

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

**DATE:** May 24, 2010  
**TO:** Metropolitan Parks and Open Space Commission  
**FROM:** Arne Stefferud, Planning Analyst-Parks (651-602-1360)  
**SUBJECT:** (2010-xxx) Park Acquisition Opportunity Grant for St. Croix Valley Regional Trail, Washington County

**INTRODUCTION**

In 2001, the Metropolitan Council established a Park Acquisition Opportunity Fund grant program to assist regional park agencies in acquiring land for the Metropolitan Regional Park System. Land that is acquired must be within Metropolitan Council approved master plan boundaries for that particular park or trail unit. To-date, about \$19.7 million has been granted for the acquisition of 1,819 acres. The total related acquisition costs and market value of this land is about \$58.4 million. (See **Attachment 1** for a list of all grants awarded to-date).

Washington County has requested a Park Acquisition Opportunity Fund grant of \$198,436 to finance a portion of the cost to acquire 1.8 acres of the Pontius parcel including shoreline and a bluff face of the west bank of the St. Croix River within the approved boundary of the St. Croix Valley Regional Trail. (See **Attachment 2** for grant request letter).

This memorandum analyzes this request against the rules for Park Acquisition Opportunity Fund grants. The memorandum recommends approving the grant. If the \$198,436 grant is awarded, there would be \$4,995,942 for future land acquisitions.

**AUTHORITY TO REVIEW**

Minnesota Statute Section 473.315 authorizes the, “Metropolitan Council, with the advice of the Metropolitan Parks and Open Space Commission, to make grants from any funds available to it for recreation open space purposes to any municipality, county or Park District located wholly or partially within the metropolitan area to cover the cost, or any portion of the cost, of acquiring or developing regional recreation open space in accordance with the *Regional Recreation Open Space Policy Plan*”.

**BACKGROUND**

The Park Acquisition Opportunity Fund is comprised of two accounts:

The first account is called the Environment and Natural Resources Trust Fund Acquisition Account, which is used to purchase land with high quality natural resource characteristics. No residential structures can be acquired with this account. The Pontius parcel qualifies for funding from this account. Assuming the Pontius parcel grant is approved, this account would have a balance of \$2,059,602 comprised of \$1,235,761 of Environment and Natural Resources Trust

Fund revenue appropriated in the 2009 Legislative Session and \$823,841 of bonds issued by the Metropolitan Council as a 40% match to the State appropriation.

The second account is called the Parks and Trails Fund Acquisition Account, which is used to purchase land that has low natural resource characteristics and any related structures –typically a parcel with a house or other buildings. This account is financed with Parks and Trails Fund appropriations from the Land and Legacy Amendment plus bonds issued by the Metropolitan Council. This account would not be used for the Pontius parcel. This account has a balance of \$2,936,340 comprised of \$1,513,000 from the FY 2011 Parks and Trails Fund appropriation and \$1,423,340 of Metropolitan Council bonds.

The combined balance of both accounts is \$4,995,942 under the assumption that the Pontius parcel grant is approved.

Grants from the Park Acquisition Opportunity Fund are awarded under a set of rules that were approved by the Council on June 24, 2009. The rules allow a grant or grants totaling \$1.7 million per year (July 1 to June 30) to a park agency to finance up to 75% of the purchase price of the property plus related costs.

The Pontius parcel is located on the west bank of the St. Croix River. The County is acquiring the entire 7.1 acre parcel from the Pontius family in order to obtain the 1.8 acre portion of it for the regional trail. The County intends to use the 5.3 acres not needed for the trail for other purposes.

**Figure 1** is an aerial photograph of the Pontius property which illustrates the 1.8 acres for the regional trail and the 5.3 acres proposed for other uses.

**Figure 1: Pontius property and area proposed for St. Croix Valley Regional Trail to be financed in part with a Park Acquisition Opportunity Fund Grant**



The area proposed for acquisition is consistent with the Metropolitan Council approved master plan for the St. Croix Valley Regional Trail.

## ANALYSIS

### Acquisition cost analysis

The costs to purchase the 1.8 acres were calculated by the County in a way that separated it from the remaining 5.3 acres, and is explained in detail in the County's request letter (**Attachment 2**). To summarize, 20% of the costs associated with purchasing the entire 7.1 acres was assigned to the 1.8 acres for the trail. The purchase price and associated costs for the 1.8 acre parcel is \$264,581 as shown in the following table:

Purchase price for 1.8 acres	\$ 262,400
20% of appraisal cost for 7.1 acres	\$ 460
20% of State Deed Tax for 7.1 acres	\$ 581
20% of Phase I Environmental Study cost for 7.1 acres	\$ 380
20% of pro-rated share of Property Tax for 7.1 acres	\$ 466
Tax Equivalency Payment –only due on 1.8 acres for trail	\$ 294
<b>Total:</b>	<b>\$ 264,581</b>

Washington County requests that the acquisition be financed with the following revenue sources:

Metropolitan Council Park Acquisition Opportunity Fund (75%)	\$ 198,436
Washington County funds (25%)	\$ 66,145
<b>Total:</b>	<b>\$ 264,581</b>

The 1.8 acre parcel qualifies for funding from the Environment and Natural Resources Trust Fund Acquisition Account because the land contains high quality natural resources and no structures.

The Park Acquisition Opportunity Fund grant would be financed as follows:

Remaining balance of 2008 Environment and Natural Resources Trust Fund appropriation	\$ 64,823
Portion of 2009 Environment and Natural Resources Trust Fund appropriation	\$ 54,239
Metropolitan Council bonds as 40% match	\$ 79,374
<b>Total:</b>	<b>\$ 198,436</b>

### Rules for distributing grants from Park Acquisition Opportunity Fund

On June 24, 2009 the Metropolitan Council adopted rules that govern the distribution of grants from the Fund on a yearly basis--July 1 to June 30. Those rules are indicated below in italic font. The following findings indicate that these rules have been met for Washington County's request to acquire 1.8 acres of the Pontius property for the St. Croix Valley Regional Trail.

*A. Grants from the Park Acquisition Opportunity Fund may only be awarded to finance a portion of the cost to acquire land within Metropolitan Council-approved master plan boundaries, and only after the requesting regional park implementing agency has used available acquisition grant funds previously provided by the Metropolitan Council.*

Washington County's request is consistent with this rule because the parcel is within the Metropolitan Council-approved master plan boundary for the St.Croix Valley Regional Trail. Plus, Washington County does not have acquisition grant funds previously provided by the Metropolitan Council to finance this acquisition.

*B. Any interest cost on a contract for deed or other timed payment plan is not eligible for grant funding. The value of a discounted sale (i.e. the difference between the appraised value and a reduced sale price) is not counted as part of the cost to acquire land and is not included as part of a local match to the grant.*

The grant proposed here would be the only transaction for the 1.8 acres. The purchase price for the 1.8 acres has been pro-rated from the total negotiated price for the entire 7.1 acres based on a certified appraisal for the land.

*C. Grants from the Park Acquisition Opportunity Fund may finance a portion of the actual cost to acquire land after deducting any Metropolitan Council grants and other grants used to finance a portion of the cost as follows:*

*The Park Acquisition Opportunity Fund Grant finances 75% of the net cost of acquiring the land which is defined as the purchase price—not the appraised value; legal fees, appraisal costs and other closing costs incurred by the park agency; the property tax equivalency payment due to the city or township; and stewardship costs.*

*A contribution of 25% of the net cost of acquiring the land up to \$567,000 that is financed by regional park implementing agency funds or other sources is not eligible for reimbursement consideration by the Metropolitan Council. Seventy-five percent (75%) of a contribution above \$567,000 that is financed with regional park implementing agency funds only is eligible for reimbursement consideration by the Metropolitan Council.*

Washington County's request of \$198,436 is 75% of the cost to acquire the 1.8 acres as shown on page 3. The County will provide \$66,145 as a 25% non-reimbursable match to the Council's grant. The grant request and match to the Council's grants are consistent with this rule.

*The maximum grant(s) available to a park agency is \$1.7 million during the July 1 to June 30 time period.*

This is the second grant to Washington County for the July 1, 2009 to June 30, 2010 time period. This \$198,436 grant plus \$1,470,253 granted for the 43 acre Grey Cloud Island Regional Park parcel (Appert) that was approved on April 28, 2010 totals \$1,668,689. That amount is within the \$1.7 million agency limit.

## **CONCLUSIONS**

1. Washington County's request of \$198,436 from the Park Acquisition Opportunity Fund to purchase 1.8 acres of the Pontius property for the St. Croix Valley Regional Trail is consistent with the rules for receiving grants from the Fund

2. The Environment and Natural Resources Trust Fund Acquisition Account in the Park Acquisition Opportunity Fund should be used to finance this grant because it is consistent with the utilization of this account.

**RECOMMENDATION**

That the Metropolitan Council authorize a grant of \$198,436 from the Environment and Natural Resources Trust Fund Acquisition Account in the Park Acquisition Opportunity Fund to Washington County to partially finance the acquisition of 1.8 acres of the Pontius property for the St. Croix Valley Regional Trail. The grant should be financed with:

\$64,823 balance of the 2008 Environment and Natural Resources Trust Fund appropriation

\$54,239 from the 2009 Environment and Natural Resources Trust Fund appropriation

\$79,374 Metropolitan Council bonds

**Attachment 1: Park Acquisition Opportunity Fund Grants approved  
as of May 24, 2010**

<b>Amount Granted</b>	<b>Park Agency</b>	<b>Project Description</b>
\$99,966	Dakota County	Acquire Wasserman and Klink parcels at Spring Lake Park Reserve. Dakota County eligible for reimbursement consideration up to \$180,882 in a future regional parks CIP. Approved November 15, 2001.
\$521,000	Mpls. Park & Rec. Board	Acquire 3.3 acres (Parcel B of Riverview Supper Club site) as part of "Above the Falls—Master Plan for the Upper River in Minneapolis". Other matching funds were from federal grant and watershed district. Approved April 24, 2002.
\$731,200	Three Rivers Park District	Fund a portion of the costs to acquire Silver Lake SRF, which was acquired in September 2001 after 2002-03 CIP was adopted. Remaining costs eligible for reimbursement consideration in future regional parks CIP. Approved April 24, 2002.
\$140,000	Ramsey County	Acquire permanent trail easement on Burlington Northern/Santa Fe railroad right of way for the Bruce Vento Regional Trail. Ramsey County eligible for reimbursement consideration up to \$35,000 in a future regional parks CIP. That reimbursement was part of the funded 2004-05 CIP. Approved August 14, 2002.
\$500,000	Washington County	Acquire three parcels totaling 27.4 acres at an estimated cost of \$1.87 million in Big Marine PR. Grant is 40% of the projected \$1.25 million gap after other Council acquisition grants were spent. Washington County eligible for reimbursement consideration of up to \$750,000 in a future regional parks CIP. Approved December 12, 2002.
\$126,638	Dakota County	Acquire 1.1-acre Medin parcel in Lebanon Hills RP. Dakota County eligible for reimbursement consideration of up to \$189,957 in a future regional parks CIP. Approved January 29, 2003.
\$135,200	Anoka County	Acquire 579 acres from St. Paul Water Utility for addition to Rice Creek Chain of Lakes Park Reserve. Grant financed 40% of market value (not sale price) of land. Water Utility discounted the sale price, which was counted as part of the 60% match to this grant. Approved April 23, 2003.
\$153,703	Three Rivers Park District	Acquire 5 acre Rask parcel in Lake Rebecca Park Reserve. Park District eligible for reimbursement consideration of up to \$235,200 in a future regional park CIP. Approved Dec. 17, 2003.
\$26,479	Anoka County	Acquire 80-acre Birkeland parcel in Rice Creek Chain of Lakes Park Reserve. Balance of costs financed with watershed district grant and partial donation. Approved February 2004.
\$370,000	Three Rivers Park District	Acquire 17-acre Brakemeier parcel in Lake Minnetonka Regional Park. Balance of funds (\$810,000) provided by MN Dept. of Transportation. Approved May 12, 2004.
\$83,060	Carver County	Acquire 39.04 acres related to Harriet Island-Lilydale Regional Park. Grant finances 40% of the \$207,649 funding gap remaining to buy the land. Rest of the costs financed with a previously authorized Metro Council grant (\$456,130) and City funds (\$124,589). City amount eligible for reimbursement consideration in a future regional park CIP. Approved August 11, 2004.

<b>Amount Granted</b>	<b>Park Agency</b>	<b>Project Description</b>
\$184,109	City of Bloomington	Acquire .5 acre residential lot 9625 E. Bush Lake Road for Hyland-Bush-Anderson Lakes Park Reserve. Bloomington and Three Rivers Park District eligible for reimbursement consideration of up to \$138,081 each in a future regional park CIP. Approved September 22, 2004
\$49,435	Washington County	Acquire 0.81 acre parcel within the boundary of Big Marine Park Reserve. Washington County would be eligible for reimbursement consideration of up to \$74,152 in a future regional park CIP. Approved September 22, 2004.
\$433,333	Scott County	Acquire 80 acres within the Doyle-Kennefick Regional Park as a match to a DNR Metro Greenways grant of \$650,000. Approved Nov. 10, 2004.
\$950,000	Anoka County	Acquire 115 acres within Rice Creek Chain of Lakes Park Reserve from St. Paul Water Utility. Land cost discounted 79% from market value and thus grant finances remaining 21%. Approved April 13, 2005.
\$41,080	Ramsey County	Acquire 3.5 acre Duell parcel in Battle Creek Regional Park. Ramsey County would be eligible for reimbursement consideration of up to \$61,620 in a future regional park CIP. Approved May 25, 2005
\$279,431	Dakota County	Acquire 2.5 acre Pryor parcel in Lebanon Hills Regional Park. Dakota County would be eligible for reimbursement consideration of up to \$419,146 in a future regional park CIP. Approved June 29, 2005.
\$154,124	Washington County	Acquire 5 acre Goossen parcel in Big Marine Park Reserve. Washington County would be eligible for reimbursement consideration of up to \$231,185 in a future regional park CIP. Approved July 27, 2005
\$151,093	Dakota County	Acquire 0.68 acre Skoglund parcel in Lebanon Hills Regional Park. Dakota County would be eligible for reimbursement consideration of up to \$226,639 in a future regional park CIP. Approved September 28, 2005
\$149,069	Washington County	Acquire 5-acre Melbostad parcel in Big Marine Park Reserve. Washington County would be eligible for reimbursement consideration of up to \$223,603 in a future regional park CIP. Approved October 26, 2005.
\$20,953	Washington County	Acquire .45-acre Taylor parcel in Big Marine Park Reserve. Washington County would be eligible for reimbursement consideration of up to \$31,430 in a future regional park CIP. Approved August 23, 2006.
\$354,799	Three Rivers Park District	Acquire 20-acre Weinkauff parcel in Lake Rebecca Park Reserve. Three Rivers Park District would be eligible for reimbursement consideration of up to \$532,199 in a future regional park CIP. Approved May 23, 2007.
\$9,023	Washington County	Acquire 1.5 acre Hohlt parcel in Big Marine Park Reserve. Washington County would be eligible for reimbursement consideration of up to \$13,534 in a future regional park CIP. Approved April 25, 2007.
\$1,000,000	Scott County	Acquire 61-acre Cedar Lake Farm Resort parcel in Cedar Lake Farm Regional Park. Scott County would be eligible for reimbursement consideration of up to \$3,526,192 in a future regional park CIP. Approved May 23, 2007.
\$400,841	City of St. Paul	Partially finance acquisition of 43.94 acres for Harriet Island-Lilydale Regional Park. City of St. Paul would be eligible for reimbursement consideration of up to \$601,263 in a future regional park CIP. Approved August 8, 2007

<b>Amount Granted</b>	<b>Park Agency</b>	<b>Project Description</b>
\$182,094	Washington County	Partially finance acquisition of 8.19 acre Katarik parcel for Grey Cloud Island Regional Park. Washington County would be eligible for reimbursement consideration of up to \$273,141 in a future regional park CIP. Approved October 24, 2007.
\$116,609	Ramsey County	Partially finance acquisition of 3 acre Parcel #6 for Battle Creek Regional Park. Ramsey County would be eligible for reimbursement consideration of up to \$174,913 in a future regional park CIP. Approved December 12, 2007.
\$1,000,000	Carver County	Partially finance acquisition of 2.94 acres of lakeshore land associated with Lakeside Ballroom in Lake Waconia Regional Park. Carver County would be eligible for reimbursement consideration of up to \$1,530,000 minus lease revenue from parcel in a future regional park CIP. Approved February 27, 2008.
\$122,726	City of St. Paul	Partially finance acquisition of 0.74 acre at 350 Water Street for Harriet Island-Lilydale Regional Park. Grant financed 75% of acquisition cost. The remaining 25% financed by City of St. Paul (\$40,909) is not eligible for reimbursement consideration in a future regional park CIP. Approved February 27, 2008
\$339,389	City of Bloomington	Partially finance acquisition of 0.568 acre at 9633 East Bush Lake Road for Hyland-Bush-Anderson Lakes Park Reserve. Grant financed 75% of acquisition cost. The remaining 25% (\$113,130) financed by City of Bloomington and Three Rivers Park District is not eligible for reimbursement consideration in a future regional parks CIP. Approved on April 9, 2008
\$1,700,000	Dakota County	Partially finance acquisition of 456-acre Empire Wetlands Regional Park. Grant financed 14.2% of the \$11.94 million acquisition cost. Rest of costs financed with \$800,000 Metro Council grant SG-2006-123, \$6 million from 2006 State bond pass through grant, and \$3,440,000 of Dakota County funds of which \$2,155,000 is eligible for reimbursement in a future regional parks CIP. Grant approved on April 23, 2008. Reimbursement approved for consideration on May 28, 2008.
\$572,469	City of St. Paul	Partially finance acquisition of 1.85 acre for Bruce Vento Nature Sanctuary as part of Bruce Vento Regional Trail. Grant financed 75% of acquisition cost. The remaining 25% financed by City of St. Paul (\$190,823) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved June 11, 2008
\$848,369	Scott County	Partially finance acquisition of 47.08 acres for Doyle-Kennefick Regional Park (Adelmann parcel). Grant financed 75% of acquisition cost. The remaining 25% financed by Scott County (\$282,789) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved June 25, 2008
\$337,124	Three Rivers Park District	Partially finance acquisition of 6.46 acres for Baker Park Reserve (Laidlaw parcel). Grant financed 75% of acquisition cost. The remaining 25% financed by Three Rivers Park District (\$112,656) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved June 25, 2008
\$416,297	Washington County	Partially finance acquisition of 19 acres for Big Marine Park Reserve (Grundhofer parcel). Grant financed 75% of acquisition cost. The remaining 25% financed by Washington County (\$138,766) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved August 27, 2008



<b>Amount Granted</b>	<b>Park Agency</b>	<b>Project Description</b>
\$304,725	Three Rivers Park District	Partially finance acquisition of 1.5 acres for Lake Rebecca Park Reserve (Bauduin parcel). Grant financed 75% of acquisition cost. The remaining 25% financed by Three Rivers Park District (\$101,575) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved November 12, 2008
\$492,750	Three Rivers Park District	Partially finance acquisition of 9.5 acres for Lake Rebecca Park Reserve (Westerlund parcel). Grant financed 75% of acquisition cost. The remaining 25% financed by Three Rivers Park District (\$164,250) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved November 12, 2008
\$135,654	Mpls. Park & Rec. Bd.	Partially finance acquisition of 0.5 acres for Above the Falls Regional Park (Galka parcels). Grant financed 75% of acquisition cost. The remaining 25% financed by Mpls. Park & Rec. Bd. (\$45,216) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved December 10, 2008
\$17,400	Dakota County	Partially finance acquisition of 1.1 acres for Lebanon Hills Regional Park (Urban parcel). Grant financed 75% of acquisition cost. The remaining 25% financed by Dakota County (\$5,800) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved January 28, 2009
\$411,422	Ramsey County	Partially finance acquisition of 1.83 acres for Bald Eagle-Otter Lakes Regional Park (1466 East Co. Rd. H-2). Grant financed 75% of acquisition cost. The remaining 25% financed by Ramsey County (\$137,141) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved June 24, 2009.
\$281,528	Ramsey County	Partially finance acquisition of 1.27 acres for Bald Eagle-Otter Lakes Regional Park (1700 North County Line Rd.). Grant financed 75% of acquisition cost. The remaining 25% financed by Ramsey County (\$93,843) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved June 24, 2009.
\$407,400	Three Rivers Park District	Partially finance acquisition of 9.44 acre parcel for Rush Creek Regional Trail (Ganzer parcel). Grant financed 75% of acquisition cost. The remaining 25% financed by Three Rivers Park District (\$135,800) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved June 24, 2009
\$719,400	Three Rivers Park District	Partially finance acquisition of 8.89 acre parcel for Carver Park Reserve (Hedtke parcel). Grant financed 75% of acquisition cost. The remaining 25% financed by Three Rivers Park District (\$135,800) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved October 14, 2009.
\$369,683	Scott County	Partially finance acquisition of 7.05 acre parcel for Cedar Lake Farm Regional Park (Novotny parcel). Grant financed 75% of acquisition cost. The remaining 25% financed by Scott County (\$123,228) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved October 28, 2009.
\$657,572	Carver County	Partially finance acquisition of 1.28 acre parcel for Lake Waconia Regional Park (Country Store parcel). Grant financed 75% of acquisition cost. The remaining 25% financed by Carver County (\$219,191) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved December 9, 2009.

<b>Amount Granted</b>	<b>Park Agency</b>	<b>Project Description</b>
\$1,470,253	Washington County	Partially finance acquisition of 43 acre parcel for Grey Cloud Island Regional Park (Appert parcel). Grant financed 75% of acquisition cost. The remaining 25% financed by Washington County (\$490,084) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved April 28, 2010.
\$1,699,992	Mpls. Park & Rec. Bd.	Partially finance acquisition of 3.57 acres for Above the Falls Regional Park (Scherer Lumber parcel). Grant financed 75% of acquisition cost. The remaining 25% financed by Mpls. Park & Rec. Bd. (\$566,664) is not eligible for reimbursement consideration in a future regional park CIP. Grant approved April 28, 2010.
<b>\$19,667,392</b>	<b>Total funds granted as of May 24, 2010</b>	

**Attachment 2: Letter from John Elholm, Washington County Parks**



Public Works Department  
Parks Division

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

John D. Elholm, CPRP  
Parks Director

May 14, 2010

Arne Stefferud  
Planning Analyst – Parks  
Metropolitan Council  
390 North Robert Street  
St. Paul, MN 55101

**REQUEST FOR PARK ACQUISITION OPPORTUNITY GRANT FUNDS FOR ACQUISITION OF THE PONTIUS PROPERTY FOR THE ST. CROIX VALLEY REGIONAL TRAIL**

Dear Arne:

Washington County requests that the Metropolitan Council consider providing park acquisition opportunity funds for the purchase of the John and Doris Pontius property in Denmark Township; which includes a portion of the St. Croix Valley Regional Trail. We understand that 75% of the acquisition costs for the regional trail portion of the property may be eligible for reimbursement using park acquisition opportunity funds, with the remaining 25% being the responsibility of Washington County.

The landowner is interested in selling a 7.1 acre property to Washington County; of which 1.8 acres would be purchased as part of the regional trail system. The remaining 5.3 acres would be purchased by Washington County and used for other purposes. The property has been subdivided; however, the County is interested in purchasing both parcels together. The entire 7.1 acre property has been appraised; and the resulting acquisition cost for the property is \$880,000. In the appraisal, the value of improvements (on future county land) was determined to be \$168,000 and the value of the rail bed and shore alone (future regional trail land) was determined to be \$150,000. The remaining value of \$562,000 is proposed to be split 80% for 'county retained' land and 20% for the bluff between the rail bed and county retained land. The bluff would become part of the regional trail. A summary follows:

<u>Regional Trail Portion</u>		<u>County Retained Portion</u>	
Rail Line + Shore (appraised)	\$150,000	Property Improvements (appraised)	\$168,000
River Bluff (20% of remaining value)	\$112,400	County Land (80% of remaining value)	\$449,600
Total 'Regional Trail' Cost	\$262,400	Total 'County Retained Land' Cost	\$617,600

The total purchase price for the John and Doris Pontius property is \$880,000; \$262,400 for the regional trail and \$617,000 for the property to be retained by Washington County.

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Equal Employment Opportunity / Affirmative Action

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Estimated additional costs associated with the purchase of the 7.1 acre property are as follows:

Appraisal	\$ 2,300
State Deed Tax	\$ 2,904
Phase I Environmental Study	\$ 1,900
Pro-rated Property Tax	\$ 2,330
Tax Equivalency Payment	\$ 1,471
Total additional costs	\$ 10,905

Since these additional costs are for the entire property; Washington County requests that 20% of these costs (\$2,181) be considered as part of the regional trail purchase. The total acquisition cost for this regional trail purchase would then be \$262,400 for the property and \$2,181 in associated costs; for a total of \$264,581.

Washington County requests that the Metropolitan Council provide up to \$198,436 (75%) in acquisition opportunity grant funds for the acquisition of this 1.8 acre parcel. There are no improvements on the property being proposed for regional trail use.

Financing for the purchase of this 1.8 acre property would be from the following sources:

- 1) \$ 66,145 – Washington County Funds – (25% - not reimbursable)
- 2) \$ 198,436 – Metropolitan Council Park Acquisition Opportunity Funds – (75%)

In addition, Washington County will pay all costs for the remaining 5.3 acre property.

It's my understanding that this request will require action by the MPOSC. Therefore, I am requesting this item be placed on the next MPOSC meeting agenda.

Enclosed is a legal description and map of this 1.8 acre property.

If you have any questions or need further information, please call.

Respectfully,



John D. Elholm  
Parks Director

C: Don Theisen, Director, Public Works Department  
Sharon Price, Property Manager  
Jane Harper, Principal Planner

Enc.

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