

2014 Project Abstract

For the Period Ending June 30, 2015

PROJECT TITLE: Shoreland Acquisition on the St. Croix River

PROJECT MANAGER: June Mathiowetz

AFFILIATION: Washington County

MAILING ADDRESS: 14949 62nd Street N.

CITY/STATE/ZIP: Stillwater, MN 55082

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FUNDING SOURCE: Environment and Natural Resources Trust Fund

LEGAL CITATION: M.L. 2014, Chp. 226, Sec. 2, Subd. 07d.

APPROPRIATION AMOUNT: \$1, 250,000

Overall Project Outcome and Results

This \$4.3 million project resulted in acquisition of 15 acres of property along the St. Croix River for a new shoreline park in downtown Stillwater to enhance ecosystems, restore public access to the riverfront and contribute to an even more vibrant downtown economy.

This premier property was one of the longest stretches of St. Croix River frontage remaining in single private ownership in Washington County, with approximately 3,300 feet of largely wooded area sloping toward the river and containing a beach. The long rectangular piece of land running from just north of the old Zephyr line depot almost to the Wolf Marina in downtown Stillwater lies within the Lower St. Croix National Scenic Riverway District. The new Browns Creek Trail that opened in fall of 2014 runs parallel with the property and will connect downtown Stillwater to the Gateway Trail. State, regional and local residents and visitors will soon have a new gem of a park in which to connect, relax, recreate and take in the awe-inspiring St. Croix River.

The parcel was initially acquired by Washington County who is placing a conservation easement on it to assure its return to a more natural state in perpetuity and transferring it to the City of Stillwater in 2015. The City of Stillwater will launch a planning process to define the use of the property and develop a management plan for the restoration and long-term care of the property. This could include recreational uses such as shore fishing, short-term docks, walk-in boat launches, walking paths, nature observation, and picnicking, in addition to its trail access.

Collaboration and taxpayer funding from three levels of government made this project possible: \$1.25 million in State ENRTF dollars, \$1.96 million in Washington County Land and Water Legacy Funds, and \$1.125 million in City of Stillwater funds.

Project Results Use and Dissemination

Our dissemination efforts for this project focused on generating media coverage to make the public aware of the purchase agreement and closing on the property. We released two press releases about the project, one announcing the signing of the purchase agreement and approval of the project by the Washington County Board on September 17, 2014 and the other announcing the closing on November 25, 2014. The St. Paul Pioneer Press, KSTP, Stillwater Gazette and Stillwater Current ran news stories.



Environment and Natural Resources Trust Fund (ENRTF) M.L. 2014 Work Plan Final Report

Date of Report: [December 23, 2014](#)
Date of Next Status Update Report: [Final Report](#)
Date of Work Plan Approval: June 4, 2014
Project Completion Date: June 30, 2015
Does this submission include an amendment request? [No.](#)

PROJECT TITLE: Shoreland Acquisition on St. Croix River

Project Manager: June Mathiowetz
Organization: Washington County
Mailing Address: 14949 62nd Street North, P.O. Box 6
City/State/Zip Code: Stillwater, MN 55082-0006
Telephone Number: (651) 430-6016
Email Address: june.mathiowetz@co.washington.mn.us
Web Address: www.co.washington.mn.us

Location: Washington County

| | | |
|------------------------------------|-----------------------------|---------------------------|
| Total ENRTF Project Budget: | ENRTF Appropriation: | \$1,250,000 |
| | Amount Spent: | <u>\$1,250,000</u> |
| | Balance: | <u>\$0</u> |

Legal Citation: M.L. 2014, Chp. 226, Sec. 2, Subd. 07d

Appropriation Language:

\$1,250,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Washington County to purchase 15 acres, encompassing 3,500 feet of St. Croix shoreland paralleling Brown's Creek State Trail in the city of Stillwater. The county will transfer the parcel to the city of Stillwater. This appropriation is contingent on the expenditure of at least \$2,500,000 of nonstate match.

I. PROJECT TITLE: Shoreland Acquisition on St. Croix River

II. FINAL PROJECT STATEMENT:

Washington County is partnering with the City of Stillwater to acquire 15 acres with 3,300 feet of frontage on the St. Croix River to preserve the ecological integrity of and increase the public access to the St. Croix River. This property is just north of downtown Stillwater and parallels the Brown's Creek State Trail. The property is within the Lower St. Croix National Scenic Riverway District and is one of the longest stretches of St. Croix River frontage remaining in single ownership in Washington County. The City will own and manage the land as a nature park serving trail users, river users, tourists and area residents. The City will restore the property to a natural condition and offer passive recreational uses such as shore fishing, transient dockage, walk-in boat launching, walking paths, nature observation, picnicking and trail access. The requested funds will provide a match to local funds. Both local and state funding is needed and is appropriate for this acquisition because of its high cost as St. Croix River property; its importance in protecting the scenic and ecological values of the St. Croix River, a state-designated resource; its use as a state trail amenity that will enhance the user experience; and its ability to serve the recreational needs of a national, state and local clientele.

Although this new park will provide additional public access and recreational opportunities to the St. Croix River and a much needed rest area at the terminus of the Brown's Creek State Trail neither the National Park Service (NPS) nor the Department of Natural Resources (DNR) is interested in owning the property. The NPS cannot own the property because it is located outside the National Scenic Riverway District boundary and within the state-managed portion of the riverway district. The DNR currently owns enough land to build the state trail. Both agencies are supportive of this acquisition and will be involved in preparing the master plan.

Washington County has adopted a Conservation Priorities Plan and site evaluation criteria that aid the County in being strategic in choosing land protection that is most critical and maximizes the ecological benefits of public funds. The County's priorities are to acquire interests in land for recreation; adjacent to waterways, and recreational facilities; serving multiple public purposes; and providing public access. A citizen advisory committee rated this acquisition as very high for meeting program goals and priorities and recommended its purchase.

This proposal addresses two of the habitat recommendations in the Statewide Conservation and Preservation Plan. First, it addresses the Habitat Recommendation #2 to protect critical shore lands of streams and lakes such as the St. Croix River. The purchase and subsequent restoration will enhance the scenic and ecological values of the St. Croix River. The St. Croix River is one of the most pristine large river ecosystems in the Upper Midwest; none-the-less it is impacted by nutrient and sediment pollution. In 2008, the Minnesota Pollution Control Agency designated Lake St. Croix, the lower 25 miles of the St. Croix River, as an impaired water due to high levels of phosphorus. If left unprotected, this property could be developed into 9 single-family residential lots that with their lawns and impervious surfaces would create additional nutrient and sediment loading to the river. Replacing development with a corridor of natural vegetation on this property that has steep slopes, ground water seeps and highly erodible soils will help to defray pollution impacts and will aid in arresting the decline in the water quality in the St. Croix River. It will also aid in maintaining a high quality river fishery that is dependent on the clean waters of the St. Croix River.

This acquisition also addresses the Habitat Recommendation #3 to improve connectivity and access to outdoor recreation. Restoration of this property will expand an existing corridor of natural lands along the St. Croix River to the north and Brown's Creek Trout Stream to the west that are permanently protected through fee ownership by the DNR and the NPS and conservation easements held by the NPS. This expanded corridor will increase the breeding and migratory habitat for waterfowl, shorebirds, and neo-tropical migrants that use the St. Croix River as a major flyway. The property's location adjacent to the Brown's Creek State Trail, its proximity to downtown Stillwater, and its shoreland length make it a unique acquisition and a highly desirable destination

for recreational pursuits. In particular, its low elevation makes it suitable for shore fishing, a recreational activity that is limited along the lower St. Croix River due to the prevalence of high banks and shoreland bluffs. A man-made pond fed by ground water seeps on the north end of the property will be retained and will be stocked with trout to provide additional fishing opportunities. Public acquisition and the planned subsequent removal of the home and restoration of the turf and invasive species to a more natural condition will have positive impacts on the river environment such as improved ecological diversity and ecosystem connectivity; increased breeding and migratory habitat for waterfowl, shorebirds, and neo-tropical migrants; and better filtering and storage of storm and flood waters.

This acquisition will address a need identified by the State Comprehensive Outdoor Recreation Plan to make more effort to protect some of the remaining undeveloped lake and river shoreline for public access and outdoor recreation use and to protect outdoor recreation land close to where people live. This acquisition would create a nearly two-mile stretch of public riverfront along the St. Croix River in Stillwater offering a future recreational opportunity unparalleled in the Twin Cities Metropolitan Area.

The landowner is elderly and is seeking to sell her property. For a limited time she is willing to negotiate for public ownership before she markets it for development. The County will negotiate for a purchase agreement that is contingent on receiving matching funds.

III. PROJECT STATUS UPDATES:

Amendment Request (09/016/2014):

This Project Status update is being requested for the primary purposes of updating the budget to incorporate the \$5,000 required for DNR appraisal review. Additionally, the shoreline footage was updated from 3,500 feet to 3,300 feet throughout the document to reflect the appraisal's clarification.

Amendment Approved: September 17, 2014

Project Status as of October 24, 2014:

The county, on behalf of the City of Stillwater and the County of Washington, has reached an agreement to purchase the property with the landowner. The purchase agreement has been signed by the landowner and the County Board. The purchase agreement anticipates a closing date on or before November 30, 2014.

The county has also requested an updated appraisal and will receive and review the update prior to the closing. The county has already reviewed the appraisal provided by the landowner and the appraisal dated July 17, 2013 completed for the county by a Minnesota Certified General Real Property Appraiser. The appraisal update will reflect the change in market conditions since the July 2013 appraisal. In determining a purchase price of the property, a number of county staff reviewed all appraisals including our Property Manager who is involved in reviewing and completing all county acquisitions including park land, land and water legacy projects, and highway projects, an Assistant County Attorney, and our Land and Water Legacy Program staff. The county also consults with our deputy county assessor who is a certified general real property appraiser on appraisals completed for county acquisitions. Finally, all offers for the property were reviewed and approved by the elected county board of commissioners, after consultation with the Stillwater City Council, prior to being submitted to the landowner.

Amendment Request (10-24-2014):

This work plan amendment is requested to allow for the county appraisal and appraisal review process to substitute for the DNR appraisal and appraisal review/certification requirements and the other related

requirements in Attachment E of the DNR grant agreement. It is also requesting to purchase the land at up to the \$4.3 million amount specified in the current purchase agreement and as approved in the previous work plan budget amendment dated September 16, 2014.

Amendment Approved: October 29, 2014

Project Status as of January 1, 2015: Project complete.

Project Status as of July 30, 2015: Project complete.

Overall Project Outcomes and Results:

This \$4.3 million project resulted in acquisition of 15 acres of property along the St. Croix River for a new shoreline park in downtown Stillwater to enhance ecosystems, restore public access to the riverfront and contribute to an even more vibrant downtown economy.

This premier property was one of the longest stretches of St. Croix River frontage remaining in single private ownership in Washington County, with approximately 3,300 feet of largely wooded area sloping toward the river and containing a beach. The long rectangular piece of land running from just north of the old Zephyr line depot almost to the Wolf Marina in downtown Stillwater lies within the Lower St. Croix National Scenic Riverway District. The new Browns Creek Trail that opened in fall of 2014 runs parallel with the property and will connect downtown Stillwater to the Gateway Trail. State, regional and local residents and visitors will soon have a new gem of a park in which to connect, relax, recreate and take in the awe-inspiring St. Croix River.

The parcel was initially acquired by Washington County who is placing a conservation easement on it to assure its return to a more natural state in perpetuity and transferring it to the City of Stillwater in 2015. The City of Stillwater will launch a planning process to define the use of the property and develop a management plan for the restoration and long-term care of the property. This could include recreational uses such as shore fishing, short-term docks, walk-in boat launches, walking paths, nature observation, and picnicking, in addition to its trail access.

Collaboration and taxpayer funding from three levels of government made this project possible: \$1.25 million in State ENRTF dollars, \$1.96 million in Washington County Land and Water Legacy Funds, and \$1.125 million in City of Stillwater funds.

IV. PROJECT ACTIVITIES AND OUTCOMES:

ACTIVITY 1: Protect Significant Shoreland through Land Acquisition

Description:

The County will acquire a 15-acre parcel including 3,300 feet of frontage on the St. Croix River. An appraisal has been completed and has presented an offer to the landowner. The County hopes to have a signed purchase agreement by the end of 2014.

Summary Budget Information for Activity 1:

ENRTF Budget: \$1,250,000
Amount Spent: \$1,250,000
Balance: \$0

Activity Completion Date:

| Outcome | Completion Date | Budget |
|---|------------------------|---------------|
| 1. Acquire 15 acres and 3,300 feet of frontage on the St. Croix River and the Brown’s Creek State Trail. | June 30, 2015 | \$1,250,000 |

Activity Status as of January 1, 2015: Project complete.

Activity Status as of June 30, 2015: Project complete.

Final Report Summary: Washington County acquired 14.95 acres of shore land along the St. Croix River and parallel to the Brown's Creek State Trail for \$4.3 million on November 24, 2014. A conservation easement will be placed on the property to protect it in perpetuity, a management plan will be developed and the property will be transferred to the City of Stillwater in 2015 for the purposes of becoming a public park. The project used all \$1.25 million of budgeted ENTRF funds and the remaining balance is covered by \$1.96 million in matching funds from Washington County's Land and Water Legacy program funds and \$1.125 million from the City of Stillwater.

V. DISSEMINATION:

Description: Our dissemination efforts on this project are focused on generating media coverage to make the public aware of the purchase agreement and closing on the property.

Status as of January 1, 2015: Project complete.

Status as of June 30, 2015: Project complete.

Final Report Summary: We released two press releases related to the project, one announcing the signing of the purchase agreement and approval of the Washington County Board on September 17, 2014 and the other announcing the closing on November 25, 2014. The St. Paul Pioneer Press, KSTP, the Stillwater Gazette and the Stillwater Current ran stories covering the project.

VI. PROJECT BUDGET SUMMARY:

A. ENRTF Budget Overview:

| Budget Category | \$ Amount | Explanation |
|--|---------------------|---|
| DNR Professional Services-Appraisal Review | \$5,000 | DNR requires this appraisal review. |
| Fee Title Acquisition: | \$ 1,245,000 | Acquire 15 acres. Fee title will be held by the City of Stillwater. |
| TOTAL ENRTF BUDGET: | \$ 1,250,000 | |

Explanation of Use of Classified Staff: NA

Explanation of Capital Expenditures Greater Than \$5,000: NA

Number of Full-time Equivalents (FTE) Directly Funded with this ENRTF Appropriation: NA

Number of Full-time Equivalents (FTE) Estimated to Be Funded through Contracts with this ENRTF Appropriation: NA

B. Other Funds:

| Source of Funds | \$ Amount Proposed | \$ Amount Spent | Use of Other Funds |
|--|--------------------|-----------------|--|
| Non-state | | | |
| <u>Washington</u> County Land and Water Legacy Funds | \$ 1,925,000 | \$1,925,000 | Fee title acquisition. |
| <u>Washington County Land</u> | <u>\$0</u> | <u>\$35,010</u> | <u>Appraisals, Phase I, title review</u> |

| | | | |
|-------------------------------|---------------------|---------------------------|---|
| <u>and Water Legacy Funds</u> | | | <u>and other due diligence.</u> |
| City of Stillwater | \$ 1,125,000 | \$1,125,000 | Fee title acquisition |
| <u>Seller's Expenses</u> | | <u>\$21,204</u> | <u>Easement acquisition, title work and other closing costs</u> |
| TOTAL OTHER FUNDS: | \$ 3,050,000 | <u>\$3,106,214</u> | |

VII. PROJECT STRATEGY:

A. Project Partners:

- Washington County ~~will~~received the grant funds and ~~will~~carried out the acquisition work. Because the County is contributing a large amount of the funds, the County will retain an interest in the property in the form of a permanent conservation easement before conveying the property to the city.
- The City of Stillwater will fund and implement a restoration and natural resource management plan and own and manage the property as a natural park.
- City and County staff will work with other key stakeholders including the DNR and the National Park Service to prepare a park master plan after the property is acquired.
- The Washington Conservation District staff will assist in preparing a restoration and natural resource management plan.
- None of the partners ~~will~~received any grant funds.

B. Project Impact and Long-term Strategy:

Subsequent to the purchase and before conveying the property to the city, Washington County will record a conservation easement in the County's favor over the property. This easement will assure permanent protection by prohibiting land uses that negatively affect the river and its shoreland habitat. Washington County will monitor the property on an annual basis and will take necessary enforcement action to ensure that the development and use of the property is consistent with the terms of the conservation easement and the management and restoration plans. Subsequent to its purchase, the County and City will work with partners to restore the property to a more natural condition using native species in accordance with the restoration plan. Additional grants will be sought from appropriate sources to fund the restoration activities in a timely manner.

C. Spending History:

| Funding Source | M.L. 2011 or FY 12-13 | M.L. 2013 or FY 2014 |
|-----------------------|------------------------------|-----------------------------|
| First Appraisal | \$12,000 (July 17, 2013) | \$0 |

VIII. ACQUISITION/RESTORATION LIST: See attached list.

IX. VISUAL ELEMENT or MAP(S): See attached map.

X. ACQUISITION/RESTORATION REQUIREMENTS WORKSHEET: See attached Acquisition/Restoration Requirements Worksheet.

XI. RESEARCH ADDENDUM: NA

XII. REPORTING REQUIREMENTS:

Periodic work plan status update reports will be submitted no later than January 1, 2015, and July 30, 2015. A final report and associated products will be submitted between June 30 and August 15, 2015.

FINAL ATTACHMENT A: Budget Detail for M.L. 2014 (FY2014-15)

| | | | | |
|---|--|--|--|--|
| Environment and Natural Resources Trust Fund | | | | |
| M.L. 2014 Project Budget | | | | |
| Project Title: 3,300-foot Shoreland Acquisition on the St. Croix River | | | | |
| Legal Citation: M.L. 2014, Chp 226, Sec. 2, Subd.07d | | | | |
| Project Manager: June Mathiowetz | | | | |
| Organization: Washington County | | | | |
| M.L. 2014 ENRTF Appropriation: \$1,250,000 | | | | |
| Project Length and Completion Date: 1 Year, June 30, 2015 | | | | |
| Date of Report: December 16, 2014 | | | | |



| ENVIRONMENT AND NATURAL RESOURCES TRUST FUND BUDGET | Activity 1 Budget | Amount Spent | Activity 1 Balance | TOTAL BUDGET | TOTAL BALANCE |
|--|------------------------------|---------------------|---------------------------|---------------------|----------------------|
| BUDGET ITEM | Fee Title Acquisition | | | | |
| Professional/Technical/Service Contracts DNR Appraisal Review | \$5,000 | \$5,000 | \$0 | \$5,000 | \$0 |
| Fee Title Acquisition <i>One 14.95 acre parcel; title to be held by City of Stillwater, MN</i> | \$1,245,000 | \$1,245,000 | \$0 | \$1,245,000 | \$0 |
| COLUMN TOTAL | \$1,250,000 | \$1,250,000 | \$0 | \$1,250,000 | \$0 |