

DATE: April 9, 2018 **REGULAR** #2

AGENDA ITEM: Repossess Outlot F for Sanctuary Neighborhood

SUBMITTED BY: Kristina Handt, City Administrator

BACKGROUND:

During a time of transition the previous HOA representatives failed to pass along appropriate information regarding the paying of taxes, which has further resulted in property taxes failing to be paid on Sanctuary's Outlot F. This is significant to the neighborhood, as Outlot F holds their community septic system. It is because of this that they would like to regain ownership. The property does have a Minnesota Conservation easement over it which means there are limitations as to what can be done with the property, but it would be beneficial for the City if the HOA had possession of the land. There are also benefits for the City to help with this process.

ISSUE BEFORE COUNCIL:

Would the City Council like to assist the HOA in obtaining their Outlot?

PROPOSAL DETAILS/ANALYSIS:

Regaining Ownership. In trying to gain back ownership the HOA contacted Washington County who informed them there were essentially two options to regain ownership.

Option 1. Wait for the property to go up for auction and attempt to buy it back. But they risk not being highest bidder.

Option 2. The City buy the property from Washington County at a value of \$10,000 and then deed it over to the HOA. (There will be other fees associated with this transfer – see Fiscal Impact section)

The HOA president has reached out to the City for help in obtaining the property through option 2.

Resolution Required. Should the Council choose to assist – The council must request to buy the property through resolution in the amount of \$10,000. This will then be sent to Washington County to begin the transfer process.

Highway 36 Interchange. There are also plans to connect Manning through that property as a frontage road for Highway 36. During this process it would be advantageous for the City to gain control of the right of way which will be for that street project. This will help save money down the road when that project does come to fruition. The land which is desired by the City is not needed/wanted by the HOA, so it is beneficial for both parties to regain ownership. It will likely be necessary to subdivide the property and sell back the portion of the property that is desired by the HOA. Staff is looking to Council to provide direction on if the HOA should be made to pay for those costs.

Agreement? Finally, Staff is looking for direction if an agreement should be drafted between the City and HOA that the HOA will reimburse the City for all or most costs associated with the purchase of the property.

FISCAL IMPACT:

Though the price for the property is \$10,000 there are other fees associate with the process.

1.	Basic Sale Price	\$10,000
2.	State Deed Fee	\$25
3.	3% Surcharge	\$300
4.	State Deed Tax	\$33
5.	County Recording Fee	\$46
6.	Agricultural Conservation Fee	\$5

Total Cost for All Fees and Sale Price (not including legal fees or Staff time) \$10,409

Additionally, should the HOA be made to pay for the Minor Subdivision, the associated fee is \$525 (Plus \$1,000 escrow).

All costs associated with the transfer of property will be the responsibility of the HOA. The City will need to pay the fees upfront but can then be reimbursed from the HOA. The City will need to decide which funds are used to pay the initial upfront cost if it chooses to go forth with this process. Currently the City is not receiving any tax revenue for the property because it is in the possession of a tax exempt entity. However, if/when the HOA gains control, the City will be able to collect tax payments.

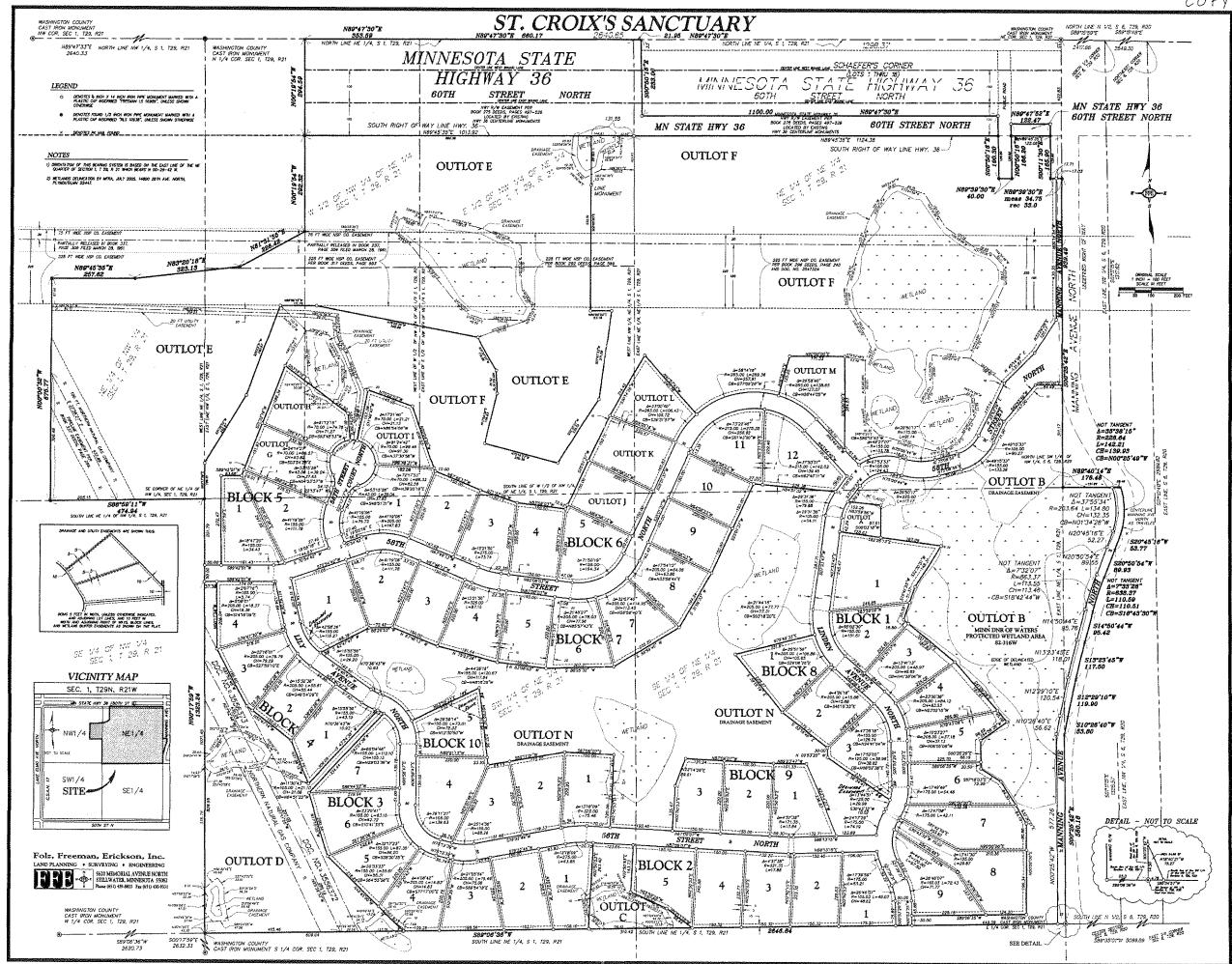
Also keep in mind the request from the HOA states an agreed upon price of \$10,409. This cost is not final nor has it been agreed upon.

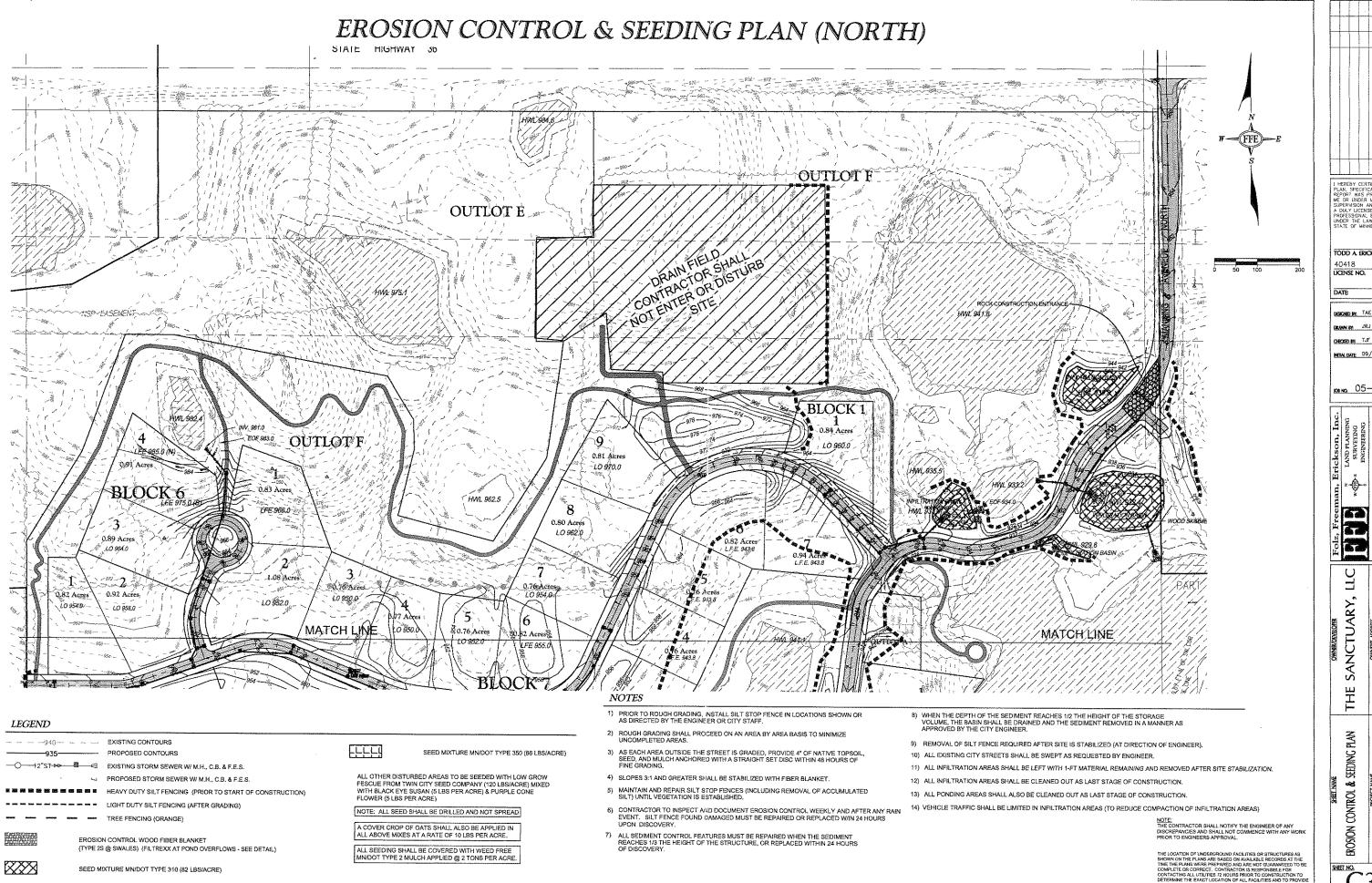
OPTIONS:

- Direct Staff to bring the item to a future Council meeting to consider approval of assisting the Sanctuary HOA in obtaining Outlot F
- Do not direct Staff to assist the Sanctuary HOA in obtaining Outlot F

ATTACHMENTS

- Map of property
- Formal Request from Sanctuary HOA





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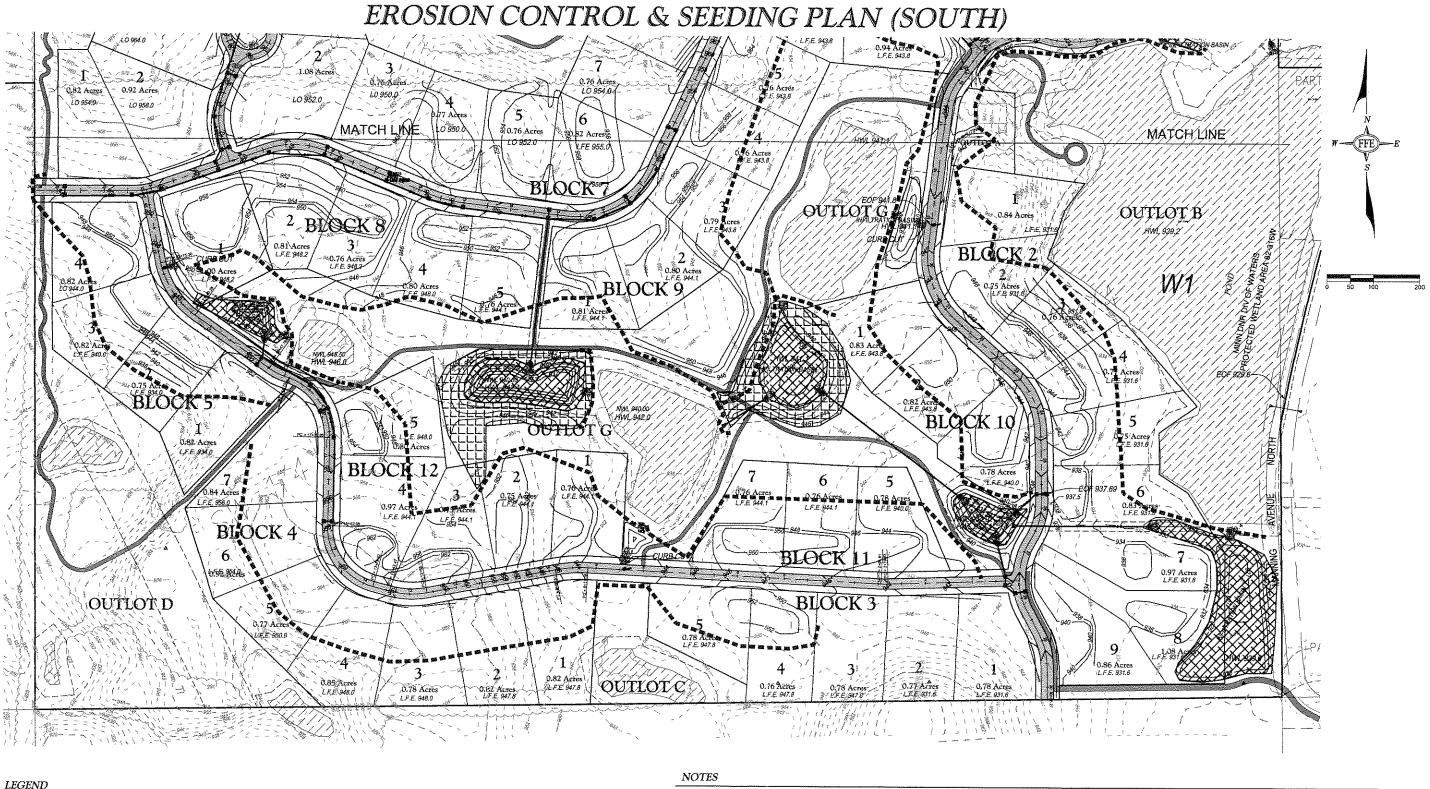
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EROSION CONTROL & SEEDING PLAN



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LIGHT DUTY SILT FENCING (AFTER GRADING)

TREE FENCING (ORANGE)

EROSION CONTROL WOOD FIBER BLANKET (TYPE 2S @ SWALES) (FILTREXX AT POND OVERFLOWS - SEE DETAIL)

SEED MIXTURE MN/DOT TYPE 350 (86 LBS/ACRE)

ALL OTHER DISTURBED AREAS TO BE SEEDED WITH LOW GROW FESCUE FROM TWIN CITY SEED COMPANY (120 LBS/ACRE) MIXED WITH BLACK EYE SUSAN (5 LBS PER ACRE) & PURPLE CONE FLOWER (5 LBS PER ACRE)

NOTE: ALL SEED SHALL BE DRILLED AND NOT SPREAD

A COVER CROP OF OATS SHALL ALSO BE APPLIED IN ALL ABOVE MIXES AT A RATE OF 10 LBS PER ACRE.

ALL SEEDING SHALL BE COVERED WITH WEED FREE MN/DOT TYPE 2 MULCH APPLIED @ 2 TONS PER ACRE.

- PRIOR TO ROUGH GRADING, INSTALL SILT STOP FENCE IN LOCATIONS SHOWN OR AS DIRECTED BY THE ENGINEER OR CITY STAFF.
- 2) ROUGH GRADING SHALL PROCEED ON AN AREA BY AREA BASIS TO MINIMIZE UNCOMPLETED AREAS.
- 3) AS EACH AREA OUTSICE THE STREET IS GRADED, PROVIDE 4* OF NATIVE TOPSOIL, SEED, AND MULCH ANCHORED WITH A STRAIGHT SET DISC WITHIN 48 HOURS OF FINE GRADING.
- 4) SLOPES 3:1 AND GREATER SHALL BE STABILIZED WITH FIBER BLANKET.
- 5) MAINTAIN AND REPAIR SILT STOP FENCES (INCLUDING REMOVAL OF ACCUMULATED SILT) UNTIL VEGETATION IS ESTABLISHED.
- 6) CONTRACTOR TO INSPECT AND DOCUMENT EROSION CONTROL WEEKLY AND AFTER ANY RAIN EVENT. SILT FENCE FOUND DAMAGED MUST BE REPAIRED OR REPLACED WIIN 24 HOURS UPON DISCOVERY.
- ALL SEDIMENT CONTROL FEATURES MUST BE REPAIRED WHEN THE SEDIMENT REACHES 1/3 THE HEIGHT OF THE STRUCTURE, OR REPLACED WITHIN 24 HOURS OF DISCOVERY.

- 8) WHEN THE DEPTH OF THE SEDIMENT REACHES 1/2 THE HEIGHT OF THE STORAGE VOLUME, THE BASIN SHALL BE DRAINED AND THE SEDIMENT REMOVED IN A MANNER AS APPROVED BY THE CITY ENGINEER.
- 9) REMOVAL OF SILT FENCE REQUIRED AFTER SITE IS STABILIZED (AT DIRECTION OF ENGINEER)
- 10) ALL EXISTING CITY STREETS SHALL BE SWEPT AS REQUESTED BY ENGINEER.
- 11) ALL INFILTRATION AREAS SHALL BE LEFT WITH 1-FT MATERIAL REMAINING AND REMOVED AFTER SITE STABILIZATION.
- 12) ALL INFILTRATION AREAS SHALL BE CLEANED OUT AS LAST STAGE OF CONSTRUCTION.

NOTE: THE CONTRACTOR SHALL NOTIFY THE ENGINEER OF ANY DISCREPANCIES AND SHALL NOT COMMENCE WITH ANY WORK PRIOR TO ENGINEERS APPROVAL.

THE LOCATION OF UNDERGROUND FACILITIES OR STRUCTURES AS SHOWN ON THE PLANS ARE BASED ON AVAILABLE RECORDS AT THE TIME. THE FLANS WERE PREPARED AND ARE NOT CARRANTEED TO BE COMMETTE OR CORRECT. CONTRACTOR IS RESPONDED FOR CONTACTION ALL VILLIES EVOIDE PRIOR TO CONSTRUCTION TO DETERMINE THE EXACT LOCATION OF ALL FACILITIES AND TO PROVIDE ADEQUATE OF THE EXACT LOCATION OF ALL FACILITIES AND TO PROVIDE ADEQUATE OF THE EXACT LOCATION OF ALL FACILITIES AND TO PROVIDE ADEQUATE OF THE EXACT LOCATION OF ALL FACILITIES AND TO PROVIDE ADEQUATE AND ALL FACILITIES AND TO PROVIDE ADMINISTRATION OF THE PROVIDE AND ALL FACILITIES AND TO PROVIDE ADMINISTRATION OF THE PROVIDE AND ALL FACILITIES AND TO PROVIDE ADMINISTRATION OF THE PROVIDE AND ALL FACILITIES AND TO PROVIDE ADMINISTRATION OF THE PROVIDE AND ALL FACILITIES AND TO PROVIDE ADMINISTRATION OF THE PROVIDE AND ALL FACILITIES AND TO PROVIDE ADMINISTRATION OF THE PROVIDE AND ALL FACILITIES AND TO PROVIDE ADMINISTRATION OF THE PROVIDE AND ALL FACILITIES AND TO PROVIDE ADMINISTRATION OF THE PROVIDE AND ALL FACILITIES AND TO PROVIDE ADMINISTRATION OF THE PROVIDE AND ALL FACILITIES AND TO PROVIDE ADMINISTRATION OF THE PROVIDE AND ALL FACILITIES AND TO PROVIDE ADMINISTRATION OF THE PROVIDE ADMINISTRATION

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SEED MIXTURE MN/DOT TYPE 310 (82 LBS/ACRE)



From: Austin Anderson
To: Ben Prchal; Eric Bratvold

Subject: Formal Request for The Sanctuary of Lake Elmo HOA, and Outlot F

Date: Monday, March 26, 2018 8:26:57 PM

Ben,

This email is to formally request the city of Lake Elmo's help with the re-acquisition of Outlot F on behalf of The Sanctuary of Lake Elmo HOA.

I wanted to highlight some of the things that we talked about previously to help expedite the process.

The outlot in question is outlot F Parcel #: 01.029.21.11.0008

This is the outlot where the subdivisions shared septic system is located. All homes within the subdivision are reliant on the proper maintenance and use of this outlot. It is currently in Tax forfeited status.

The outlot was in the Name of "Sanctuary LLC". which is operated by Case Arkel, the original developer. It was never properly transferred from the developer when the original HOA was formed "The Sanctuary of Lake Elmo HOA", as such we had not been copied on all communications, and the outlot was lost.

The HOA has made numerous requests with the county to somehow transfer the outlot back into our possession (with us paying any necessary fees/back taxes). Because of the name discrepancy however, the county has directed us to have the City of Lake Elmo procure the outlot and to then transfer appropriately to the HOA.

Can you please assist us in facilitating this request at the agreed upon price of \$10,409.

Thank you in advance and please reach out to me with any questions.

Sincerely Austin Anderson The Sanctuary of Lake Elmo HOA