



## Resolution 2023-96

### **RESOLUTION AUTHORIZING THE EXECUTION OF A PURCHASE AGREEMENT WITH KEITH AND BARBARA RUDDICK FOR THE ACQUISITION OF 1699 WEST 34TH STREET, MINNEAPOLIS, MINNESOTA LOCATED ADJACENT TO MINNEAPOLIS CHAIN OF LAKES REGIONAL PARK, FOR \$1,250,000 AND OTHER CONSIDERATIONS**

Whereas, The Minneapolis Park and Recreation Board (MPRB) was created by the Minnesota Legislature in April 1883 and has the authority to acquire parkland with six votes of the Board of Commissioners;

Whereas, The Board of Commissioners adopted the Bde Maka Ska – Harriet Master Plan, offering guidance for the evolution of that portion of the Minneapolis Chain of Lakes Regional Park;

Whereas, The Board of Commissioners adopted the Southwest Service Area Master Plan, which includes guidance for the evolution of the Loon Lake Trolley Path on the east side of Bde Maka Ska and direction that the Bde Maka Ska – Harriet Master Plan be amended to include both the Loon Lake Trolley Path and a parcel located at 1699 West 34th Street (the Property) as a part of the regional park;

Whereas, A plan amendment process has been initiated with the Metropolitan Council requesting that the Bde Maka Ska – Harriet Master Plan include the referenced plan for the Loon Lake Trolley Path and incorporate the Property within the regional park boundary;

Whereas, The Property is anticipated in the Southwest Service Area Master Plan to be developed as a nature play node, an overlook with public art and historic interpretation, and a gateway feature with signage;

Whereas, The Property suffered a catastrophic fire in March, rendering the residential structure unrepairable;

Whereas, Keith and Barbara Ruddick (Owners) are the owners and willing sellers of the Property;

Whereas, MPRB engaged a qualified professional to conduct an appraisal of the Property in support of a possible MPRB acquisition;

Whereas, MPRB staff will soon initiate a process to access the Metropolitan Council's Park Acquisition Opportunity Fund (PAOF), which can be applied to the acquisition at 75 percent of up to 110 percent of the appraised value;



Whereas, MPRB would be responsible for the difference between PAOF funds and the sale price;

Whereas, MPRB staff are investigating the use of other funds that might be used toward the acquisition of the Property, including funds raised through efforts of the community;

Whereas, The Owners have indicated a sale price of \$1.25 million, which corresponds reasonably to the appraisal conducted by the MPRB;

Whereas, MPRB has outlined terms related to its acquisition of the Property that include a purchase price and contingencies related to successful amendment of the Bde Maka Ska – Harriet Master Plan by the Metropolitan Council, success in the granting of PAOF funds from the Metropolitan Council to support the acquisition of the Property, and other terms proposed by the Owner;

Whereas, The Owner finds the terms of be acceptable for the MPRB’s acquisition of the Property;

Whereas, The Owner desires to sell and MPRB desires to purchase and acquire the Property; and

Whereas, This resolution is supported by Parks for All, the MPRB Comprehensive Plan 2021-2036, under Goal 3: “Provide core services with care;” and Goal 9: “Operate a financially stable enterprise;”

RESOLVED, That the Board of Commissioners authorizes the execution of a Purchase Agreement with Keith and Barbara Ruddick for the acquisition of 1699 West 34th Street, Minneapolis, Minnesota, located adjacent to Minneapolis Chain of Lakes Regional Park, for \$1,250,000 and other considerations; and

RESOLVED, That the President of the Board and Secretary to the Board are authorized to take all necessary administrative actions to implement this resolution.



TO: Administration & Finance Committee

FROM: Michael Schroeder, Assistant Superintendent, Planning

DATE: 24 May 2023

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTION OF A PURCHASE AGREEMENT WITH KEITH AND BARBARA RUDDICK FOR THE ACQUISITION OF 1699 WEST 34TH STREET, MINNEAPOLIS, MINNESOTA LOCATED ADJACENT TO MINNEAPOLIS CHAIN OF LAKES REGIONAL PARK, FOR \$1,250,000 AND OTHER CONSIDERATIONS

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## **BACKGROUND**

This Board action would authorize the execution of a Purchase Agreement (*Attachment A*) with Keith and Barbara Ruddick (Owners) for the acquisition of 1699 West 34th Street (Property) for \$1,250,000 and other conditions as described herein. The property is recommended in the Board-approved Southwest Service Area Master Plan (SWSAMP) for incorporation into the Minneapolis Chain of Lakes Regional Park, along with the adjacent Loon Lake Trolley Path, a process that has been initiated by Minneapolis Park and Recreation Board (MPRB) staff. The Southwest Service Area Master Plan sets the direction for future park development in this location. It includes the Loon Lake Trolley Path that would provide a soft-surfaced connection between the East Bde Maka Ska neighborhood and Bde Maka Ska. Based on the SWSAMP, the Property would be used as a nature play node, an overlook including public art and historical interpretation elements, and a gateway feature.

The Property is an 8,770 square foot parcel situated at the westerly end of 34th Street West and on a bluff overlooking Bde Maka Ska. It was used, until recently, for residential purposes. The structure was subject to a catastrophic fire in March, 2023, which left the structure unrepairable. The Owners have initiated a demolition process. The Owners commissioned a Comparative Market Analysis that resulted in their desire to sell the Property for a price of \$1,250,000.00. MPRB staff have completed a separate appraisal process, a step necessary to support grant funds from the Metropolitan Council, as well as a judicious action to verify the Owners Comparative Market Analysis and the determined sale price.

Funds supporting the acquisition of the Property would be, in part, from a grant through the Metropolitan Council's Park Acquisition Opportunity Fund (PAOF), a process that will be initiated by MPRB staff upon execution of the purchase agreement. PAOF would provide up to 75 percent of up to 110 percent of the appraised value. The MPRB would be responsible for the remainder,



which may be achieved through philanthropy.

The purchase agreement is aligned with the Owners' desired sale price and includes contingencies related to:

- Favorable review of an amendment request submitted to the Metropolitan Council which would bring the Property itself and proposed Loon Lake Trolley Path improvements into the Minneapolis Chain of Lakes Regional Park; this process has been initiated by MPRB staff;
- Successful completion and granting of PAOF funds from the Metropolitan Council supporting the MPRB's acquisition of the Property; this process will be initiated by MPRB staff upon execution of a purchase agreement; a purchase agreement and appraisal are required to initiate this Metropolitan Council grant process;
- Favorable findings from an environmental review of the Property;
- Success in defining other sources of funds to complete the acquisition;
- Reaching agreement with the Owners relative to further demolition of existing improvements on the Property; and
- Other terms defined by the Owners, which MPRB staff find to be acceptable and beneficial to the MPRB.

## **LEGAL REVIEW**

The Purchase Agreement has been reviewed and approved by legal counsel as to form and legality.

## **PREVIOUS BOARD ACTIONS**

May 3, 2017	Resolution 2017-182 - Resolution for Calhoun/Bde Maka Ska-Harriet Master Plan Approval
October 21, 2020	Resolution 2020-310 – Resolution for Approval of Southwest Service Area Master Plan

## **RECOMMENDATION**

Staff recommends that the Board of Commissioners authorize the execution of a Purchase Agreement with Keith and Barbara Ruddick for the acquisition of 1699 West 34th Street, Minneapolis, Minnesota, located adjacent to Minneapolis Chain of Lakes Regional Park for \$1,250,000 and other considerations.



This action is supported by the following goals and strategies in Parks for All, the MPRB Comprehensive Plan 2021-2036:

**Goal:**

03. Provide core services with care

09. Operate a financially sustainable enterprise

**Strategy:**

12. Increase park staff, safety, programming, operations and design capacity to meet increased demands of park system expansion, including new park acquisition, development, new facilities, increased programs, increased events and to support the implementation of the comprehensive plan.

03. Develop permanent spaces and infrastructure that support safe, welcoming, and economical events within the park system.

**Attachments:**

1. Attachment A – Purchase Agreement for 1699 West 34th Street
2. Attachment B – Minneapolis Chain of Lake Aerial Base Map
3. Attachment C – Appraisal Report for 1699 West 34th Street

*Jbr 5.24.2023.*