding such proceedings and, if Buyer shall so elect, all awards or payments made for such portion of Subject Property by the condemning authority to which Seller is entitled shall be paid to Buyer and Buyer shall proceed to close the transactions herein and pay the full Purchase Price to Seller.
- **15. Possession**. Seller shall deliver possession of the Subject Property on the date of Closing.
- **16.** Representations and Warranties. The obligations of the Buyer under this Purchase Agreement are contingent on the representations and warranties of Seller contained in this Purchase Agreement which must be true as of the date of this Agreement and on the date of Closing. All representations of the parties hereto shall survive Closing and delivery of the deed.
- **17.** No Intent to Acquire by Condemnation. Buyer and Seller agree that Buyer has not indicated an intent to acquire the Subject Property through eminent domain.
  - **18.** Time. Time is of the essence for performance of the terms of this Agreement.
- **19.** <u>Binding Effect</u>. The provisions of this Agreement shall inure to the benefit and shall be binding on representatives, successors and assigns of the parties hereto, provided that neither party hereto shall have the right to assign its rights or obligations hereunder without the prior consent of the other party.
- **20.** <u>Waivers</u>. No waiver of any of the provisions of this Agreement shall constitute a waiver of any other provision whether or not similar, nor shall any waiver be a continuing waiver. No waiver shall be binding unless executed in writing. Any party may waive any provision of this Agreement intended for its benefit; provided, however, such waiver shall in no way excuse the other party from the performance of any of its other obligations under this Agreement.
- **21.** <u>Amendment</u>. No amendment of this Agreement shall be effective unless set forth in writing expressing the intent to so amend and signed by both parties.
- **22.** <u>Notices</u>. Any notices to be provided pursuant to the terms of this Agreement shall be in writing and shall be given by personal delivery or by express courier or by deposit in U.S. Certified Mail, Return Receipt Requested, postage prepaid, addressed to the Buyer or Seller at the addresses set forth below or at such other address as either party may designate in writing. The date notice is given shall be the date on which the notice is delivered, if notice is given by personal delivery, or the date notice is sent by express courier or U.S. Mail if otherwise.

If to Seller: Thomas Lennander 17060 Dayton River Road Dayton, MN 55327 If to Buyer:
Three Rivers Park District
Office of the Superintendent
c/o General Counsel
3000 Xenium Lane North
Plymouth, MN 55441

- **23. Governing Law.** This Agreement is made and executed under and in all respects is to be governed and construed under the laws of the State of Minnesota.
- **24.** <u>Survival of Covenants</u>. All covenants, agreements, representations, and warranties contained herein shall survive delivery of the deed from Seller to Buyer and be enforceable by Seller or Buyer after delivery of the deed.
- **25. Entire Agreement.** This written Agreement constitutes the complete agreement between the parties and supersedes any and all other oral or written agreements, negotiations, understandings, and representations between the parties regarding the Subject Property.
  - **26. Brokers.** No brokers are involved in this real estate transaction.
  - **27. Disclosures.** Seller makes the following disclosures to Buyer:
    - (a) Seller is not a foreign person for purposes of income taxation, and Seller will provide Buyer with a FIRPTA Affidavit at Closing.
    - (b) Seller is not aware of any methamphetamine production that has occurred on the Subject Property.
    - (c) Seller is not aware of any human remains, burials or cemeteries located on the Subject Property.

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

Dated: 05-15-2025

Dated: 05-15-2075

Dated: 5 - 12 - 2025

THREE RIVERS PARK DISTRICT, a

public corporation and political subdivision

of the State of Minnesota

John Gibbs, Board Chair

Boe R. Carlson, Superintendent and Secretary to the Board

**SELLER:** 

Thomas Lennander