## MEMORANDUM OF UNDERSTANDING

### Preservation of Kenilworth Corridor in Public Ownership and Control

This Memorandum of Understanding is between the City of Minneapolis (City) and the Metropolitan Council (Council).

1. It is the intent of the parties that all of that part of the Kenilworth Corridor between M.P. 13.7 and M.P. 16.2 (as shown on Exhibit 1 attached) that is being used for rail transportation of any kind, that may foreseeably in the future be used for rail transportation of any kind or that legally has a present use for rail transportation of any kind, shall remain in public ownership. The Council will take all reasonable actions to keep the Kenilworth Corridor in public ownership while it is being used for rail transportation of any kind, including but not limited to the following:

   (a) The Metropolitan Council will exert whatever influence it has to have the current owner of the rail line in the Kenilworth Corridor, the Hennepin County Regional Railroad Authority, enter into an agreement with the City, committing on behalf of itself and any successors in interest (i) to not admit additional railroad tenants or users to use of the line; and (ii) to limit use, to the maximum extent possible, pursuant to its rights under Section 2.3 of that certain Trackage Rights Agreement between Soo Line Railroad Company, Twin Cities & Western Railroad Company and Hennepin County Regional Railroad Authority dated August 10, 1998, as amended to date~~,~~ (the "Trackage Agreement"); and (iii) to prohibit modification of the Trackage Agreement without City consent; (iv) that transfer of the property, if any, will be an intergovernmental transfer intended to keep the corridor in public ownership; and (v) it will not sell or offer the property for sale so as to create an obligation to offer a right of first refusal under Minnesota Statutes, Section 222.632.

   (b) If the Council acquires any property in the Kenilworth Corridor to be used for freight rail, including but not limited to property from BNSF or others located to the west of the HCCRA property and just north of the channel in the Kenilworth Corridor, then the Council agrees on behalf of itself and any successors in interest as to any such property: (i) to take all reasonable actions to keep the property that is being used for freight rail in public ownership while it is being used for rail transportation of any kind; and-(ii) to admit only Twin Cities & Western Railroad Company and not admit additional railroad tenants or users to use of this property; and (iii) to impose limitations in any new or amended trackage rights agreement that limit use of this property, to the maximum extent possible, consistent with the limitations in Section 2.3 of the above-referenced Trackage Agreement; and (iv)to not sell or offer this property for sale so as to create an obligation to offer a right of first refusal under Minnesota Statutes, Section 222.632.

(c) The Council agrees that any transfer of the property used for freight rail in the Kenilworth Corridor to the Council, shall be made strictly as an intergovernmental transfer of property.

(d) Any transfer of any property used for freight rail in the Kenilworth Corridor shall be contingent upon assumption by the transferee of the above-referenced agreements, including the Trackage Agreement(s),-the HCCRA-City agreement and the applicable Council commitments in this MOU. A memorandum of these agreements shall be filed in the county real estate records.

2. The Council intends that any property located in the Kenilworth Corridor that is now owned or subsequently acquired from BSNF Railroad by the Council that will not actively be used either for the Project or freight rail (as shown on attached Exhibit 2) shall be conveyed to the Minneapolis Park and Recreation Board for use as parkland upon terms and conditions that are agreeable to both the Council and the Board. The Council intends that any property located in the Kenilworth Corridor that it may acquire from HCCRA that it will not actively use for either the Project or freight rail shall be conveyed to the Minneapolis Park and Recreation Board for use as parkland upon terms and conditions that are agreeable to both the Council and the Park Board. This refers to the “excess” or “remnant” pieces of land and does not include any land that will actively be used for the Project, freight rail or the bicycle and pedestrian trail.

3. To the extent necessary to perpetuate and maintain the connection to local and regional trails in the area, if the Council obtains land in the Kenilworth Corridor, the Council will grant a permanent easement to the Minneapolis Park and Recreation Board for a pedestrian and bicycle trail in the Kenilworth Corridor that is laid out so as to connect to regional and local trails in the area. This permanent easement will include, as applicable, an easement for the trail to be placed over any Council owned tunnel, together with any necessary restrictions thereon.

_____ Date:_____

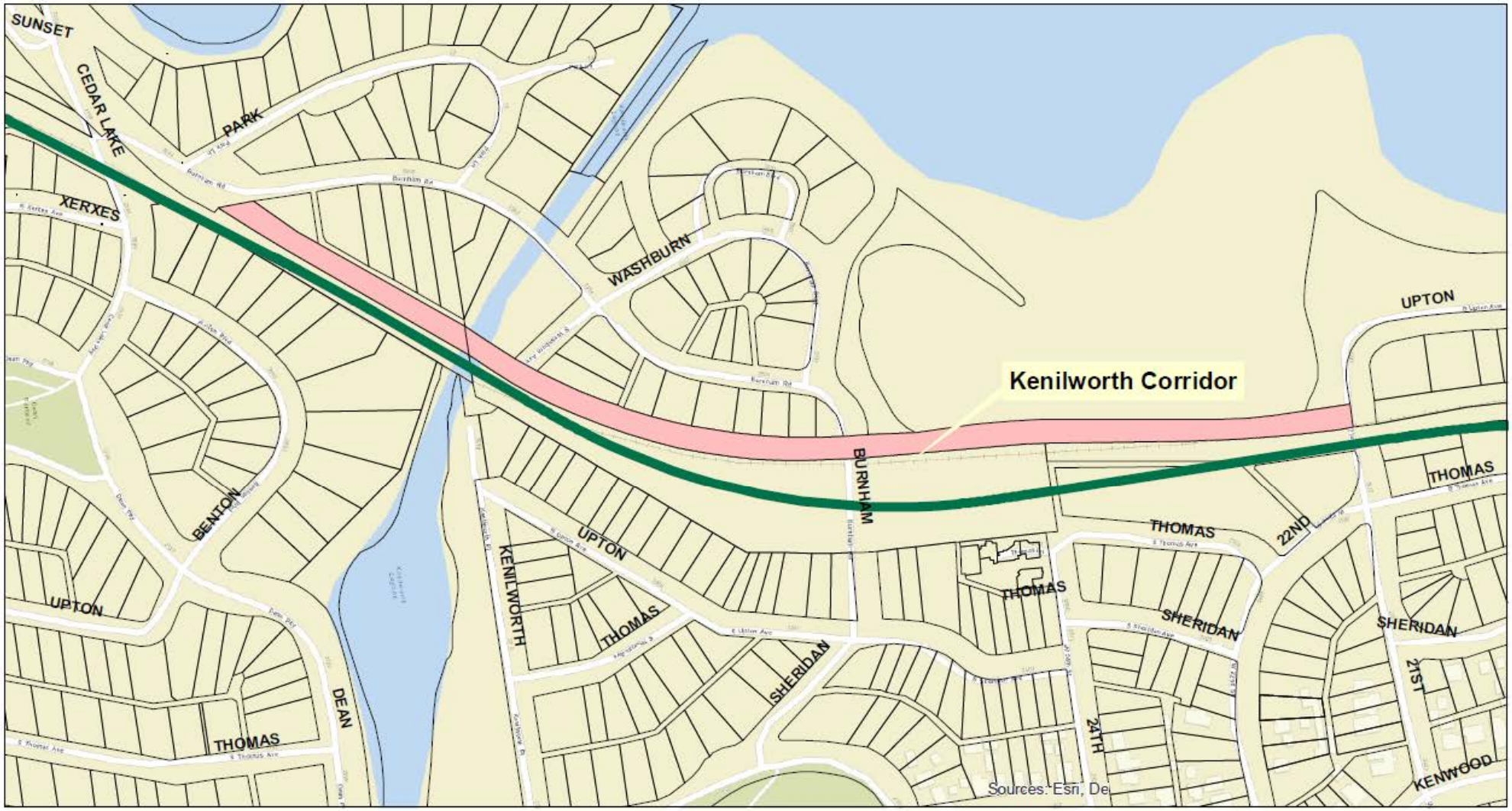
Metropolitan Council
Regional Administrator

_____ Date:_____

City of Minneapolis

M.P. 13.7
M.P. 16.2
Cedar Lake
Lake of the Isles
Lake Calhoun
Bass Lake
Calhoun Beach
Browns Lake
Birch Pond
Twin Lakes
Kenwood Park
Kenwood Sch
Douglas Sch
Israel Sch
Benilde High Sch
Fern Hill Sch
Fern Hill Park
Park Hill Sch
Carpenter Park
Wolfe Park
Minikahda Golf Course
Minikahda Vista
South Tyrol Park
Bryn Mawr Sch
Bryn Mawr Meadows
Water Tank
Calhoun
LAKEWOOD CEMETERY
PARK
Exhibit 1

# Exhibit 2




BNSF Parcels

Date: 7/7/2014

0 125 250 500 Feet

N

**Legend**

- BNSF parcels
- All other properties
- SWLRT Alignment