

Meeting Date: 08/15/24 Business Item: CURRENT BUSINESS

Item Number: **5B**

Division: Planning, Design & Technology

Originating Source: Jonathan Vlaming, Associate Superintendent

Agenda Item: Diamond Lake Regional Trail Acquisition Opportunity

Superintendent's Recommendation:

MOTION TO ENTER INTO A PURCHASE AGREEMENT IN THE AMOUNT OF \$650,000 FOR THE ACQUISITION OF 17700 117TH AVENUE NORTH IN DAYTON ALONG THE PROPOSED DIAMOND LAKE REGIONAL TRAIL (PARCEL 3012022440001); TO ENTER INTO AN ACQUISITION REIMBURSEMENT GRANT WITH THE METROPOLITAN COUNCIL; AND TO ESTABLISH A PROJECT BUDGET OF \$700,000 WITH LOCAL FUNDING FROM THE LAND ACQUISITION, DEVELOPMENT, AND BETTERMENT FUND.

Prepared By: Maggie Heurung, Planner and Kelly Grissman, Director of Planning

Background:

Property owners along the proposed Diamond Lake Regional Trail are interested in selling their undeveloped property located at 17700 117th Avenue N in the City of Dayton to Three Rivers. This property is located along the southern tip of French Lake (**See Attachments: Property Location Context Map and Property Location Parcel Map**). The property totals 23.21 acres of upland and wetland and is currently zoned A1- agricultural, guided for Parks & Open Space and is located on the Diamond Lake Regional Trail corridor. The City holds a 1.5-acre permanent utility and drainage easement across a portion of the southern property which is not anticipated to prohibit Three Rivers' use of the property for future regional trail use. The closing contingencies are typical except for requiring that the neighbor's fenced outdoor riding arena which crosses the western property line be removed prior to closing.

City staff are supportive of Three Rivers' acquisition of the property and anticipate that their council will be supportive as well. Additionally, the City has been considering future acquisition in the area for new city infrastructure (i.e. city hall, police station and/or fire station), which may require a future land exchange with the City of Dayton. Three Rivers staff do not see this as an issue and instead view it as an opportunity to work collaboratively to secure a portion of their land for the regional trail and develop a regional trailhead as part of their public improvements. Should the City pursue acquisition and development adjacent to this property, City and Park District staff recommend evaluating opportunities to collaborate to design and develop the properties and public infrastructure in a manner which serves both parties interests (i.e. trail and trailhead development, land exchange, etc.) and is as cost-efficient as possible.

Cost and Funding

The purchase agreement (**See Attachment: Purchase Agreement**) is based on the appraised value of the property of \$650,000 and the estimated total acquisition cost which includes the sale price, appraisal, title commitment/insurance, environmental assessment, removal of any remaining infrastructure (i.e. gravel parking lot, fencing, etc.), and basic site restoration is

\$700,000.

The acquisition is eligible for up to 75% (\$525,000) reimbursement from the Metropolitan Council Park Acquisition Grant Fund. The remaining balance would be covered by the Three Rivers Land Acquisition Development and Betterment fund (\$175,000).

Next Steps

Upon Board approval, staff will seek municipal consent and Metropolitan Council funding approval.

Relationship to the System Plan:

The Request for Action supports the following goal(s) of the System Plan:

Goal 2: Parks Matter

Goal 3: Lead by Example

Attachments:

[Property Location Parcel Map.pdf](#)

[Property Location Context Map.pdf](#)

[Purchase Agreement.pdf](#)