THREE RIVERS PARK DISTRICT

LONG-RANGE STRATEGIC INITIATIVES COMMITTEE MEETING
Administrative Center - Board Room
3000 Xenium Lane North, Plymouth, MN

Thursday, April 6, 2017
Estimated Time: 9:00 – 9:45 a.m.

Committee Chair: John Gibbs

AGENDA

1. CALL TO ORDER
   A. Pledge of Allegiance
   B. Roll Call

2. APPROVAL OF AGENDA
   Board members who wish to delete or add any item(s) to the agenda shall do so at this time.

Superintendent’s Recommendation:
MOTION TO APPROVE THE AGENDA OF THE APRIL 6, 2017, LONG-RANGE STRATEGIC INITIATIVES COMMITTEE MEETING.

3. APPROVAL OF COMMITTEE REPORT OF FEBRUARY 2, 2017

Superintendent’s Recommendation:
MOTION TO APPROVE THE REPORT OF THE FEBRUARY 2, 2017, LONG-RANGE STRATEGIC INITIATIVES COMMITTEE MEETING.

4. BUSINESS ITEM(S)
   A. Superintendent’s Update

Superintendent’s Recommendation:
NO ACTION REQUIRED.

B. System Plan: Land and Land Use Inventory

Superintendent’s Recommendation:
NO ACTION REQUIRED; THIS ITEM IS FOR INFORMATION AND DISCUSSION.

C. Baker-Carver Regional Trail Acquisition

Superintendent’s Recommendation:
MOTION TO RECOMMEND THAT THE BOARD APPROVE A PURCHASE AGREEMENT IN THE AMOUNT OF $750,000 WITH JAMES AND LYNDI KUCHER FOR THE ACQUISITION OF 9.04 ACRES LOCATED AT 3910 & 3940 FARMHILL CIRCLE ON THE BAKER-CARVER REGIONAL TRAIL CORRIDOR LOCATED IN CITY OF MINNETRISTA, MN WITH LOCAL FUNDING FROM THE LAND ACQUISITION, DEVELOPMENT AND BETTERMENT FUND.
4. **BUSINESS ITEM(S) (continued)**

   D. **Long-Range Infrastructure Costs: Vertical Infrastructure in Parks**

   **Superintendent's Recommendation:**

   NO ACTION REQUIRED; THIS ITEM IS FOR INFORMATION AND DISCUSSION.

5. **ADJOURNMENT**

   MOTION TO ADJOURN.
LONG-RANGE STRATEGIC INITIATIVES COMMITTEE
REQUEST FOR ACTION

Meeting Date: 04/06/17  Business Item: Report  Item Number: 3

Department: Superintendent's Office  Originating Source: Boe Carlson, Superintendent

Agenda Item: February 2, 2017, Long-Range Strategic Initiatives Committee Report

Superintendent’s Recommendation:

MOTION TO APPROVE THE REPORT OF THE FEBRUARY 2, 2017, LONG-RANGE STRATEGIC INITIATIVES COMMITTEE MEETING.

Background:

Report attached.
THREE RIVERS PARK DISTRICT

LONG-RANGE STRATEGIC INITIATIVES COMMITTEE MEETING

February 2, 2017

Commissioners Present: John Gibbs, Chair; Jennifer DeJournett, Daniel Freeman, John Gunyou, Gene Kay and Penny Steele

Commissioners Absent: Steven E. Antolak


1. CALL TO ORDER

The Long-Range Strategic Initiatives Committee meeting was called to order by Chair John Gibbs at the Administrative Center, Board Room, 3000 Xenium Lane North, Plymouth, MN at 9:01 a.m.

2. APPROVAL OF AGENDA

MOTION by Freeman, seconded by Kay, TO APPROVE THE AGENDA OF THE FEBRUARY 2, 2017, LONG-RANGE STRATEGIC INITIATIVES COMMITTEE MEETING.

MOTION CARRIED

3. APPROVAL OF COMMITTEE REPORT OF DECEMBER 1, 2016

MOTION by Steele, seconded by Freeman, TO APPROVE THE REPORT OF THE DECEMBER 1, 2016, LONG-RANGE STRATEGIC INITIATIVES COMMITTEE MEETING.

MOTION CARRIED

4. BUSINESS ITEM(S)

A. Superintendent’s Update

Superintendent Boe Carlson updated Committee Members on the following items:

- Park District and TKDA (project engineering consultant) received an Honor Award from the American Council of Engineering Companies (ACEC) of Minnesota for the Nokomis-Minnesota River Regional Trail project. Commissioner Gibbs accepted the award on behalf of the Park District on Friday, January 27th.

- Superintendent Carlson attended a meeting on January 19th with Missouri River Energy Services (MRES) and the Department of Natural Resources to discuss MRES’ proposal for the development of hydropower at the Coon Rapids Dam.
Superintendent Carlson distributed a facts sheet entitled “Working Together to Bring People to Parks” (on file). Staff submitted the Board approved resolution to the Metropolitan Council regarding “Connecting People to the Outdoors.” The facts sheet was for Committee Members’ reference, should they be contacted by Metropolitan Council Members who may have questions regarding this matter.

5. **ADJOURNMENT**

MOTION by Steel, seconded by Kay, TO ADJOURN THE FEBRUARY 2, 2017, LONG-RANGE STRATEGIC INITIATIVES COMMITTEE MEETING. 

MOTION CARRIED

The meeting was adjourned at 9:09 a.m.
Meeting Date: 04/06/17

Item Number: 4A

Department: Superintendent’s Office

Originating Source: Boe R. Carlson, Superintendent

Agenda Item: Superintendent’s Update

Superintendent’s Recommendation:

NO ACTION REQUIRED.

Background:

Superintendent Carlson will update Committee Members on current matters.
Meeting Date: 04/06/17

Division: Planning, Design & Technology

Originating Source: Jonathan Vlaming, Assoc. Supt.

Agenda Item: System Plan: Land and Land Use Inventory

Superintendent’s Recommendation:

NO ACTION REQUIRED; THIS ITEM IS FOR INFORMATION AND DISCUSSION.

The following information was prepared by Kelly Grissman, Director of Planning.

Background:

As previously discussed with the Board, staff are working on preparing several inventories as part of the system plan process which will provide a snap shot as to where Three Rivers is today. At the completion of these inventories, staff will then work with industry experts and community leaders to prepare a series of presentations and discussions which focus on what the next 25 years may bring. The inventories and future outlook are the two main components of Step 1: Environment Scan of the 2040 System Plan work.

A tentative schedule for the inventories is below.

<table>
<thead>
<tr>
<th>Month</th>
<th>Inventory</th>
</tr>
</thead>
<tbody>
<tr>
<td>April</td>
<td>Land and Land Use</td>
</tr>
<tr>
<td>May</td>
<td>Natural and Cultural Resources</td>
</tr>
<tr>
<td>June</td>
<td>Facilities</td>
</tr>
<tr>
<td>July</td>
<td>Programs</td>
</tr>
<tr>
<td>August</td>
<td>Visitor Profile</td>
</tr>
</tbody>
</table>

A tentative schedule for the future outlook will be prepared later this summer.

At the April committee meeting, staff will present the Land and Land Use Inventory *(Reference 4B-1).*
THE BOTTOM LINE

Here are the key messages:

- **Foresight, Opportunity and Dedication.** The make up and magnitude of Three River’s current holdings and partnerships are attributed to vision, availability of land, and dedication to the vision.

- **System Evolution.** The evolution of the regional park system components [park reserves, regional parks, special recreation features, regional trails, and partnership parks] are key to protecting resources and serving the public.

- **Location, Population and Partners Matters.** It’s not only about ‘acres’, but where those acres are located, who they are serving, and who the service provider(s) are.

**BRIEF ACQUISITION HISTORY**

Points in history that shaped the park and trail system’s land interests:

- **1891**
  Twin Cities Regional Park System envisioned

- **1955**
  MN Legislature approves the creation of Special Park Districts

- **1956**
  210 acres donated [Baker] for a county park system

- **1957**
  Three Rivers established

- **1968**
  Birth of the Regional Park and Trail System Concept

- **1980**
  ~22,000 acquired
  Initial acquisition phase ends

- **2000**
  First Tier Communities Parks, Trails, and Greenway Plan

- **2005**
  Regional trail acquisition heats up

- **2013**
  Birth of ‘Parks on the Go’

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**by the numbers**

- **26,351 acres**
  - **25,372 park acres**
  - **979 trail acres**
From 1970 to 2000, park and trail acreage and developed areas double, but from 2000 to 2030 park and trail acreage remains relatively static whereas developed areas increases by 30%.

1970
park reserve phase

2000
transition from park to trail

2030+
planned build out

THREE RIVERS BY THE NUMBERS

<table>
<thead>
<tr>
<th>2017 Snap Shot</th>
<th>Existing</th>
<th>2030+ Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Park</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acreage Owned</td>
<td>23,476</td>
<td>23,926</td>
</tr>
<tr>
<td>Inholding Acres</td>
<td>450</td>
<td>0</td>
</tr>
<tr>
<td>Lakes</td>
<td>1,446</td>
<td>1,446</td>
</tr>
<tr>
<td>Total Park Acreage</td>
<td>25,372</td>
<td>25,372</td>
</tr>
<tr>
<td>Regional Trails</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acreage Owned</td>
<td>756</td>
<td>2,354+</td>
</tr>
<tr>
<td>Acreage via Easement/Permit/Agreement</td>
<td>223</td>
<td>2,354+</td>
</tr>
<tr>
<td>Total Regional Trail Acreage</td>
<td>979</td>
<td>2,354+</td>
</tr>
<tr>
<td>Total Park, Trail, and Lake Acreage</td>
<td>26,351</td>
<td>27,726+</td>
</tr>
<tr>
<td>Partnership Parks</td>
<td>5</td>
<td>5+</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative Center Acres</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Surplus Acres (3 parcels)</td>
<td>31</td>
<td>0</td>
</tr>
</tbody>
</table>

1 Including non-meandered lakes  2~65 parcels  3 Meandered lakes surrounded by TRPD land
2017 SNAP SHOT
planned regional park and trail system

did you know?
70-75%
of survey respondents rated
acquisition for future
regional parks and
trails as important

<table>
<thead>
<tr>
<th>Existing Park</th>
<th>Inholding</th>
<th>Surplus Property</th>
<th>Existing Regional Trail</th>
<th>Future Regional Trail Route/Search Corridor</th>
<th>Partnership Park</th>
</tr>
</thead>
</table>

- Existing Park
- Inholding
- Surplus Property
- Existing Regional Trail
- Future Regional Trail Route/Search Corridor
- Partnership Park

1 Including non-meandered lakes
2 ~65 parcels
3 Meandered lakes surrounded by TRPD land
ROLE IN THE TWIN CITIES REGION

Here is how Three Rivers fits into the Twin Cities Region.

**Preserved Parkland by the Numbers**

There are about 178,000 acres of parkland within the Twin Cities Region. That’s the equivalent of northern and western Hennepin County!

Of that, Three Rivers owns 14%. That’s about the size of Bloomington.

**Regional Park System by the Numbers**

Three Rivers:

- owns over 40% of Twin Cities Regional Park System
- is below average for park acres per 1,000 people
- is above average for regional trails per 1,000 people

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**Implementing Agency (IA) | Total Park Acreage within IA Boundary | % Parks | Acres/1,000 People | Total Regional Trail Miles within IA Boundary | Miles/1,000 People**
---

<table>
<thead>
<tr>
<th>Implementing Agency (IA)</th>
<th>Total Park Acreage within IA Boundary</th>
<th>% Parks</th>
<th>Acres/1,000 People</th>
<th>Total Regional Trail Miles within IA Boundary</th>
<th>Miles/1,000 People</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anoka</td>
<td>38,334</td>
<td>13%</td>
<td>111</td>
<td>91</td>
<td>0.26</td>
</tr>
<tr>
<td>Carver</td>
<td>13,154</td>
<td>5%</td>
<td>133</td>
<td>14</td>
<td>0.19</td>
</tr>
<tr>
<td>Dakota</td>
<td>26,618</td>
<td>7%</td>
<td>64</td>
<td>30</td>
<td>0.07</td>
</tr>
<tr>
<td>Minneapolis Park and Rec. Board</td>
<td>3470</td>
<td>9%</td>
<td>8</td>
<td>22</td>
<td>0.05</td>
</tr>
<tr>
<td>Ramsey</td>
<td>14,623</td>
<td>13%</td>
<td>27</td>
<td>46</td>
<td>0.09</td>
</tr>
<tr>
<td>Scott</td>
<td>18,195</td>
<td>8%</td>
<td>129</td>
<td>9</td>
<td>0.06</td>
</tr>
<tr>
<td>St. Paul¹</td>
<td>4602</td>
<td>13%</td>
<td>15</td>
<td>19</td>
<td>0.06</td>
</tr>
<tr>
<td>Three Rivers Park District² (Sub. Hen. Cty. area only)</td>
<td>40,720</td>
<td>12%</td>
<td>50</td>
<td>135</td>
<td>0.17</td>
</tr>
<tr>
<td>Washington</td>
<td>22,668</td>
<td>8%</td>
<td>90</td>
<td>10</td>
<td>0.04</td>
</tr>
<tr>
<td><strong>Total/Average¹</strong></td>
<td>177,782</td>
<td>9%</td>
<td>59</td>
<td>362</td>
<td>0.12</td>
</tr>
</tbody>
</table>

¹St. Paul not included in Total/Average as it is included in Ramsey. ²Bloomington included in Three Rivers.
³Includes all local, regional, state, and federal parkland within IA boundary. ⁴Includes all regional trails within IA boundary - regardless of ownership.
ROLE IN SUBURBAN HENNEPIN COUNTY
here is how Three Rivers fits into Suburban Hennepin County

2030 PLANNED LAND USE BY THE NUMBERS

60% of all land is planned for development by 2030.
42% of all parkland is owned by Three Rivers.

<table>
<thead>
<tr>
<th>Suburban Hennepin County Planned 2030 Land Use</th>
<th>Acres</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airport</td>
<td>1,304</td>
<td>0.38%</td>
</tr>
<tr>
<td>Mixed Use</td>
<td>9,541</td>
<td>2.76%</td>
</tr>
<tr>
<td>Transportation/Utility</td>
<td>10,161</td>
<td>2.93%</td>
</tr>
<tr>
<td>Public/Semi-Public/Institutional</td>
<td>11,699</td>
<td>3.38%</td>
</tr>
<tr>
<td>Industrial</td>
<td>14,458</td>
<td>4.18%</td>
</tr>
<tr>
<td>Commercial</td>
<td>15,675</td>
<td>4.53%</td>
</tr>
<tr>
<td>Water</td>
<td>32,475</td>
<td>9.38%</td>
</tr>
<tr>
<td>Parks/Open Space</td>
<td>41,707</td>
<td>12.05%</td>
</tr>
<tr>
<td>Large Lot Residential/Agriculture/Vacant</td>
<td>72,788</td>
<td>21.02%</td>
</tr>
<tr>
<td>Residential (Less than 1 unit to 5 acres)</td>
<td>136,443</td>
<td>39.41%</td>
</tr>
</tbody>
</table>

MUNICIPALITY PARKLAND BY THE NUMBERS

Regional, state, and federal parkland plays a key role in many cities’ parkland percentage. In fact, it is a primary factor in all Suburban Hennepin County cities with greater than 15% of total land attributed to parkland. For some communities, such as Greenfield, Rockford, and Hanover, Three Rivers comprises almost 100% of the local communities’ total parkland.
LAND PROTECTION BACKGROUND INFORMATION
this is the framework, challenges, and opportunities that shape Three River’s park and trail land holdings

MN State Statue: CHAPTER 398. PARK SYSTEMS

398.07 Primary duties. Park district boards shall have as their primary duty not the establishment of parks and playgrounds of a local or neighborhood type but rather the acquisition, development and maintenance of large parks, wild life sanctuaries, forest and other reservations, and means for public access to historic sites and to lakes, rivers and streams and to other natural phenomena.

398.09 SPECIFIC POWERS.
Park district boards in addition to the foregoing general powers shall have these specific powers:

(b) The power to acquire lands either within or without the park district for conversion into forest reserves and for the conservation of the natural resources of the state, including streams, lakes, submerged lands and swamplands, and to these ends may create parks, parkways, forest reservations and other reservations and afforest, develop, improve, protect and promote the use of the same in such manner as is conducive to the general welfare...

Policies related to acquisition and land protection

Three Rivers
- Policy I: Purpose of the Park District
- Policy II: Establishment of the System: Balanced System, Needs and Interests, Parkland Classification
- Policy VII: Land Acquisition: Method, Park Boundaries, and Parkland Donation
- Policy XII: Diversions/Adjacent Land Use/Interim Uses/Divestment: Diversion of Parkland, Encroachment Permits, Adjacent Land Uses, Interim Uses, Divestiture, Disposal of Waste Material

Metropolitan Council
- Finance Policy
- System Protection Policy

Department of Interior (for property subject to Land and Water Conservation (LWCF) Fund protections)
- Section 6(f)(3) of the LWCF Act

Acquisition Funding

- Three Rivers: Land, Betterment, and Development Fund and General Obligation Bond Funds
- Metropolitan Council: Bond Funds
- State of Minnesota
  - Environmental Natural Resources Trust Fund (high quality natural resources/no livable structures)
  - Parks and Trails Legacy Fund (any property)

Additional Considerations

Challenges
- Location matters
- Cost/funding of acquiring and managing land
- Local support: local tax base loss, other priorities, amount of land dedicated to parks
- Ability to act fast

Opportunities
- Partnerships – cities, public agencies, land owners, non-profits, and land conservation agencies
- Long term protection and preservation for natural resources and future generations
- Creative acquisition strategies
MOTION TO RECOMMEND THAT THE BOARD APPROVE A PURCHASE AGREEMENT IN THE AMOUNT OF $750,000 WITH JAMES AND LYnda KUCHER FOR THE ACQUISITION OF 9.04 ACRES LOCATED AT 3910 & 3940 FARMHILL CIRCLE ON THE BAKER-CARVER REGIONAL TRAIL CORRIDOR LOCATED IN CITY OF MINNETRISTA, MN WITH LOCAL FUNDING FROM THE LAND ACQUISITION, DEVELOPMENT AND BETTERMENT FUND.

The following information was prepared by Stephen Shurson, Landscape Architect and Kelly Grissman, Director of Planning.

Background:

On December 15, 2016, the Board of Commissioners authorized staff to negotiate a purchase agreement for the acquisition of 3910 & 3940 Farmhill Circle in Minnetrista, MN along the Baker-Carver Regional Trail corridor (References 4C-1 and 4C-2). Staff have since negotiated a purchase agreement for the acquisition based on the appraisal property value of $750,000 for Board consideration and approval (Reference 4C-3).

The properties include six parcels totaling nine acres including 2.8 upland acres and 6.2 wetland acres. The property also includes dock rights on Six Mile Creek providing access to Lake Minnetonka.

The property has two recently placed encumbrances held by the City of Minnetrista as part of their water treatment project. The encumbrances include a permanent utility easement totaling 4,525 square feet and a temporary easement totaling 11,605 square feet which terminates July 1, 2017. The encumbrances do not prevent future use of the property for regional trail purposes and are reflected in the purchase price.

Staff is continuing to explore the possible ownership and funding partnership with the Minnehaha Watershed District (MCWD) for a portion of this property. MCWD is currently studying the feasibility of locating an alum injection treatment facility at this location. The Six Mile Creek is a major inlet to Halsted Bay, where an alum treatment facility would have a large impact on improving the water quality of the bay. If the MCWD determines they would like to move forward with securing a property for this initiative at this time, the Park District would work with MCWD in the design of the site to best accommodate both the treatment facility and the regional trail corridor within the properties. The properties would be subdivided and the portion needed for the treatment facility would be sold to the MCWD.
Funding

The estimated total acquisition cost is approximately $765,000 including purchase cost, appraisal, any environmental assessment work, legal fees, title commitment/insurance, closing costs, and similar.

The acquisition is eligible for a Metropolitan Council Park Acquisition Opportunity Fund grant for up to 75 percent acquisition reimbursement ($573,750). Staff recommends funding the local match in the estimated amount of $191,250 from the Land Acquisition Development and Betterment fund.

In the event that the Minnehaha Watershed District is interested in pursuing acquisition of a portion of the property, staff will work with the Watershed District to determine an appropriate lot subdivision and associated purchase agreement for Board consideration and approval. Staff would also prepare a revised funding plan to reflect the new acquisition arrangement and reduced Metropolitan Council Park Acquisition Opportunity Fund grant request.

Relationship to the Vision Plan
The Request for Action supports the following element(s) of the Vision Plan:
  • Inspire people to recreate
  • Collaborate across boundaries
  • Complete the critical links in the existing regional trail network within the fully-developed cities of suburban Hennepin County

Relationship to the Policy Statement
The Request for Action supports the following element(s) of the Policy Statement:
  • Policy VII – Land Acquisition
    A. Method of Acquisition
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 James and Lynda Kucher, husband and wife ("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 described on Exhibit A hereto ("Subject Property") in the City of Minnetrista, Minnesota; and

WHEREAS, Seller and Buyer wish to enter into an agreement for the conveyance of said 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. Consideration. 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 Seven Hundred Fifty Thousand Dollars and no cents ($750,000.00) at closing.

3. Deed/Marketable Title. 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. **Special Assessments.** Seller shall pay on or before the date of closing all installments of special assessments certified for payment with the real estate taxes due and payable in the year of closing, and all other special assessments levied as of the date of this Agreement. Seller shall provide for payment of special assessments pending as of the closing for improvements that have been ordered by the City Council or other governmental assessing authorities. Seller shall pay on date of closing any deferred real estate taxes or special assessments, payment of which is required as a result of the closing of this sale.

6. **Prorations.** 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 property for the entire date of the closing.

7. **Damages To Real Property.** Except for Buyer's inspections 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 the Buyer.

8. **Title and Documents.**

(a) **Documents and Information to be provided.** Within 30 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 that are in Seller's possession.

(iv) Copies of any written agreements affecting the ownership and use of the Subject Property known to Seller.

(b) **Title Commitment.** Seller shall within 15 days of approval of this Purchase Agreement furnish Buyer with an updated abstract to the Subject Property, if possible. 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. The title examination period shall commence upon Buyer's receipt of a current title insurance commitment.
(c) **Review of Commitment.** 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 120 days from the date of such objections to make title marketable or to determine to not make title marketable and to terminate this Agreement, in which case neither party shall have any further obligation to the other. If title is not made marketable within 120 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 30 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 Seller 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 indemnify 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, materialmen and other liens filed against Subject Property in connection with work performed or material furnished by or at the direction of Buyer.

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 their 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 Seller prior to conveyance to Buyer.

10. **Seller’s Warranties.** 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 property, including, but not limited to tenants, licensees, or permittees.

11. **Defaults/Right to Terminate.** 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. **Due Authorization.** 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) **Performance at Closing.** 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 August 15, 2017 or at such time and place 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.

(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 sum of Seven Hundred Fifty Thousand Dollars and no cents ($750,000.00) for the conveyance, transfer and delivery of the Subject Property to the Buyer.

(b) Contingencies. 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 Minnetrista 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 for environmental reasons at any time prior to Closing;
(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 and the Legislative Citizen Commission on Minnesota Resources.

Any failure to satisfy any contingency contained herein shall render this Agreement null and void and the parties shall execute any instruments necessary to cancel this Agreement.

14. **Condemnation.** 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 warranty 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. **Binding Effect.** 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. **Waivers.** 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. **Amendment.** 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. **Notices.** 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:
James and Lynda Kucher  
2301 91st Crescent N.  
Brooklyn Park, MN 55443

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. **Survival of Covenants.** 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.
IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

THREE RIVERS PARK DISTRICT, a public corporation and political subdivision of the State of Minnesota

Dated: ________________________

By _____________________________
John Gunyou, Board Chair

Dated: ________________________

By ______________________________
Boe R. Carlson, Superintendent

SELLERS:

Dated: 3/30/17

James Kucher

Dated: 3/30/17

Lynda Kucher

This instrument was drafted by:
Eric Quiring
Three Rivers Park District
3000 Xenium Lane North
Plymouth, MN 55441
763-559-6718
EXHIBIT A

Legal Description of Subject Property

Lots 2 and 3, Block 2, That Part Of Outlot L Lying In Sec 27 T 117 R 24, That Part Of Outlot L Lying In Sec 28 T 117 R 24, That Part Of Outlot M Lying In Sec 27 T 117 R 24, That Part Of Outlot M Lying In Sec 28 T 117 R 24, Farmhill 2nd Addition, Hennepin County,

MN PIDs:
28-117-24-44-0008
28-117-24-44-0009
28-117-24-44-0016
28-117-24-44-0017
28-117-24-33-0007
28-117-24-33-0008
Meeting Date: 04/06/17  Item Number: 4D


Agenda Item: Long-Range Infrastructure Costs: Vertical Infrastructure in Parks

Superintendent’s Recommendation:

NO ACTION REQUIRED; THIS ITEM IS FOR INFORMATION AND DISCUSSION.

Background:

This is the third of three discussions on long-range fiscal planning for Three Rivers’ infrastructure. Today’s discussion focuses on the vertical infrastructure.

Three Rivers has a history of strong stewardship of its natural resources, its infrastructure, and its finances. Many park agencies suffer from significant deferred maintenance of infrastructure, creating massive backlogs that result in decreased visitor satisfaction, shortened functional lifespans for infrastructure, and significantly increased long-term costs for replacing that infrastructure.

Three Rivers has no backlog of deferred maintenance.

To maintain this status it is wise to look forward, projecting infrastructure maintenance and replacement costs of what exists now, and to assess and implement strategies to fund those costs as they occur.

Staff will present its findings on the long-range vertical infrastructure and costs at the Committee meeting. A draft of that presentation is included (Reference 4D-1).

Relationship to the Vision Plan

This discussion supports the following element(s) of the Vision Plan:

- Inspire People to Recreate
- Connect People to Nature
- Create Vibrant Places
- Collaborate Across Boundaries
- Economically sustainable operations and capital programs.

Relationship to the Policy Statement

The discussion topic supports the following element(s) of the Policy Statement:

- Policy V – District Finance
  - A. Financial Management Plan
  - B. Tax Support Financing
  - C. Fees and Charges
  - D. Special Revenue Facilities
  - E. Funding Acquisitions, Improvements, Rehabilitation
  - F. Supplemental Funding
## Vertical Infrastructure in Parks

Long-Range Strategic Initiatives Committee

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### Vertical Infrastructure = Buildings

<table>
<thead>
<tr>
<th>Type of Building</th>
<th>#</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public &gt; 10,000 SF</td>
<td>6</td>
</tr>
<tr>
<td>Public &lt; 10,000 SF</td>
<td>246</td>
</tr>
<tr>
<td>Functional - Occupied</td>
<td>36</td>
</tr>
<tr>
<td>Functional - Unoccupied</td>
<td>147</td>
</tr>
<tr>
<td>TOTAL</td>
<td>435</td>
</tr>
</tbody>
</table>

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Reference 4D-1
Building examples slideshow

Example: Hyland

Public
1. Chalet
2. Richardson Nature Center
3. Visitor Center
4. Sumac Knoll Shelter
5. Sunnyside Shelter
6. Jan’s Place
7. Boat Rental
8. Jan’s Place Vault Latrine
9. Sumac Knoll Vault Latrine
10. Sunnyside Vault Latrine
11. Gatehouse
12. Team Gilboa Building
13. Ski Jump Main Building

Functional - occupied
1. Operations Center
2. Maintenance Shop
3. Summer Shop
4. Ski Patrol
5. Timing Building
6. North, Center, South Chair Lifts
7. North, Center, South Lower Operator Shacks
8. North, Center, South Upper Operator Shacks
9. North, South Bunnyslope Operator Shacks
10. Tow 4, 5 Operator Shacks
11. North, South Northlift Raceshacks

Functional - Unoccupied
1. Maintenance Cold Storage
2. Cold Storage
3. Materials Storage
4. Public Safety Storage
5. Pony House Storage
6. Islandview Electric Building
7. Midsummer Electric Building
8. Tow 4, 5, and Bunnyslope Motorhouses
9. Pump House - HH
10. Chemical Storage
11. Pump House - Nordic
District-wide:

- 435 Buildings
- 700,000+ Sq. Feet
- 5,500+ Assets

Major Asset Components:

- HVAC
- Roof
- Windows
- Siding
- Doors
- Well & Septic

Interior:
- Light Fixtures
- Flooring
- Paint
- Interior Doors
Park District Assets Summary

- End-of-Life Replacement Strategy
  - Minimal Rehabilitation Events: Paint, Sealant, Grout, Well Rehab
  - Costs Generally do not Change if Accelerated or Deferred
  - Materials Readily Available
  - Requires Accurate Data, Inspections
  - Prioritize by Risk, Consequence, Use, etc.
Managed Assets Approach

What are managed assets?

- Assets that out-live typical shelf life (don’t replace if don’t have to)
- Maintenance Staff inspects these assets annually to determine when they think will need to be replaced
- Flexibility in the Preservation and Rehabilitation Fund (PRP) to address Managed Asset needs as they arise.
- Total cost of rehab/replacement of Managed Assets typically mirrors the PRP budget

THERE IS NO BLACKLOG OF DEFERRED MAINTENANCE!
Vertical Infrastructure

Projected Costs

5 Year Average Annual Cost: $488,000
Next Steps:

May Committee Meeting:

1. Review of the Combined Infrastructure Projections:
   • Regional Trail Infrastructure
   • Horizontal Infrastructure
   • Vertical Infrastructure

2. Begin discussions of how to best prepare now to meet future needs