

Community Development Committee

Item: 2007-374

For the Metropolitan Council meeting of December 12,
2007

ADVISORY INFORMATION

Date Prepared: December 5, 2007

Subject: Request to Amend Land Exchange Approval for Cottage Grove Ravine Regional Park, Washington County

Proposed Action:

That the Metropolitan Council approve the Request to Amend Land Exchange Approval for Cottage Grove Ravine Regional Park, subject to execution of an agreement between the Metropolitan Council and Washington County specifying the terms and conditions of the land exchange.

Summary of Committee Discussion / Questions:

There was a discussion regarding the issue that all of the inholding parcels added to the park through the master plan update would be eligible to be used as replacement property for the 38.5 acre land exchange, and that these acquisitions would be the responsibility of Washington County and the City of Cottage Grove, at no expense to the Metropolitan Council. Clarification was provided by staff that one of the inholding parcels is currently for sale and Washington County would like to acquire the property to partially fulfill its land exchange obligation. The County strives to purchase land on a willing seller basis and avoid the use of eminent domain.

A question was asked if there would be a time element for the acquisition of the land exchange replacement properties outlined in the required agreement between the Metropolitan Council and Washington County. Staff responded that the original agreement in 2004 included a sunset date of December 31, 2015 and that date is proposed to remain intact.

C Community Development Committee

Meeting Date: December 3, 2007

ADVISORY INFORMATION

Date:	November 19, 2007
Subject:	Request to Amend Land Exchange Approval for Cottage Grove Ravine Regional Park, Washington County
District(s), Member(s):	District 12, Sherry Broecker
Policy/Legal Reference:	Park Policy Strategy 5(b)
Staff Prepared/Presented:	Jan Youngquist, Senior Planner–Parks (651-602-1029)
Division/Department:	Community Development/Regional Systems Planning and Growth Strategy, Parks

Proposed Action/Motion

That the Metropolitan Council approve the Request to Amend Land Exchange Approval for Cottage Grove Ravine Regional Park, subject to execution of an agreement between the Metropolitan Council and Washington County specifying the terms and conditions of the land exchange.

Issue(s)

Is amending the Council approval on Item No. 2004-162 to allow all of the inholding parcels within the updated master plan boundary of Cottage Grove Ravine Regional Park to be eligible as land exchange replacement property consistent with Strategy 5(b) of the *2030 Regional Parks Policy Plan*?

Overview and Background

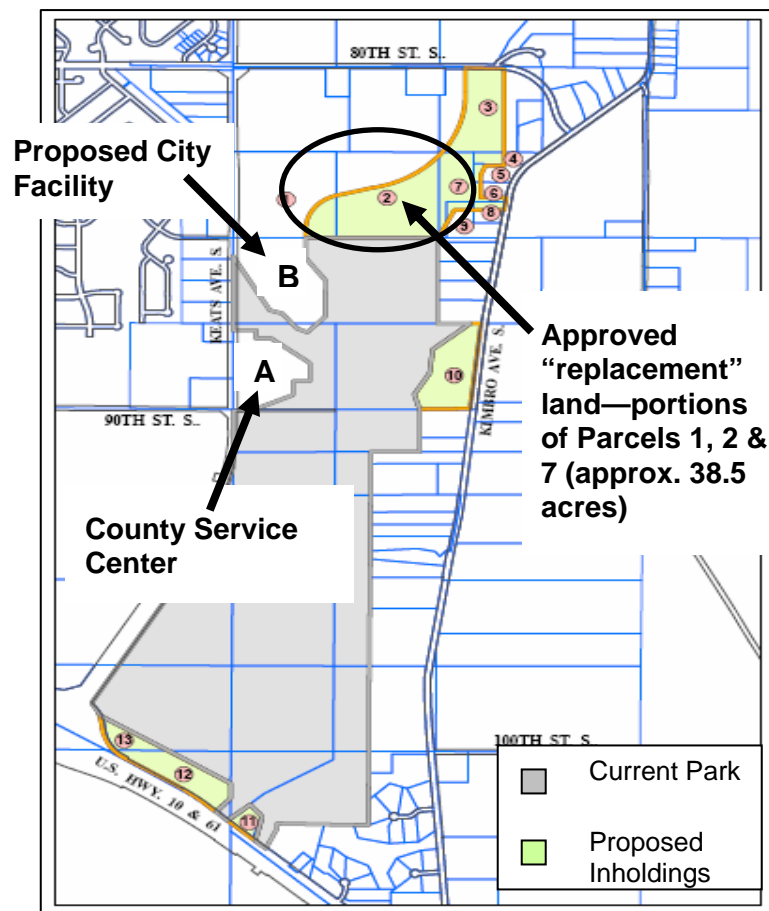
In May 2004, Washington County submitted a proposal to remove 38.5 acres of land in the northwest portion of Cottage Grove Ravine Regional Park for use as a joint public service center for the County and the City of Cottage Grove. The facilities were planned to likely include a city hall, community center, police department, county service center, county courts and a library.

On December 15, 2004, the Metropolitan Council took the following action:

Approve “the land exchange to convert no more than 38.5 acres of Cottage Grove Ravine Regional Park for a joint Cottage Grove/Washington County public service center in exchange for an equal amount of land northeast of the existing park boundary and release the restrictive covenant on those acres removed from Cottage Grove Ravine Regional Park subject to approval of the Attachment 4 agreement between Washington County and the City of Cottage Grove.”

In September 2005, the Metropolitan Council released the restrictive covenant on 17.7 acres of land for development of the Washington County Service Center (Parcel A on the map below), which is now open to the public. The acreage for the City of Cottage Grove facility (Parcel B on the map below) is still undeveloped and within the boundary of the park. Development of the City facility is not anticipated to commence until after 2009.

The request for the Metropolitan Council to approve the master plan update to the regional park (Item 2007-222) is being presented concurrently with this request. The master plan update proposes to expand the boundary of the park by adding approximately 100 acres of land, identified as proposed inholdings on the following map. Pending Council approval of the master plan update, Washington County would like to amend the land exchange approval (Item 2004-162) to permit the land exchange replacement property to include all of the inholding properties (Parcels 1-13 on the map), rather than limiting it to the area identified in the previous Council action.



The proposal would potentially allow Washington County to fulfill its obligation to replace the County Service Center property in a more timely fashion than waiting for the specified land to be listed for sale and to acquire land from willing sellers and avoid the use of eminent domain.

The Metropolitan Parks and Open Space Commission unanimously recommended approval of this request at its November 13, 2007 meeting.

METROPOLITAN COUNCIL
390 North Robert Street, St. Paul, MN 55101
Phone (651) 602-1000 TDD (651) 291-0904

DATE: October 31, 2007

TO: Metropolitan Parks and Open Space Commission

FROM: Jan Youngquist, Senior Planner-Parks (651) 602-1029

SUBJECT: (2007-374) Request to Amend Land Exchange Approval for Cottage Grove Ravine Regional Park, Washington County

INTRODUCTION

Washington County has submitted a request to amend the terms of the Metropolitan Council approval of a land exchange for Cottage Grove Ravine Regional Park. The original land exchange was approved by the Council on December 15, 2004 (Item 2004-162). *See Attachment 1, a letter from John Elholm dated October 30, 2007—Request to replace county service center land in Cottage Grove with parcels other than those specified in 2004 land exchange documents.*

AUTHORITY TO REVIEW

Regional park land proposed to be converted to another use can only be converted if the Metropolitan Council agrees to the conversion under the conditions in Park Policy Strategy 5(b), and agrees to release a restrictive covenant agreement on the land proposed to be converted. Park Policy Strategy 5(b) requires an exchange of equally valuable land and/or facilities to occur as a condition of approving the land use conversion and releasing the restrictive covenant.

BACKGROUND

In May 2004, Washington County submitted a proposal to remove 38.5 acres of land in the northwest portion of Cottage Grove Ravine Regional Park for use as a joint public service center for the County and the City of Cottage Grove. The facilities were planned to likely include a city hall, community center, police department, county service center, county courts and a library.

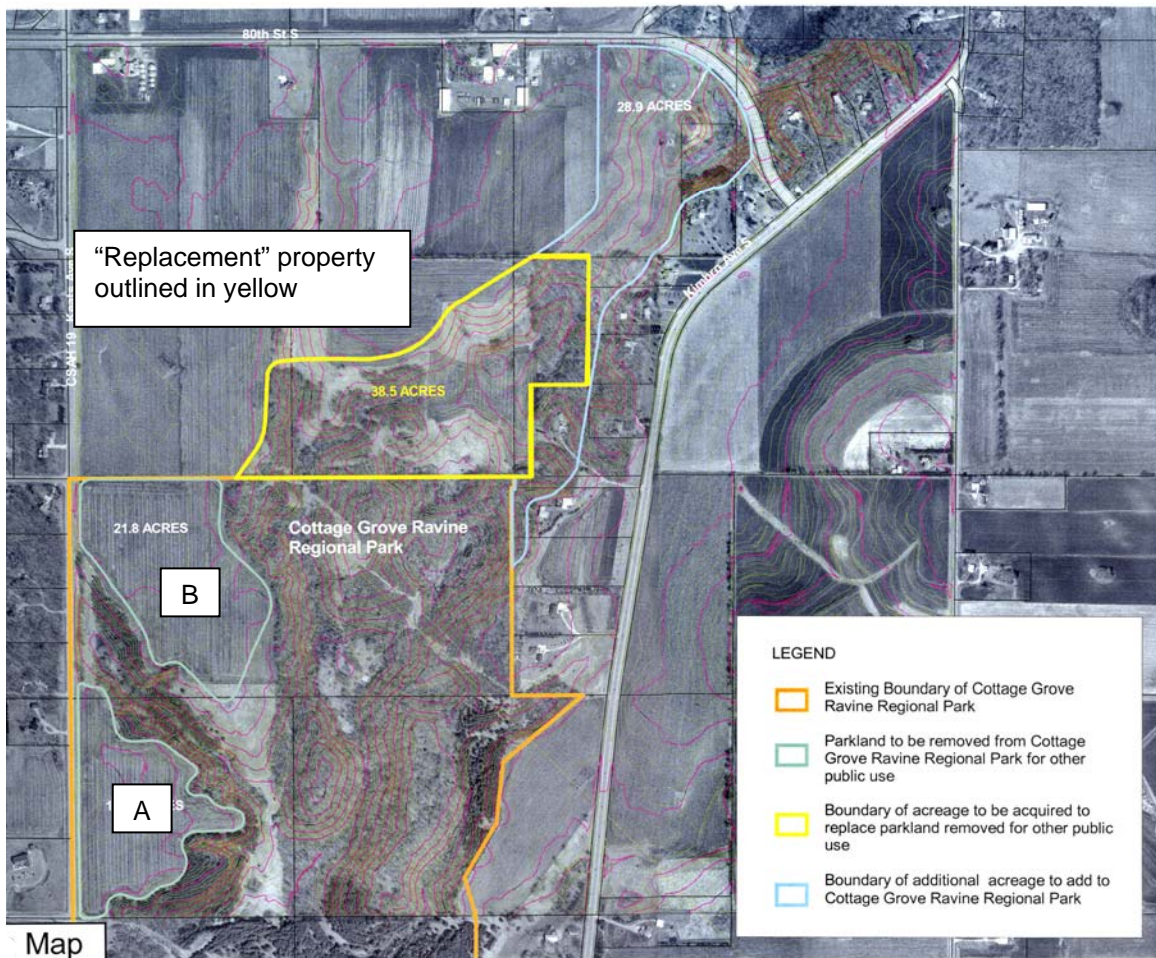
On December 15, 2004, the Metropolitan Council took the following action:

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The Council action approved the agreement between Washington County and the City of Cottage Grove, referenced in the Council action above as Attachment 4. *See Attachment 2 of this staff report for a copy of the executed agreement. (Washington County Cottage Grove Ravine Regional Park Land Transfer and Replacement Agreement with City of Cottage Grove)* The agreement essentially states that the land would be replaced on an acre per acre basis, the replacement land would be adjacent to the park and have natural characteristics similar to the park, and the timeframe for replacement would be January 1, 2006 to December 31, 2015.

The Council action also included a map of the land exchange parcels, which is shown below in Figure 1. The properties labeled “A” and “B” and outlined in pale green generally depict the 38.5 acres of land to be removed from the park for County/City service center uses. The property outlined in yellow generally depicts the 38.5 acres to be acquired and added to the park for the required land exchange.

Figure 1: Location map of Cottage Grove Ravine Regional Park land exchange

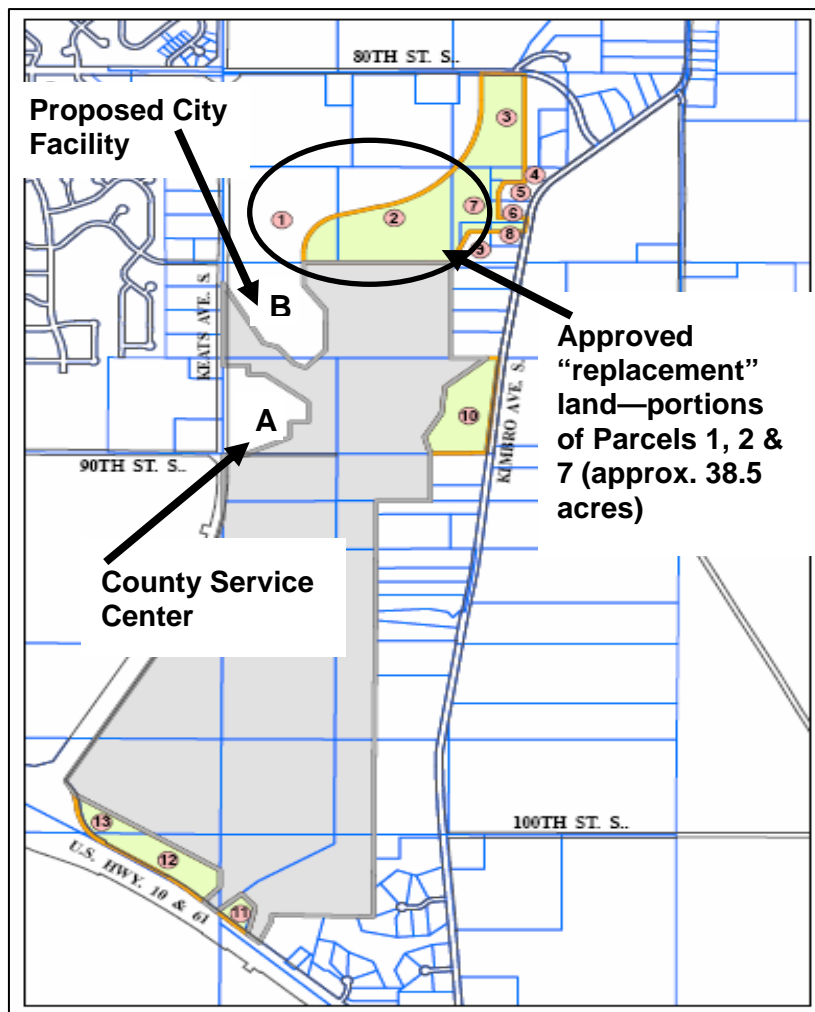


The 38.5 acres subject to removal from the park boundary was purchased with a Metropolitan Council grant (SG82-97) in 1988. As a condition of the grant, Washington County placed a restrictive covenant on the land, which stipulated that the property would not be used for any

purpose except regional recreation open space for public use, unless written approval of the Metropolitan Council is filed and recorded.

In September 2005, the Metropolitan Council released the restrictive covenant on 17.7 acres of land (Parcel A) for development of the Washington County Service Center, which is now open to the public. The acreage for the City of Cottage Grove facilities (Parcel B) is still undeveloped and within the boundary of the park. Development of the City facility is not anticipated to commence until after 2009. The 2004 Council action (Item 2004-162) allowed for no more than 38.5 acres of Cottage Grove Ravine Regional Park to be converted for a joint Cottage Grove/Washington County public service center. Since 17.7 acres of land has been converted for the County facility, no more than 20.8 acres of land within the regional park may be converted in the future for the City facility.

Figure 2—Park Boundary and Inholding Parcels



Washington County has updated its master plan for Cottage Grove Ravine Regional Park. The request for the Metropolitan Council to approve the master plan update (Item 2007-222) is being presented concurrently with this request. The master plan update proposes to expand the boundary at the northern and eastern edge of the park (Parcels 1-10—depicted in Figure 2). Previous master plans identified three inholding parcels for acquisition, located at the southern boundary of the park (Parcels 11, 12 and 13). The County anticipates acquiring only a portion of Parcels 1-9 and 13; Parcels 10-12 are slated for full acquisition. The master plan update proposes to add approximately 100 acres to the park (Parcels 1-13).

Pending Council approval of the master plan update, Washington County would like to amend the land exchange approval to permit the land exchange “replacement” property to include all of the inholding properties—Parcels 1-13. Current the approved land exchange replacement property is limited to portions of Parcels 1, 2 and 7, shown above in Figure 2.

Washington County has been approached by the owner of Parcel 10 with an offer to sell their property, which consists of approximately 15.8 acres. The County would like to purchase this property to partially fulfill their 17.7 acre land exchange obligation. The County also proposes to replace the remaining 1.9 acres through the acquisition of the next land within the park boundary that becomes available for purchase.

The proposal to expand the potential land exchange replacement properties to include all of the inholding parcels in the regional park would potentially allow Washington County to:

- Fulfill its obligation to replace the County Service Center property in a more timely fashion than waiting for the specified land to be listed for sale.
- Acquire land from willing sellers and avoid the use of eminent domain.

ANALYSIS:

Strategy 5(b) of the 2030 Regional Parks Policy Plan addresses the conversion of regional parks system lands to other uses. The following text in bold represents excerpts of Strategy 5(B) that are applicable to this request. Council staff analysis and responses follow in italicized text.

Strategy 5(b): Conversion of regional parks system lands to other uses

Lands in the regional parks system will only be converted to other uses if approved by the Metropolitan Council through an equally valuable land or facility exchange as defined below.

“Equally valuable land” is defined in this context as land that is contiguous to the regional parks system unit containing the land proposed to be exchanged (that is, only add and take away land in the same park/trail unit) and/or, the land has comparable or better natural resource characteristics and could provide comparable or better recreation opportunities as what is being exchanged.

The 38.5 acres of land being converted to City/County public service center uses consists of flat farmland that is suitable for public buildings. The land exchange replacement properties (Parcels 1, 2 and 7) identified in the 2004 Council action (Item 2004-162) include forest, wetlands and steep topography that complement the other natural resources features in the park, and thus have better natural resource characteristics.

Washington County is requesting that the other inholding properties (Parcels 3-6 and 8-13) also be eligible for the required land exchange replacement. Parcels 3-6 and 8-9 are adjacent to the approved land exchange parcels, with an extension of the steep slopes and forest land. These parcels are consistent with the City of Cottage Grove's East Ravine Land Use Plan and would help protect the drainageway between the regional park and 80th Street South. The updated master plan for this area calls for natural resources restoration and nature trails for recreation and education. Not only do these parcels have better natural resources characteristics than the land being exchanged—with the planned trail network, they provide better recreation opportunities as well.

Parcel 10, located on the east side of the park, is very similar to the land that was removed and has comparable natural resources features. The updated master plan also calls for trails on this property. These trails will provide access to the park from the east along Kimbro Avenue South, thus improving the trail network through the park and providing better recreation opportunities.

Parcels 11-13 are located on the south side of the park. Acquisition of these parcels will eliminate the potential for having structures in the view-shed of the proposed park overlook and would also reduce the potential for encroachment issues in the future. There is a small house on Parcel 11, and dense tree coverage buffering the lot from Highway 61. Parcel 12 includes farmland similar to the land being converted to the public service centers, an old house, some farm outbuildings, and a significant stand of trees. This dense stand of trees carries over to Parcel 13; the remainder of the lot is fallow. The farm and fallow land on Parcels 12 and 13 are comparable to the land being replaced. With the dense tree coverage on portions of Parcels 11, 12 and 13, they offer better natural resources characteristics than the land being removed from the park.

“Equally valuable facility” is defined as an exchange of land for facilities when recreational benefits and/or natural resource benefits are increased as a result of the exchange. For example, some land in a regional trail corridor may be exchanged to widen a highway if a highway department constructs a trail overpass or underpass of the widened road at no cost to the regional park implementing agency.

Since the original Council action (Item 2004-162) and the current request address replacement land rather than equally valuable facilities, this criteria is not applicable.

Regional parks system lands are protected through restrictive covenants when land is acquired. These covenants ensure that the land is used only for regional parks system purposes and cannot be broken or amended unless the Metropolitan Council approves.

As stated earlier in this staff report, the Metropolitan Council released the covenant on the land that was used for the Washington County Service Center. When the City of Cottage Grove

facility is developed, the Metropolitan Council will release the covenant on that property. The Council will require that restrictive covenants be recorded on all land exchange replacement properties.

The 2004 Metropolitan Council action approving the land exchange was subject to approval of the *Washington County Cottage Grove Ravine Regional Park Land Transfer and Replacement Agreement with City of Cottage Grove* (Attachment 2), which included the following terms for the land exchange replacement properties:

Washington County and the City of Cottage Grove will work jointly to replace acre for acre the land removed from Cottage Grove Ravine Regional Park, which the City and County proposed to use to build their public service facilities.

The request from Washington County does not seek to change the amount of acreage of the land exchange replacement property. Therefore, an acre for acre replacement will still be required.

The timeframe for replacement will be January 1, 2006 to December 31, 2015.

The request from Washington County to deem additional properties to be eligible to meet its land exchange replacement obligation provides more opportunities for the County to meet the December 31, 2015 deadline. Therefore, this condition should remain intact.

The replacement land shall be adjacent to the Cottage Grove Ravine Park and have natural characteristics similar to the park.

As described under the analysis of consistency with Strategy 5(b) above, all of the proposed replacement properties have natural characteristics similar to the park. These parcels are also adjacent to the regional park. Pending approval of the Cottage Grove Regional Park Master Plan update, these parcels are designated as inholdings within the master plan boundary of the park and are identified for future acquisition.

Council staff recommends that an agreement which outlines the new terms and conditions for land replacement be executed by the Metropolitan Council and Washington County.

CONCLUSIONS:

1. The request to amend the land exchange approval to make all inholding parcels eligible to be used for land exchange replacement property is consistent with the requirements of Strategy 5(b) of the *2030 Regional Parks Policy Plan* and the terms of the *Washington County Cottage Grove Ravine Regional Park Land Transfer and Replacement Agreement with City of Cottage Grove*.
2. Approval of this request is subject to Metropolitan Council approval of the Cottage Grove Ravine Regional Park Master Plan (Item 2007-222), which expands the park boundary to include inholding Parcels 1-10. Parcels 11-13 are already within the park's master plan boundary.

3. The Metropolitan Council and Washington County should enter into an agreement defining the terms and conditions of the land transfer. All inholding parcels will be eligible to be used as replacement land, pending approval of this request. The land exchange property shall be replaced on an acre for acre basis. The original timeframe of replacement from January 1, 2006 to December 31, 2015 shall remain the same.
4. The 2004 Council action (Item 2004-162) allowed for no more than 38.5 acres of Cottage Grove Ravine Regional Park to be converted for a joint Cottage Grove/Washington County public service center. Since 17.7 acres of land have been converted for the County facility, no more than 20.8 acres of land within the regional park may be converted in the future for the City facility.
5. Metropolitan Council grant funds were used to acquire the property being converted to the joint City/County service centers. Acquisition of the land exchange replacement property is the responsibility of Washington County and the City of Cottage Grove, as set forth in the executed agreement shown in Attachment 2. Acquisition of property to be used for land exchange replacement is not eligible for funding through the Council's Acquisition Opportunity Fund or Capital Improvement Program.

RECOMMENDATIONS:

That the Metropolitan Council approve the Request to Amend Land Exchange Approval for Cottage Grove Ravine Regional Park, subject to execution of an agreement between the Metropolitan Council and Washington County specifying the terms and conditions of the land exchange.

Attachment 1—Request Letter from Washington County



October 30, 2007

Jan Youngquist
Metropolitan Council
390 North Robert Street
St. Paul, MN 55101

Public Works Department
Parks Division

Donald J. Thelsen, P.E.
Director/County Engineer

John D. Elholm, CPRP
Parks Director

REQUEST TO REPLACE COUNTY SERVICE CENTER LAND IN COTTAGE GROVE WITH PARCELS OTHER THAN THOSE SPECIFIED IN 2004 LAND EXCHANGE DOCUMENTS

Dear Jan:

In November of 2004 (2004-162), the Metropolitan Council agreed to allow 16.5 acres +/- of land already purchased as part of Cottage Grove Ravine Regional Park to be removed from the park so the County could build a service center; and the council also agreed to release the restrictive covenant on the same land. As an exchange, Washington County agreed to replace the land removed for the service center on an acre for acre basis in the near future. The City of Cottage Grove and the Metropolitan Council entered into a similar agreement for 22 acres +/- that the City would like to use for similar purposes. The total land proposed at the time for the two projects was up to 38.5 acres, and a map of the proposed land exchange was included with the agreements. Please note: since the agreement between the county and council were approved in 2004, the county land was surveyed at 17.7 acres +/-, which is reflected below.

Recently, the Washington County Board of Commissioners adopted a master plan amendment for the park. The plan includes the 38.5 acres of additional land discussed above; as well as another 25.5 acres +/- in the same general area. In addition to this land, there is an additional 35.8 acres +/- proposed for addition to the park in other areas. In all, the plan proposes adding 100 acres +/- to the parcels that have already been acquired for the park.

Currently, an owner of one of the 'other' parcels of land within the new planned park boundary has approached the County with an offer to sell their 15.8 acre +/- parcel. This parcel is the Wozniak property, located on the east side of the park and fronting on Kimbro Ave. Washington County is interested in purchasing this property as 'replacement' land, instead of the parcels identified in the 2004 agreement. The purchase of the Wozniak property is desired, because:

- The land would replace the land in a much more timely fashion than waiting for the specified land to come up for sale.
- Washington County prefers to purchase land from willing sellers. Waiting for the specified land could result in the need to use eminent domain if the properties don't come up for sale in the specified period of time.
- The Wozniak property is very similar to the land that was removed for the County service center, and is included in the new Cottage Grove Ravine Regional Park master plan.
- The purchase of this 15.8 acre +/- parcel would leave 1.9 acres left for County replacement.

11660 Myeron Road North, Stillwater, Minnesota 55082
Phone: 651-430-4300 • Fax: 651-430-4350 • TTY: 651-430-6246
www.co.washington.mn.us

Equal Employment Opportunity / Affirmative Action

Letter to Ms. Jan Youngquist
Page 2
October 30, 2007

Washington County recognizes that we will not be reimbursed for the purchase of the Wozniak property if it's used as replacement land for the County service center. Washington County also agrees to put a restrictive covenant on the new parcel once it's acquired.

The County proposes using the next parcels that come available within the planned boundary of the park to replace the remaining 1.9 acres +/-, which may or may not be part of the originally identified land. A request for replacement will be submitted once a specific parcel is identified.

It should be noted that the Washington County Service Center has been built and is now open to the public. Construction on the City of Cottage Grove's portion has not yet begun. Cottage Grove's portion will continue to be managed by Washington County as park land until the City's project moves forward.

Washington County is interested in having this replacement land item reviewed by the Metropolitan Council's Park and Open Space Commission at their earliest convenience.

If you have any additional questions or need additional information, please let me know. I can be reached at (651) 430-4303 or at john.elholm@co.washington.mn.us .

Sincerely,



John D. Elholm
Parks Director

- c. Don Theisen, Public Works Director
- Wayne Sandberg, Public Works Deputy Director
- Sharon Price, Land Acquisition Manager
- Howard Blin, City of Cottage Grove

Attachment 2—Executed Land Transfer and Replacement Agreement between Washington County and the City of Cottage Grove Approved by the Metropolitan Council, referenced as Attachment 4 in the December 15, 2004 Council action (Item No. 2004-162)

ADMINISTRATION
ORIGINAL

**Washington County
Cottage Grove Ravine Regional Park
Land Transfer and Replacement Agreement
With
City of Cottage Grove**

WASHINGTON COUNTY
Contract # <u>3029</u>
Dept. <u>Trans & Phys. Dev.</u>
Div. <u>Parks</u>
Term <u>12/14/05</u>

THIS AGREEMENT, by and between the City of Cottage Grove, a municipal corporation, hereinafter referred to as the "City" and Washington County, a political subdivision of the State of Minnesota, hereinafter referred to as the "County".

WITNESSETH:

WHEREAS, the City and County desire to build future City and County facilities in close proximity to each other; and

WHEREAS, the City's concept land use plan (Exhibit A) for the East Ravine area has identified approximately 40 acres of land that is currently part of the northwest corner of the Cottage Grove Ravine Regional Park as a location for public service facilities; and

WHEREAS, both the City and the County have analyzed and prepared preliminary site investigations and designs for this approximately forty (40) acre site (Exhibit B), and;

WHEREAS, this property, most of which is now in agricultural use, is well suited for a County south service center, a main north entrance to the Cottage Grove Ravine Regional Park, City offices, community center, and related uses; and

WHEREAS, the City has done a feasibility study which analyzed the need for utilities and streets to serve this property, and found the location feasible; and

WHEREAS, the County wishes to request the Metropolitan Council to allow the County to take this 40 acres out of the Regional Park and put it to use as a location for City and County Public services facilities; and

WHEREAS, the Metropolitan Council must review and approve any plan that places City and County public institutional facilities on Regional Park land; and

WHEREAS, the Metropolitan Council requires a formal agreement between the County and City setting forth the parameters and timeframe for park land replacement; and

WHEREAS, a condition of Metropolitan Council approval will include a requirement that converted park lands be replaced acre for acre by adjacent land over a set time period; and

WHEREAS, the City and County have a common interest in preserving additional land that will protect and preserve the drainage alignment from Cottage Grove Ravine Regional Park to 80th Street; and

WHEREAS, the plans and conditions for park land replacement must be set forth in an agreement between the County and the City and forwarded to the Metropolitan Council.

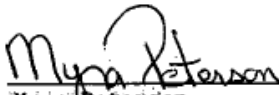
NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. Washington County and the City of Cottage Grove will work jointly to replace acre for acre the land removed from Cottage Grove Ravine Regional Park, which the City and County propose to use to build their public service facilities. The timeframe for replacement will be January 1, 2006 to December 31, 2015. The replacement land shall be adjacent to the Cottage Grove Ravine Park and have natural characteristics similar to the park.
2. Acquisition of the replacement lands will be by direct purchase, eminent domain, or park dedication.
 - a. If direct purchase or eminent domain is used to acquire the land, the County and the City will pay a pro-rata share of the acquisition costs based on percentage of the parkland acres used for the respective public institutional facilities.
 - b. If the land is obtained by the City through a land dedication to satisfy park dedication requirements for the subdivision of adjacent property, the County will reimburse the City for the loss of park dedication fees which would be paid to the City's Park Trust Fund if a land dedication were not accepted. The amount of this reimbursement will be based on a pro-rata share, based on the percentage of parkland areas used by the County, of the fees which would be collected at the time of the land dedication.
3. As a condition subsequent to this Agreement, an agreement which defines the terms and conditions of the planned County and City development of the parkland will be executed upon approval of the Metropolitan Council allowing for the conversion of Cottage Grove Ravine Regional Park to public institutional use. This agreement shall include specific terms including but not limited to ownership, financing, utilities, site development, architectural standards, and financing.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

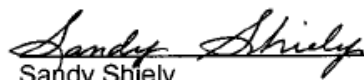
WASHINGTON COUNTY

CITY OF COTTAGE GROVE



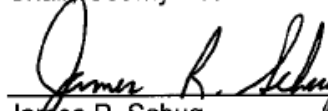
Myra Peterson
Chair, County Board

1/18/05
Date



Sandy Shiely
Mayor

1/7/05
Date



James R. Schug
County Administrator

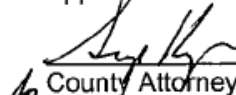
1/12/05
Date



Ryan Schroeder
City Administrator

1/2/05
Date

Approved as to form:



County Attorney

1/12/05
Date