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**CITY OF CANNON FALLS
CITY COUNCIL WORK SESSION AGENDA
WEDNESDAY, NOVEMBER 13, 2019
MEETING BEGINS AT 6:30 P.M.**

- 1. CALL TO ORDER**
- 2. SANDSTONE RIDGE DEVELOPMENT PROJECT**
- 3. ADJOURN**



134 East Second Street • Wabasha, MN 55981 • phone (651) 565-2638 • www.semmchra.org

SUMMARY FOR REQUEST OF ACTION BY CITY OF CANNON FALLS November 13, 2019

Action Requested/Recommendation:

SEMMCHRA requests discussion, feedback and decision by the City of Cannon Falls on several issues so SEMMCHRA can execute the documents necessary to quiet the title of the Sandstone Property.

Introduction/Background/Justification:

This property was transferred to the HRA in 2017 from Goodhue County for \$1.00. The County requested SEMMCHRA to ensure a clear title existed and determine the economic feasibility of pursuing affordable housing, and if feasible pursue the construction of affordable housing. SEMMCHRA has determined, along with the City of Cannon Falls, that it is not economically feasible to construct affordable housing on this site due to the extremely poor soil conditions and costs to stabilize the soils. Estimates provided by Stantec Engineering showed large contingencies related to risk due to the soil and estimated approximately \$750,000 would need to be invested into the property to stabilize the soils.

SEMMCHRA is in the process of ensuring the title is clear and transferable. SEMMCHRA Board approved on August 21, 2019 the approval to grant the Executive Director of SEMMCHRA the Authority to quiet the title of Sandstone property. As we proceed through this process several questions were raised which resulted in the need for the City and County to meet with SEMMCHRA. Based on those discussions, this meeting was scheduled.

The goal of SEMMCHRA is to optimize the property use and return this property to the tax rolls as soon as possible, while taking into account the City and County perspectives. Once the title is clear and transferable, the County will be presented with the option of transferring the property back to them or looking at options for SEMMCHRA to dispose of the land and utilize the proceeds for affordable housing in Goodhue County.

Key Legal Issues:

The following concerns were raised by SEMMCHRA's legal counsel and discussed at the meeting between City, County and SEMMCHRA in October. Each item below is created or covered by recorded records applicable to the land. They would need to be acknowledged and expressly retained in the quiet title complaint, or if omitted then could be removed from encumbering the land. Those which are found on the plats for Sandstone Ridge and Sandstone Ridge Second may need to be expressly described and proposed for removal.

1. Roads and streets contained on the plats. These are Sandstone Road between the end of the city park (Outlot B) and Decorah Drive, Decorah Drive, and Sandstone Circle. Based on my understanding that Cannon Falls is governed by a city charter, the streets must be abandoned by petition to the city council.
2. Utility easements across lots owned by SEMMCHRA in the plats. The utility and drainage easements in Sandstone Ridge run along the outside of the lots on the inside next to street or adjacent lots. The utility and drainage easements found in Sandstone Ridge Second run along the inside edge of the plat, and up

the middle of the area through what is lot 8 (looks like street between other lots. Outlot A is also covered by utility and drainage easements that overlap the Conservation Easement discussed below.

The utility easements overlap large parts of the area and would interfere with future development of the area. Quiet title might clear these away, because the statutory language requiring the street removals to go to the city council are ambiguous regarding easements. Easements also present problems with improvements, which may be city owned, that have been placed in the easements.

Utility easements (or street rights of way) allow for city water and sewer, city storm sewer and drainage, Xcel electric, MN Energy gas; and cable and phone services. There are substantial amounts of physical plant installed in the easements.

3. A permanent bluff land Conservation Easement that largely coincides with Outlot A. The easement prohibits building “anything made by man” within easement boundaries; cutting or removing trees; controlling vegetation; or any “activity detrimental to the preservation of the scenic beauty.”

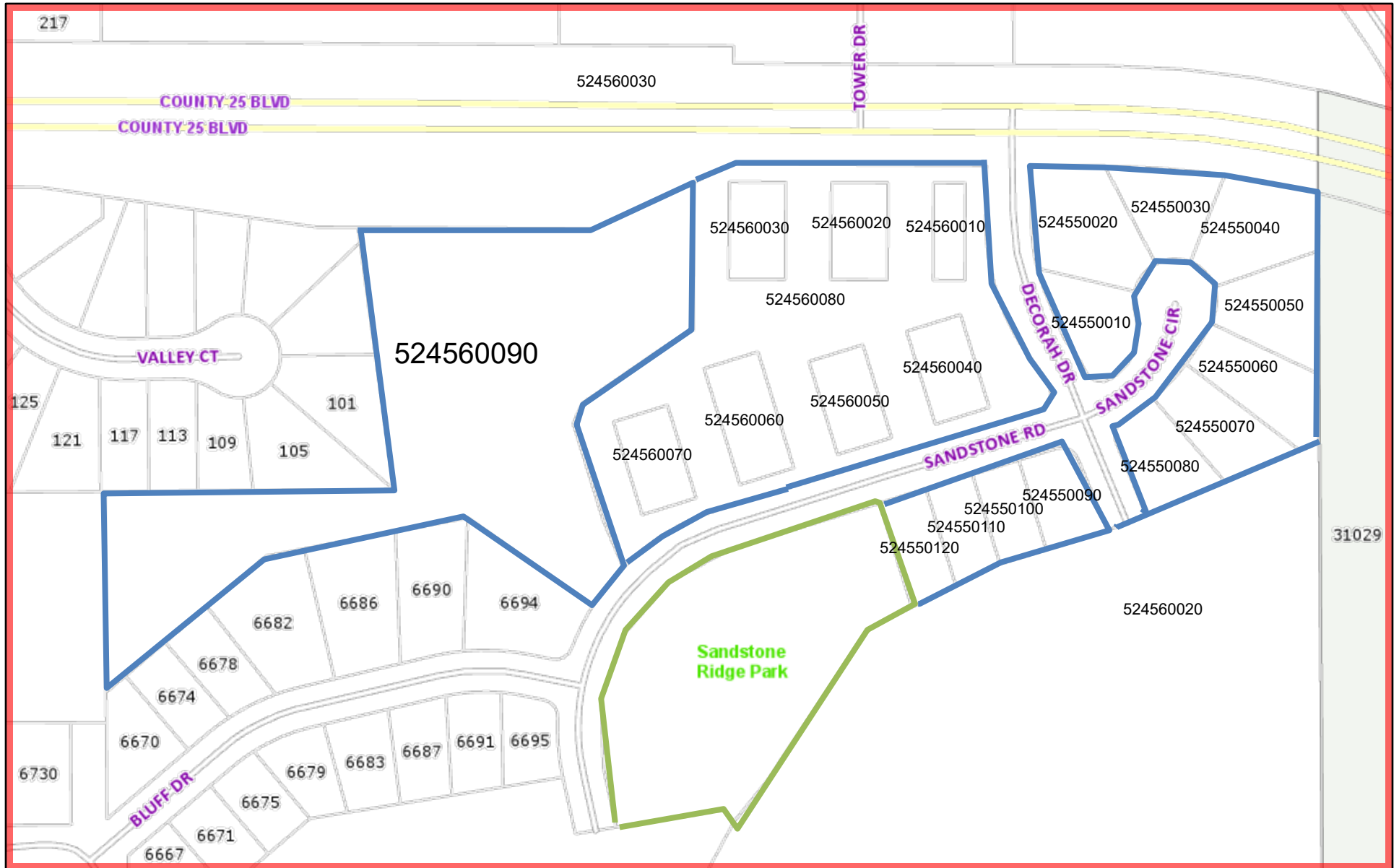
Items and Questions to be Answered as part of the Quiet the Title:

1. Are parties in agreement with the HRA requesting the City to vacate streets that connect through the parcel to County 25 as well as the utility easements?
2. What utility easement will need to be created to accommodate existing trunk, storm sewer and drainage easements?
3. Are parties in agreement that 2-3 parcels of less than 5 acres be created?
4. What are some proposed re-uses of the land? What do you want to do with this land and how would you like to structure this?
5. What is the County’s interest? What part do they want to play in the solution?

Proposed Outline and Timeline of Process:

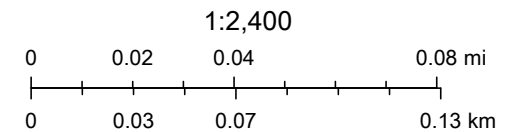
1. Meet with City Council in November or December to set Public Hearing if vacating streets
2. File a petition and coordinate with City Council to vacate streets and easements
3. Public Hearing on streets being vacated
4. Draft a complaint for Quiet Title
5. Survey of Parcels

Sandstone Parcel Map



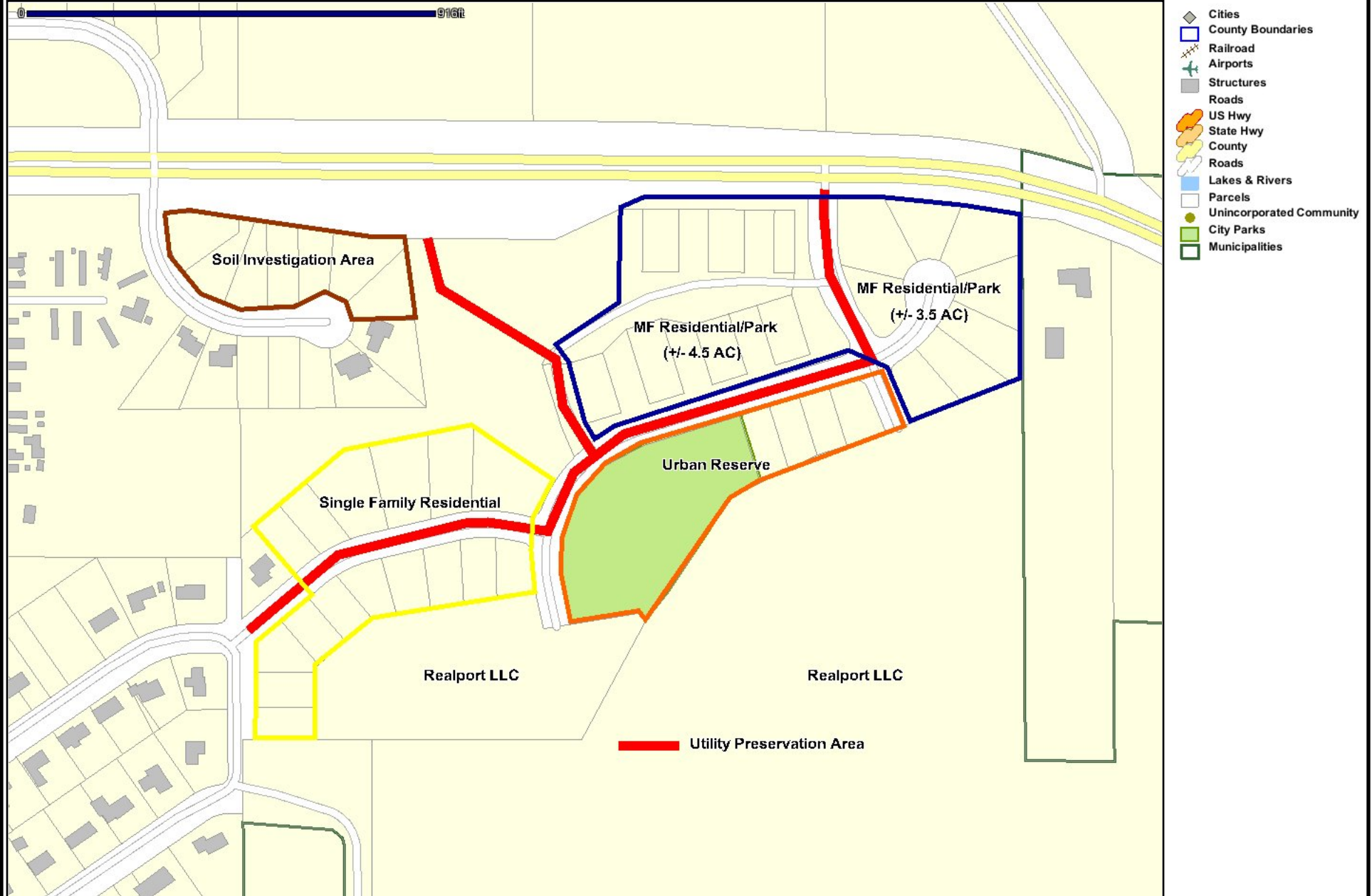
November 8, 2019

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|-------------------------|-----------------------|-------------------------|------------------|
| Township or Other Roads | State Highway | County Roads - Paved | ESRI Major Roads |
| Major Roads 2,400 | County Roads 2,400 | Township or Other Roads | Parcels |
| US Highway | County Roads - Gravel | Township or Other Roads | House Number |



Sandstone Ridge Land Use Plan

Concept No. 1 (9/8/14)



This map is neither a legally recorded map nor a survey and is not intended to be used as one. This map is a compilation of records, information and data located in various city, county, state and federal offices and other sources regarding the area shown, and is to be used for reference purposes only. Created From Cannon Falls Online Mapping Site. Sources: Goodhue County, MN; City of Cannon Falls, MN.
Map Created: 9/5/2014