

Council Agenda Item 26-0473R



MEETING DATE: May 26, 2026

SUBJECT/TITLE: RESOLUTION AUTHORIZING THE EXECUTION AND RECORDATION OF THREE DOCUMENTS AFFECTING REAL PROPERTY TO BE ACQUIRED FROM PARK HILL CEMETERY ASSOCIATION IN THE MORLEY HEIGHTS/PARKVIEW NEIGHBORHOOD.

SUBMITTED BY: Danielle Erjavec, Senior Property Services Specialist

RECOMMENDATION: Approve

BOARD/COMMISSION/COMMITTEE RECOMMENDATION: N/A

PREVIOUS COUNCIL ACTIONS:

21-0976 – RESOLUTION AUTHORIZING ACCEPTANCE OF A CONSERVATION PARTNERS LEGACY GRANT PROGRAM METRO GRANT FOR FY2022 FROM THE MINNESOTA DEPARTMENT OF NATURAL RESOURCES IN AN AMOUNT NOT TO EXCEED \$250,000.

22-0408 – RESOLUTION AUTHORIZING ACCEPTANCE OF A CONSERVATION PARTNERS LEGACY METRO PROGRAM GRANT FROM THE MINNESOTA DEPARTMENT OF NATURAL RESOURCES IN AN AMOUNT NOT TO EXCEED \$400,000 FOR THE ACQUISITION OF 83 ACRES OF LAND FROM THE DULUTH CEMETERY ASSOCIATION FOR RECREATION AND PRESERVATION.

23-0707 – RESOLUTION AUTHORIZING ACCEPTANCE OF A MINNESOTA DEPARTMENT OF NATURAL RESOURCES LAKE SUPERIOR COASTAL PROGRAM GRANT IN AN AMOUNT NOT TO EXCEED \$100,000 FOR FUNDS TO ACQUIRE APPROXIMATELY 68 ACRES FROM THE DULUTH CEMETERY ASSOCIATION FOR RECREATION AND PRESERVATION, AS AMENDED BY 23-0953R, 24-0949R, AND 25-0978R

25-0850 – RESOLUTION AUTHORIZING A PURCHASE AGREEMENT WITH PARK HILL CEMETERY ASSOCIATION FOR THE CONVEYANCE OF REAL PROPERTY IN THE MORLEY HEIGHTS/PARKVIEW NEIGHBORHOOD IN EXCHANGE FOR REPLACEMENT LAND.

BACKGROUND: This resolution authorizes the execution and recordation of three encumbrances against certain real property (the “Property”) to be acquired from Park Hill Cemetery Association (Park Hill). The Property is located on both sides of Vermilion Road near Downer Park in the Morley Heights/Parkview neighborhood. The city received three grants that funded the purchase of the Property (the “Grants”). A condition of the Grants require the execution and recordation of certain documents to ensure the Property: (i) is used for the purposes of which it was acquired for and in accordance with the terms of the Grants and (ii)

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not sold, transferred, pledged, or otherwise disposed of without the written approval from the grantors of the Grants.

The City purchased land from Park Hill in 2023, which purchase was funded by the Grants. The Grants required the City to execute and record certain restrictive covenants (as discussed in the preceding paragraph), and the City satisfied those conditions. Shortly thereafter, it was discovered that a portion of the property acquired in 2023 from Park Hill contained Soldiers Rest, a burial space for soldiers within the Park Hill Cemetery, as well as an organic compost site. The City desired to convey that property back to Park Hill, but is unable to do so without permission from the grantors of the Grants (the "Grantors"). The Grantors are willing to allow the City to convey property back to Park Hill if: (i) the City repays funds equal to the value of the land being conveyed back (over \$20,000) OR (ii) acquires and protects replacement land. The City and Park Hill agreed on a land swap so that Park Hill can own and operate the property with Soldiers Rest and the compost site and the City can acquire replacement land to be used in accordance with the Grants. The parties have been waiting to execute the land swap, but need written permission in recordable form from the Grantors. The Grantors have now executed certain releases to allow the land swap to occur on the condition that the City execute and record the documents proposed to be authorized under this resolution over the replacement land so that it is subject to the terms and conditions of the Grants.

The Property is depicted in light blue on the map attached as Exhibit 5 with the entire real property purchased with the Grants is outlined in red.

BUDGET/FISCAL IMPACT: None if approved other than recording fees estimated at \$184; City will need to repay \$20,000+ if the land swap does not occur and these documents are not approved and executed

OPTIONS: Authorize documents proposed under this resolution or the City will be violation of the Grants

NECESSARY ACTION: Approve resolution

ATTACHMENTS: Exhibit 1, Legal Description; Exhibit 2, Notice of Funding Restrictions; Exhibit 3, Notice of Funding Restrictions; Exhibit 4; Declaration of Restrictive Covenant; Exhibit 5, Map