

FINAL REPORT

2001 Project Abstract

For the Period Ending June 30, 2003

TITLE: 4 (j) Acquisition of Eagle Creek's Last Private Land

PROJECT MANAGER: Ann Mahnke

ORGANIZATION: City of Savage

ADDRESS: 13770 Dakota Ave. Savage, MN 55378

WEB SITE ADDRESS: www.cityofsavage.com

FUND: Minnesota Future Resources Fund

LEGAL CITATION: ML 2001, 1st Special Session, Ch. 2, Sec. 14, Subd. _4_(j)

APPROPRIATION AMOUNT: \$ 910,000

Overall Project Outcome and Results

The City of Savage acquired 16.45 acres of land bordering Eagle Creek, one of the last naturally producing brown trout streams in the metropolitan area. This land was the last privately owned parcel within the Eagle Creek corridor and for over 35 years was the site of warehouse, shop, open storage and other industrial uses that were incompatible with the state designated trout stream. In cooperation with the DNR, who owns all other riparian parcels along the creek, the City of Savage deeded over approximately 11 acres of land for inclusion into the Eagle Creek Aquatic Management Area. The total corridor now consists of approximately 80 acres and includes the east and west branches as well as the headwaters of Eagle Creek.

The City of Savage contributed approximately \$3.5 million for the purpose of acquiring the entire property. The city used condemnation proceedings to acquire the property along with two commercial buildings on site. The use of condemnation, although successful in meeting the ultimate goal, was much more costly than the city anticipated. Several businesses that were tenants on site had to be relocated and the city had to pay for those relocation costs. In addition, site improvement costs were bore by the city in order to bring the property into compliance with city and state codes. Although the city received \$910,000 in LCMR support, it ultimately cost the city \$2.6 million or \$237,000 per acre to acquire this property.

The benefit of purchasing the property will be realized for years to come. The site has been cleaned up and is no longer an eye sore in the community. The previous commercial activity on site has been eliminated and is no longer a threat to the sustainability of the creek. Significant state and local resources have been spent to protect this state designated trout steam, a worthwhile cause now and for future generations to come.

Project Results Use and Dissemination

The result of this project has provided more awareness and action on the part of adjacent landowners and partners in the Eagle Creek AMA. Cleanup days, invasive species removal, planting projects and management plans for the entire corridor have been completed since the project has been underway. The DNR has been active in implementing management strategies for both in-stream and upland areas. The Eagle Creek AMA Advisory Committee has been meeting regularly and is working closely with the Mdewakanton Sioux Community to include the entire corridor in the National Register of Historic Places. Local and governmental media have cooperated in disseminating information on special events and also keeping the public aware of activities that occur throughout the year. A joint effort is currently underway for a special event some time in the fall of 2003, to publicize the fact that the entire corridor is now protected.

Date of Report: June 30, 2003
LCMR Final Work Program Report
Date of Next Status Report: Final Report
Date of Work Program Approval: 2001
Project Completion Date: June 30, 2003
LCMR Work Program 2001

I. PROJECT TITLE: 4 (j) Acquisition of Eagle Creek's Last Private Land

Project Manager: Ann Mahnke
Affiliation: City of Savage
Mailing Address: 13770 Dakota Ave. Savage, MN 55378
Telephone Number: 952-224-3401 Mail: amahnke@ci.savage.mn.us Fax: 952-447-8666

Web Page address: www.cityofsavage.com

Total Biennial Project Budget:

\$ LCMR Appropriation: \$910,000 - \$ Amount Spent: 910,000 = \$ Balance: 0

Legal Citation: ML 2001, First Special Session [Chap. 2], Sec. [14],
Subd. 4 (j).

Acquisition of Eagle Creek's Last Private Land.

\$910,000 is from the future resources fund to the commissioner of natural resources for an agreement with the City of Savage to acquire a buffer strip along Eagle Creek for transfer and dedication as an aquatic management area. Acquisition expenses incurred prior to July 1, 2001, may be reimbursed by the commissioner. Land acquired with this appropriation must be sufficiently improved to meet at least minimum management standards as determined by the commissioner of natural resources.

II. and III. FINAL PROJECT SUMMARY

The City of Savage acquired 16.45 acres of land bordering Eagle Creek, one of the last naturally producing brown trout streams in the metropolitan area. This land was the last privately owned parcel within the Eagle Creek corridor and for over 35 years was the site of warehouse, shops, open storage and other industrial uses that were incompatible with the state designated trout stream. In cooperation with the DNR, the City of Savage deeded over approximately 11 acres of land for inclusion into the Eagle Creek Aquatic Management Area. The total corridor now consists of approximately 80 acres and includes the east and west branches as well as the headwaters of Eagle Creek.

The City of Savage contributed approximately \$3.6 million for the purpose of acquiring the entire property. The city used condemnation proceedings to acquire the property, along with two commercial buildings that are on site. The use of condemnation, although successful in meeting the ultimate goal, was more costly than the city anticipated. Several businesses that were tenants on site had to be relocated and the city had to pay those relocation costs. In addition, site improvement costs were bore by the city in order to bring the property into compliance with city and state codes. Although the city received \$910,000 in LCMR support, it ultimately cost \$2.6 million or \$237,000 per acre to acquire this property.

The benefit of purchasing the property will be realized for many years to come. The site has been cleaned up and is no longer an eye sore in the community. The previous commercial activity on the site has been eliminated and is no longer threaten the sustainability of the creek. Significant state and local resources have been spent to protect this state designated trout stream, a worthwhile cause now and for future generations to come.

IV. OUTLINE OF PROJECT RESULTS

Result 1: Acquisition of 11 acres of land bordering Eagle Creek

The land acquired consists of a total of 16.59 acres that was owned by the Gordon Strom Family. It was the last parcel of privately owned land alongside a state designated trout stream named Eagle Creek. (All other riparian parcels – totaling approx 70 acres – were previously acquired for inclusion in the Eagle Creek Aquatic Management Area, which was established in 1995 following an appropriation of \$1.5 million from the state legislature.) For over 35 years, the Strom property has been the site of warehouse, shop, open storage, and other commercial/industrial uses that are incompatible with Eagle Creel's designation and future as an aquatic management area (AMA).

The City of Savage contributed approximately \$3.5 million for the purpose of acquiring the entire Strom property. Once the city acquired the total acreage, it deeded approximately 11 acres of mostly undeveloped land nearest the creek to the Department of Natural Resources (DNR) for inclusion in the AMA. The \$910,000 from the LCMR was used to assist in purchasing this 11-acre parcel. The remaining property, consisting of approximately five acres and including two on-site buildings, remains under city ownership. The city is utilizing one of the buildings for storage and also leases space to other commercial businesses to assist in off setting the initial capitol required to purchase the property. The city has worked closely with DNR Fisheries to clean up and restore upland areas important to the success of the stream. The City of Savage publicized the activities and acquisition in the local paper and also in the City of Savage's publication (City News). A joint media event between the city and DNR is planned for the fall of 2003.

**Result 1: LCMR Budget: \$910,000
Balance: 0**

Acquisition 11 acres of land for inclusion into an AMA \$910,000

Completion Date: March 2003

Result Status: Result 1 is completed

V. TOTAL PROJECT BUDGET: \$910,000

All Results: Acquisition: \$910,000

TOTAL BUDGET: \$910,000

A.) ATTACHMENT A (attached)

VI. PAST, PRESENT AND FUTURE SPENDING:

A. Past Spending:

In 1994, approximately \$1.2 million from various funding sources – including the Reinvest in Minnesota (RIM) program, the DNR, and the Lower Minnesota Watershed District – was used to purchase a corridor along the west branch of Eagle Creek. In 1995, the state legislature appropriated an additional \$1.5 million to the DNR for the acquisition of adjacent land that formed the basis for the Eagle Creek AMA. The City of Savage allocated approximately \$375,000 in park dedication funds towards the purchase of this corridor. In addition, the City of Savage has spent approximately \$8,000.00 on native prairie grasses and tree planting; approximately \$9,000.00 for local crews to perform trail installation and maintenance and assist the DNR with tree removal and other clearing for the creek; approximately \$12,000.00 for city management personnel to oversee the planting, trail, and corridor management programs; and approximately \$11,000.00 for equipment rental for a total approximately \$415,000.00. (This amount does not include the AAUAR review of the entire watershed area).

B. Current and Future Spending:

Current spending by the city for the maintenance and AMA participation is expected to stay at historical levels at approximately \$8,000.00 per year. In addition, the city condemned the property, therefore incurring costs for relocation of tenants and also rental payments to the property owners with the loss of tenants

Environmental testing, surveying, attorney fees, relocation costs and property appraisals have also been completed and could exceed \$800,000.

The city paid a total of \$ 3.5 million for the acquisition of the Strom property. Clean up costs to date have been approximately \$5,000 including materials and labor. Site improvements in 2002 and 2003 totaled \$480,000 for well abandonment, platting, hooking up to city water and sewer, parking lot improvements, additional clean up and relocation costs.

C. Project Partners:

Mr. Gerald Johnson, Minnesota Department of Natural Resources – Fisheries

Mr. Kevin Bigalke, Minnesota Department of Natural Resources

Mr. John Hunt, Minnesota Council of Trout Unlimited – Vice Chair

VII. DISSEMINATION: *Information about this project will be shared with the local media, cable access channel, City of Savage City News, Minnesota DNR, and all AMA partners.*

VIII. LOCATION: 12491 Zinran Avenue, Scott County, City of Savage, 55378
Sec. 7, twp 115

IX. REPORTING REQUIREMENTS: Work Program Final Report – June 30, 2003

X. RESEARCH PROJECTS: *Not applicable.*