

MEETING DATE: January 29, 2015

TITLE: Authorization to execute a Memorandum of Understanding with Stonegate Farm Inc. and Property Resource Development Corporation

RESOLUTION NUMBER: 15-011

PREPARED BY: James Wisker

E-MAIL: Jwisker@minnehahacreek.org

TELEPHONE: 952-641-4509

REVIEWED BY: Administrator Counsel Program Mgr. (Name): _____
 Board Committee Engineer Other

WORKSHOP ACTION:

<input type="checkbox"/> Advance to Board mtg. Consent Agenda.	<input type="checkbox"/> Advance to Board meeting for discussion prior to action.
<input type="checkbox"/> Refer to a future workshop (date): _____	<input type="checkbox"/> Refer to taskforce or committee (date): _____
<input type="checkbox"/> Return to staff for additional work.	<input type="checkbox"/> No further action requested.
<input checked="" type="checkbox"/> Other (specify): FINAL ACTION on January 29, 2015	

PURPOSE or ACTION REQUESTED:

Authorization to execute a Memorandum of Understanding with Stonegate Farm Inc. and Property Resource Development Corporation to collaboratively perform conservation area planning within a proposed 171 acre, 42 unit single family subdivision in the Cities of Medina and Orono.

PROJECT/PROGRAM LOCATION:

See attached map

SUMMARY:

Stonegate Farm Incorporated owns approximately 171 acres of land in the Cities of Medina and f Orono. Property Resources Development Corporation (PRDC) is the company proposing to develop this property into a single family subdivision.

Both entities are parties to a Contingent Settlement Agreement (CSA) that stipulates development of the property with approximately 42 single family home sites utilizing a conservation design planned unit development (CD-PUD).

The development of the property is of interest to MCWD because it is located within a key conservation area as designated in the District's watershed management plan, with proximity to Lake Katrina and Three Rivers Park District's Baker Park, as well as Wolsfeld Woods State Natural Area.

As part of the settlement agreement, Stonegate Farm and PRDC are required to comply with the CD-PUD process requiring dedication of conservation areas within the development that encompass wetlands, wetland buffers, steep slopes and a minimum of 30% of the remaining buildable lands. As such the conservation areas offer the potential to restore, connect and regionally integrate approximately 90 acres of largely drained and degraded farmed wetland, existing tamarack wetlands, and uplands that have the potential to be located within conservation corridors.

Further, the City of Medina's ordinances require the developer to create a land stewardship plan for all conservation areas associated with the project to ensure a long-term steward of the land is established in perpetuity.

Following recent discussion, the District, Stonegate Farm Inc., and PRDC are interested in working collaboratively and proactively to integrate the conservation considerations into the intended development of the property. It is envisioned that this collaboration will optimize the water resource and ecologic benefits in a way that also facilitates an efficient and orderly development review process that secures the desired economic outcome for Stonegate Farm Inc. and PRDC.

The attached memorandum of understanding outlines the following general areas of collaboration:

- The District will work cooperatively with Stonegate Farm Inc. and PRDC before and after formal project submittal to clarify MCWD requirements and facilitate a development plan that best achieves conservation and economic goals while meeting regulatory requirements, in coordination with other agencies.
- Stonegate Farm Inc., PRDC and the District will collaboratively assess conservation values and enhancement opportunities on the property.
- The District will assist Stonegate Farms Inc. and PRDC to understand the relevant programs and requirements of other agencies, including regulatory and funding functions of such agencies. The parties will explore funding opportunities for mutually agreeable conservation purposes related to the development of the property.
- The parties will explore whether it is appropriate for the District to assume a formal responsibility related to the Land Stewardship Plan or conservation stewardship of the property. Any future roles and responsibilities of the parties would be the subject of a legally binding project agreement.

RESOLUTION

RESOLUTION NUMBER: 15-011

TITLE: Authorization to execute a Memorandum of Understanding with Stonegate Farm Inc. and Property Resource Development Corporation

WHEREAS, Stonegate Farm Inc. and Property Resources Development Corporation (PRDC) are parties to a contingent settlement agreement to develop 171 acres with approximately 42 single-family homes, using a conservation design planned unit development; and

WHEREAS, the subject property is located in a key conservation area as designated by the District's watershed management plan, with proximity to Lake Katrina, Three Rivers Park District's Baker Park and Wolsfeld Woods State Natural Area; and

WHEREAS, the conservation development planned unit development process requires the dedication of conservation areas within the development that encompass wetlands, wetland buffers and steep slopes; and

WHEREAS, the conservation area has the potential to restore, connect and regionally integrate approximately 90 acres of largely drained and degraded farmed wetland, existing tamarack wetlands, and uplands that have the potential to be located within conservation corridors; and

WHEREAS, the City of Medina's ordinances require the creation of a land stewardship plan for all conservation areas associated with the project to ensure a long term steward of these areas is established in perpetuity; and

WHEREAS, the District, Stonegate Farm Inc. and PRDC have expressed a desire in working collaboratively and proactively to bring conservation considerations to bear on the intended development of the property, on order to optimize the water resource and ecologic benefits of the development in a way that facilitates an orderly development review process while securing the desired economic outcomes of Stonegate Farm Inc. and PRDC; and

WHEREAS, this desire for partnership has been memorialized in the attached draft memorandum of understanding which outlines opportunities to collaborate in areas of conservation area planning, long term stewardship of conservation areas, and regulatory assistance;

NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers hereby authorizes the execution of a Memorandum of Understanding between the District, Stonegate Farm Inc. and Property Resources Development Corporation; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Minnehaha Creek Watershed District Board of Managers hereby authorizes minor non-substantive revisions to be made to the memorandum of understanding prior to execution, on advice of District counsel.

Resolution Number 15-011 was moved by Manager _____, seconded by Manager _____.
Motion to adopt the resolution ___ ayes, ___ nays, ___ abstentions. Date: _____.

Secretary Date: _____

MEMORANDUM of UNDERSTANDING

Minnehaha Creek Watershed District, Stonegate Farm Inc. and Property Resources Development Corporation

Conservation Development Planning Medina, Minnesota

This Memorandum of Understanding (MOU) is made among the Minnehaha Creek Watershed District (“District”); Stonegate Farm Incorporated (“Stonegate Farm”), the owner of an approximately 171-acre tract comprising parcels with parcel identification numbers 2111823310001, 2111823340002, 2111823340003 and 2811823240001 (the “Property”); and Property Resources Development Corporation (“PRDC”), which has a contractual arrangement with Stonegate Farm to develop the Property.

Statement of Purpose

A. Stonegate Farm and PRDC are parties to a Contingent Settlement Agreement (“CSA”) that stipulates development of the Property with approximately 42 single-family home sites utilizing a conservation design planned unit development (CD-PUD) approach.

B. The development of the Conservation Areas, as defined in subsequent sections, on the Property is of particular interest to the District because it is located within a key conservation area as designated in the District’s watershed management plan, with proximity to Lake Katrina and Three Rivers Park District’s Baker Park.

C. As part of the CSA, Stonegate Farm and PRDC are required to go through the regulatory process including, but not limited to, submitting to the City of Medina as land use authority a Concept Plan and General Plan of Development for the Project that includes appropriate approvals and public hearing processes, and for rules implementing the Minnesota Wetland Conservation Act (WCA). This process also requires review and approval by the District under its duly adopted rules for protection of water resources.

D. Stonegate Farms and PRDC understand that the CD-PUD process requires dedication of Conservation Areas within the development that encompass wetlands, wetland buffers, steep slopes in excess of 18%, and a minimum of 30% of the remaining buildable lands.

E. The City of Medina’s ordinances further require the developer to create a Land Stewardship Plan for all Conservation Areas associated with the project to ensure that a long-term steward of these areas is established in perpetuity.

F. As initially identified within the Concept Plan submitted to the City for review on January 13, 2015 prepared by Stonegate Farm and PRDC, the Property includes approximately 49 acres of

wetlands, wetland buffer areas and steep slopes, and more than 40 acres of upland buildable areas that will be a part of the Conservation Areas.

G. The Conservation Areas offer the potential to restore, connect and regionally integrate approximately 90 acres, more or less, of largely drained and degraded farmed wetland, existing tamarack wetlands, and uplands that have the potential to be located within conservation corridors.

H. The District, Stonegate Farm and PRDC are interested in working proactively to bring conservation considerations to bear on the intended development of the Conservation Areas on the Property, in order to optimize the water resource and ecologic benefits of the development in a way that also facilitates an efficient and orderly development review process while securing for Stonegate Farms and PRDC their desired economic outcomes.

I. The parties acknowledge that their ability to achieve these objectives for the Conservation Areas depends on their working cooperatively in accordance with the terms of this MOU.

THEREFORE this MOU does not state legally binding responsibilities or obligations but documents mutual goals and establishes a cooperative framework within which to explore these goals.

Terms of Cooperation

1. In its regulatory capacity under its own rules, the District will work cooperatively with Stonegate Farm and PRDC both before and after formal application submittal of the General Plan of Development to clarify the District's regulatory requirements, facilitate a Land Stewardship Plan that best achieves conservation and economic goals while meeting regulatory requirements, and integrate District regulatory review with the permitting and approval procedures of the City of Medina and other agencies.

2. Stonegate Farm, PRDC and the District will cooperate to assess conservation values and enhancement opportunities of the Conservation Areas on the Property, and examine feasible conservation development options. The District may contribute technical assistance to this effort. For this purpose the District and its technical advisors may enter the Property at reasonable times to inspect and survey, and may engage in limited disturbance of the Property, but will restore any disturbance materially to its preexisting condition. This paragraph does not give the District any authority to enter any building or structure. If the District finds that the restoration may require the cooperation of a neighboring landowner, the District, Stonegate Farms and the PRDC will consult as to the best way to engage that landowner.

3. Stonegate Farm and PRDC will provide the District any information about the Property that may help in its activity under paragraph 2, except for information that either party considers private. Stonegate Farm and PRDC recognize that data and information in the District's possession is subject to the Minnesota Data Practices Act. Where either party believes that

certain data or information is sensitive, it will advise the District and the parties will cooperate to determine whether and how the data or information can be protected from public availability.

4. The District will assist Stonegate Farm and PRDC to understand the relevant programs and requirements of other agencies, including both regulatory and funding functions of such agencies, and will use its good offices to facilitate communications among the parties. The District, Stonegate Farm and the PRDC will explore funding opportunities for mutually agreeable conservation purposes related to the development of the Conservation Areas on the Property.

5. The parties may find that it is appropriate for the District to assume a formal responsibility related to the Land Stewardship Plan or conservation stewardship of the Property, which may include its assumption of duties with respect to the management or maintenance of Conservation Areas or the acceptance of a conservation easement or other interest in the Property. In such a case, the roles and responsibilities of the parties would be documented in a legally binding project agreement.

6. The parties will work together in good faith and communicate in a timely fashion to advance the goals of this MOU. Stonegate Farm and PRDC will bring their own technical and legal resources to bear as appropriate to advance the goals of the MOU in a timely way and in such respects as either has need for reliance on technical or legal advice or warranty. Stonegate Farm and PRDC recognize that assistance provided by the District and its technical advisors under this MOU is informal, advisory and without any warranty or duty of care whatsoever. Stonegate Farm and PRDC understand that by its statutory purposes the District's involvement and resources will be directed and limited to the management and enhancement of water resources including but not limited to wetland protection and restoration, upland restoration related to water resource purposes, water quality, ecological benefits, and broader corridor connectivity.

7. Each party will bear the cost of carrying out its tasks and responsibilities under this MOU. Official contacts for all communications under this MOU are as follows:

District

[]
MCWD
15320 Minnetonka Boulevard
Minnetonka MN 55345

Stonegate Farm

[]
6851 Flying Cloud Drive, Suite A

Eden Prairie, MN 55344

PRDC

[]
6851 Flying Cloud Drive, Suite A
Eden Prairie, MN 55344

A party may change its official contact by written notice to the other parties.

9. This MOU is effective when fully executed by the parties and expires two years thereafter.

MINNEHAHA CREEK WATERSHED DISTRICT

Sherry White, President Date:

Approved for Form and Execution:

MCWD Counsel

STONEGATE FARM, INC.

[etc] Date:

PROPERTY RESOURCES DEVELOPMENT CORPORATION, INC.

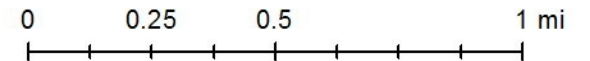
[etc] Date:



DRAFT

Stonegate Farms Development



1:24,556



-  Baker Park Preserve
-  Wolsfeld Woods SNA

Parcel boundaries delineated in **RED**.
Cross-hatched areas note key conservation areas.

Generated from MCWD ArcGIS Online

Date: 1/26/2015