

REGULAR BOARD MEETING

Meeting Date: 04/18/24 Business Item: CURRENT BUSINESS Item Number: **6D**

Division: Planning, Design & Technology

Originating Source: Jonathan Vlaming, Associate Superintendent

Agenda Item: West Mississippi River Regional Trail Acquisition Opportunity - Dayton River Road

Superintendent's Recommendation:

MOTION TO APPROVE A PURCHASE AGREEMENT IN THE AMOUNT OF \$550,000 FOR THE ACQUISITION OF PROPERTY FOR THE WEST MISSISSIPPI RIVER REGIONAL TRAIL ALONG DAYTON RIVER ROAD (RIFE PROPERTY; PID 1012022430003) 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 \$575,000 WITH LOCAL FUNDING FROM THE LAND ACQUISITION DEVELOPMENT AND BETTERMENT FUND.

Prepared By: Heather Kuikka, Planning and Research Coordinator

Background:

City of Dayton staff reached out Three Rivers staff to notify them of a potential acquisition opportunity (Rife Property; PID 1012022430003) located along the West Mississippi River Regional Trail on Dayton River Road. The property owner has retained a real estate agent and was in the process of putting the parcel on the open market for sale but has temporarily postponed that process to allow Three Rivers to consider acquisition as the property owner is interested in preserving the property.

The subject property is 5.46 acres, sits directly on the Mississippi River, and is undeveloped without any structures. The subject property is located two parcels east of Cloquet Overlook Park and Elsie Stephens Park and across the Mississippi River from West Mississippi River Regional Park and Cloquet Island.

As with other recent acquisitions along the Mississippi River and West Mississippi River Regional Trail, acquisition of the property provides an opportunity to connect future trail users visually and physically with the Mississippi River. It also provides an opportunity to further separate the trail from the adjacent Dayton River Road: Attached map.

At the request of the property owner's agent, staff has drafted a purchase agreement based on the intended listing price of \$550,000. The draft purchase agreement is currently being reviewed internally and by the sellers (draft purchase agreement attached). Staff will walk in the final purchase agreement and share any subsequent changes at the Board meeting. Since staff were not able to complete an appraisal prior to drafting the purchase agreement due to the timing of when the parcel went up for sale and the monthly Board meeting schedule, the Purchase Agreement includes a contingency requiring that the appraised value be equal to or more than the listed purchase price or the purchase agreement will be null and void. Staff have hired an appraiser to conduct an appraisal and anticipate that it will be complete in mid-May. Assuming the appraised value equals or exceeds the Purchase Agreement purchase price, staff

will proceed with all typical acquisition processes.

The total estimated acquisition cost, which includes the sale price, appraisal, legal fees, and title commitment/insurance is \$575,000.

The acquisition is eligible for up to 75% (\$431,250) reimbursement from the Metropolitan Council and Environmental and Natural Resources Trust Fund (ENRTF) Fund. The balance of \$143,750 would be covered by the Three Rivers Land Acquisition Development and Betterment Fund (LADB), which has a current balance of about \$650,000 when accounting for other approved acquisitions.

Relationship to the System Plan:

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

Goal 1: You Belong Here

Goal 2: Parks Matter

Goal 3: Lead by Example

Attachments:

[Rife Purchase Agreement.docx](#)

[Rife Map.pdf](#)