



City of Sunfish Lake City Council Agenda Report



TO: Mayor O'Leary and Members of the Sunfish Lake City Council
FROM: Kori Land, City Attorney
DATE: Sept. 9, 2025
RE: Selling City-Owned Properties

BACKGROUND

The City Council was recently approached by a person inquiring about the possibility of purchasing vacant City-owned property.

DISCUSSION

The City owns five properties, 3 of which are marked on the map below:



Another City-owned parcel is identified on here as Roanoke Rd:



The other City-owned parcel is Musser Park, which is in a land trust and must be maintained as a park.

Attached is a chart the Mayor prepared for the parcels, which correspond to the numbers on the maps and which identify key information about each parcel. We have not determined how or when the City acquired Parcel 3 to find out if there is a deed restriction, nor have we confirmed the buildability of Parcel 3, and it appears to be landlocked, without access to a public road. If the Council is interested in disposing of Parcel 3, more research is needed.

While the Council can discuss the willingness to sell any of the 5 properties, the rest of this memo will focus on the potential sale of Parcels 1 and 2.

Parcels 1 and 2 were deeded to the City in 1972 from Reuel and Margaret Harmon

(Attached is the Deed), with the following deed restriction:

“The land hereby conveyed is hereby restricted to use for park and recreational purposes only, and by acceptance of this deed, the grantee herein covenants and agrees for itself and its successors and assigns to use said land only for the aforesaid purposes.”

It does not appear that the City has used the properties as a park or for recreational purposes during the last 53 years and Minn. Stat. §500.20 subd. 2a sunsets deed restrictions after 30 years. It states:

Subd. 2a. **Restriction of duration of condition.** Except for any right to reenter or to repossess as provided in subdivision 3, all private covenants, conditions, or restrictions created by which the title or use of real property is affected, cease to be valid and operative 30 years after the date of the deed, or other instrument, or the date of the probate of the will, creating them, and may be disregarded.

Therefore, the deed restriction that the Parcels must be used for “park and recreational purposes only” has expired. The City has options for these Parcels 1 and 2.

1. The City can continue to own these Parcels as-is without improvements.
2. The City could develop the Parcels for park and recreational purposes.
3. The City could develop the Parcels for some other public purpose, such as a City building or facility. The League of Minnesota Cities says this about the meaning of “public purpose”:

The meaning of “public purpose” is constantly evolving. The Minnesota Supreme Court has followed a liberal approach, generally finding a “public purpose” when the activity in question meets all the following criteria:

- The activity will benefit the community as a body.
- The activity directly relates to functions of government.
- The activity does not have, as its primary objective, the benefit of a private interest.

“Functions of government” are activities such as public safety, sewer, water, parks and open space.

If the City Council desires to continue to own these Parcels as-is, then there is nothing else to do. If the Council desires to use these Parcels for one of the functions of government, then the City should begin studying how to best use them and how to fund such use. If the City desires to sell the Parcels, then it should do so with intention, ensuring that the Council is being fiscally responsible with the City’s resources.

If the City Council wants to move forward with the sale of the Parcels, potential next steps for such sale are as follows:

1. Determine the value of the Parcels:
 - a. Hire an appraiser to determine the market value of the Parcels; or
 - b. Use the property tax value as a minimum offer;
2. Market/List/Advertise it for sale:
 - a. Hire a real estate broker to market the Parcels; or
 - b. Do direct solicitation with interested buyers; or
 - c. Open the sale to the public, similar to a public bidding process where there is a terms sheet prepared, the Parcels are advertised in various media outlets and the Council accepts proposals. The proposals would be reviewed by the Council at a closed meeting and sold to the highest and best proposal with the best project. The Council can close a meeting to consider the asking price as well as to consider offers and counteroffers for the sale of the Parcels. The Parcels could be sold to separate buyers or they could be sold together to one developer, depending on the best offers.
3. Enter into a purchase agreement with the buyer(s) at a regular City Council meeting. No public hearing is required for the sale of real estate.

RECOMMENDATION

The Council should discuss if it is interested in selling the Parcels and discuss the various options above.

ATTACHMENT

Mayor's Chart

Deed to the City for "Harmon Park"

Properties Owned by Sunfish Lake 2025

	Address	Acreage	2025 Land Value	Comments
1	2500 Angell Road Parcel # 38-73250-00-010	2.69	\$357,300	Deed restrictions from 1972 have lapsed per Minn. Stat. 500.20, Subd. 2a. Justin Musser confirmed this lot is buildable.
2	2450 Angell Road Parcel #38-73250-00-020	3.26	\$357,300	Same as above; deed restrictions expired, lot is buildable.
3	Parcel #38-03000-51-040 South of Hwy 62 & West of Sunfish Lane	4.72	\$72,500	Likely swampland and probably not buildable. Unclear how the city acquired this parcel or if any alternative use exists.
4	Roanoke Road Parcel #38-88801-00-010	1.1	\$4,500	Currently designated a public street (cul-de-sac) and maintained by the city. Is alternative use or maintenance arrangement possible?
5	Musser Park 210 Salem Church Road Parcel #38-03100-56-020	22.14	\$1,769,300	Held in land trust, used as a city park.

Matters to consider:

1. 2450 and 2500 Angell Road. (Harmon Park) Both lots are densely wooded, not currently used as parkland, and meet minimum size requirements for buildable residential parcels (2.5-acre lots). We do not currently maintain them as a park.
2. Does SFL, which is known as a tree city, need more "Green space" for residents; most of whom are required to have buildable lots of 2.5 acres.
3. We could sell these two lots for a single-family residence. Usually lots sell for more than the property tax valuation. But even assuming the tax valuation, that would be approximately \$714,600.
4. *Benefit:* This would expand the city's tax base, benefiting all residents via increased annual property tax revenue.
5. *Community Impact:* While adjacent property owners may prefer the land remain undeveloped, selling serves the broader interest of the entire city.
6. **Action Items for Council Discussion:**
 - a. Should the city initiate the process to prepare 2450 and 2500 Angell Road for sale as residential lots? (Via a bid process.)
 - b. Should we investigate further uses or status of the Hwy 62/Sunfish Lane and Roanoke Road parcels?
 - c. How should any potential proceeds be most beneficially applied—tax relief, investment, or community improvements?
 - i. We have current surplus in excess of \$1 million which is significant.
 - ii. Could use windfall for a one-time tax deduction of \$714,600 in year following sale; essentially eliminating most city taxes in that year.
 - iii. Could enlist the help of the city's financial consultant to find out the wisest way to use a windfall, which might include investing some of it to make it last longer.
 - d. Are there other potential uses or needs the Council would recommend for these properties?
7. Feedback and direction are requested to inform next steps.

TORRENS

Doc. No. 66043

QUIT CLAIM DEED

Individual to Corporation

Reuel D. Harmon and Margaret W.

Harmon

TO

Village of Sunfish Lake

Reg. of Titles
Office of Registrar of Deeds,

State of Minnesota,

County of Dakota

I hereby certify that the within Deed
was filed in this office for record on the
15th day of January

1973, at 11:00 o'clock A. M.,

and was duly recorded in Book 102

page 407 Cert. #3684
408 36842 (Res.)

By James J. Foutch
Reg. of Titles
Deputy

Taxes for the year 19____, on the lands
described within, paid this
day of _____, 19____

County Treasurer.

By Robert J. Foutch Deputy.

Taxes paid and Transfer entered this
15th day of January

1973
and S. Ousechuk

County Auditor.

By R. Johnson Deputy.

Boede, Leonard & Weinblatt

Suite 220 Metro Square Building

St. Paul, Minnesota 55101 1-11-73

No Charge ODC

This Indenture, Made this 15th day of November, 1972,
between REUEL D. HARMON and MARGARET W. HARMON, his wife,

of the County of Ramsey and State of Minnesota
parties of the first part, and VILLAGE OF SUNFISH LAKE, a municipal corporation

~~under the laws of the State of~~ Minnesota, party of the second part,
~~That the said part~~ ies of the first part, in consideration of the sum of
One Dollar (\$1.00) ~~dollars~~,
them in hand paid by the said party of the second part, the receipt whereof is
hereby acknowledged, do hereby Grant, Bargain, Quitclaim, and Convey unto the said party of
the second part, its successors and assigns, Forever, all the tract or parcel of land lying and being
in the County of Dakota and State of Minnesota, described as follows, to-wit:

Lots One (1) and Two (2), Sunfish Heights, according to the plat thereof on file and of
record in the office of the Registrar of Deeds in and for Dakota County, Minnesota,
reserving a roadway easement over all that part of said Lot One (1) lying within 25
feet of the Southernly boundary line thereof and over all that part of said Lot Two (2)
lying within 25 feet of the Northernly boundary line of said Lot Two (2) and said Northernly
boundary line projected Easterly. Said easements are reserved in favor of Reuel D.
Harmon, one of the parties of the first part herein, his heirs and assigns, and such
other persons or parties to whom said party of the first part or his heirs or assigns
may from time to time grant said easements or the right to use the same.

Subject to utility and drainage easements of record.

The land hereby conveyed is hereby restricted to use for park and recreational purposes
only, and by acceptance of this deed the grantee herein covenants and agrees for itself
and its successors and assigns to use said land only for the aforesaid purposes.

State Deed Tax exempt

Exempt from state deed tax

Earl V. Schlegel
County Treasurer

To Have and to Hold the Same, Together with all the hereditaments and appurtenances there-
unto belonging or in anywise appertaining, to the said party of the second part, its successors and
assigns, Forever. This instrument is exempt from the Minnesota deed tax.

In Testimony Whereof, The said part ies of the first part have hereunto set their
hand the day and year first above written.

In Presence of

Ruth F. Schuf
Lorna L. Stata

Reuel D. Harmon
Reuel D. Harmon
Margaret W. Harmon
Margaret W. Harmon

State of Minnesota,

County of Ramsey

On this 15th day of November, 1972, before me,
a Notary Public within and for said County, personally appeared
Reuel D. Harmon and Margaret d. Harmon, his wife,

to me known to be the person described in, and who executed the foregoing instrument,
and acknowledged that they executed

the same as their free act and deed

This instrument was drafted by
Doherty, Rumble & Butler
E-1500 First National Bank Building
St. Paul, Minnesota 55101

Joseph C. Gaudinier
JOSEPH C. GAUDINIER
Notary Public My Commission Expires Mar. 8, 1974
County, Minn.

My commission expires 19

NOTE: The blank line marked "See Note" are for use when the instrument is executed by an attorney in fact.

Tax statements (if any) for the real property described in this instrument should be sent to:
Village of Sunfish Lake, c/o Mayor Albert W. Lindeke, Jr. 415 Salem Church Road, St. Paul,
Minnesota 55118

Affidavit of Purchaser of Registered Land

State of Minnesota }

COUNTY OF RAMSEY }

ss.

ALAN W. WEINBLATT

being first duly sworn

on oath says that ~~he~~ ^{she} makes this affidavit on behalf of the purchaser(s) of registered land situated in ~~Dakota~~ ^{Ramsey} County, Minnesota.

The name of ~~the~~ ^{said} purchaser(s) is Village of Sunfish Lake

The purchaser resides at Village of Sunfish Lake, c/o Mayor Albert W. Lindeke, Jr.
315 Salem Church Rd., St. Paul, Minn. 55118

~~XXXX~~ Village of Sunfish Lake ~~Dakota~~ ^{Ramsey} County, Minnesota,

is _____ years of age, is under no legal disability and is ~~single~~ ^{married} to

whose residence is as above set forth

who is _____ years of age and who is under no legal disability

Subscribed and sworn to before me this

signed

Alan W. Weinblatt

9th day of *January*, 19*73*

[Signature]
Notary Public, Ramsey County, Minnesota

My Commission Expires *May 21, 1974*

Affidavit of Purchaser of Registered Land

166043

State of Minnesota }
COUNTY OF RAMSEY }

ss.

ALAN W. WEINBLATT

being first duly sworn

on oath says that he makes this affidavit on behalf of the purchaser(s) of registered land situated in ~~Dakota~~ ~~Ramsey~~ County, Minnesota.

The name of ~~XXXXXX~~ said purchaser (x) is Village of Sunfish Lake

The purchaser resides at Village of Sunfish Lake, c/o Mayor Albert W. Lindeke, Jr.
315 Salem Church Rd., St. Paul, Minn. 55118

~~XXXXXX~~ Village of Sunfish Lake ~~Dakota~~ ~~Ramsey~~ County, Minnesota,

is _____ years of age, is under no legal disability and is single married to

whose residence is as above set forth

who is _____ years of age and who is under no legal disability

Subscribed and sworn to before me this

signed

Alan W. Weinblatt

9th day of January, 1973

[Signature]

Notary Public, Ramsey County, Minnesota

Notary Public, Ramsey County, Minn.

My Commission Expires My Commission Expires