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Title: RESOLUTION AUTHORIZING THE PURCHASE OF REAL PROPERTY FROM ALLETE, INC. IN THE IRVING NEIGHBORHOOD FOR NOMINAL CONSIDERATION.

Sponsors:

Indexes:

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Attachments: 1. Exhibit 1-Resolution, 2. Exhibit 2-PA

Date	Ver.	Action By	Action	Result
8/14/2023	1	City Council	adopted	

RESOLUTION AUTHORIZING THE PURCHASE OF REAL PROPERTY FROM ALLETE, INC. IN THE IRVING NEIGHBORHOOD FOR NOMINAL CONSIDERATION.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to enter into a purchase agreement, substantially the same as that on file with the office of the City Clerk, with Allete, Inc., authorizing the purchase of that certain real property legally described below (the "Property") for one dollar and other good and valuable consideration:

That part of Lots 11, 12, 13, 14 and 15, Block 99, formerly occupied by the N.P. Railway Right of Way, WEST DULUTH, FOURTH DIVISION, RESERVING AND EXCEPTING the permanent easement dated January 27, 1943, recorded in the St. Louis County, Minnesota land records on January 28, 1943 in Book 735 of Deeds, Page 306

St. Louis County, Minnesota

FURTHER RESOLVED, that the proper city officials are hereby authorized to disburse one dollar (\$1.00) for the purchase price of the Property, plus closing costs, payable from Fund 450-030-5510, CP450-CCITY-2048 (capital improvements, Finance, land, capital projects-other fund contributions, Cross City Trail, Cross City Trail - Phase VI 59th Ave W to 62nd Ave W).

FURTHER RESOLVED, that the proper city officials are hereby authorized to execute all documents necessary to effectuate the acquisition of the Property from Allete, Inc.

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize the acquisition of certain real property depicted in blue on the attached Exhibit 1 (the "Property") from Allete, Inc. ("Allete") for one dollar and other good and valuable consideration. The Property is located in the Irving neighborhood and is part of a former spur track operated by BNSF Railway Company ("BN"). The purchase agreement setting forth the terms and conditions of acquisition of the Property is attached as Exhibit 2.

A separate resolution on this agenda, Resolution No. 23-0635, authorizes a purchase agreement with BN for the Property, in addition to other real property (an irregularly shaped ribbon approximately 1,200 feet long by 50 feet wide).

During the course of the transaction with BN, it was discovered that Allete has an interest in the Property. Allete is willing to convey its interest in the Property to the City for nominal consideration with the retention of a utility easement for its transmission line. The City has a separate license agreement with Allete for use of the Property, in addition to adjacent property also owned by Allete, in connection with the Cross City Trail ("CCT"), which license agreement was authorized under Resolution No. 23-0467.

The City intends to construct a portion of the CCT on the Property in 2023 and 2024 with support from a federal transportation grant. Timely City acquisition of the Property is necessary for construction to proceed. Planned construction will extend the CCT from its current southwestern terminus at the eastern edge of Irving Park approximately one quarter mile to 59th Avenue West.