

Stephanie Chappell
2401 14th Street E
Glencoe MN 55336

Chair Pappas and Members of the House Capital Investment Committee
Regarding SF677 Individual Bonding Projects
February 21, 2023

Dear Chair Pappas and Members,

Please remove two items from SF676: Upper Sioux Agency State Park and Historic Preservation to Minnesota Historical Society. Defeasance of an outdoor recreation system unit is prohibited by Minnesota law and will result in the loss of an entire state park, historic district and historic site. Authorizing historic preservation funds to the nonprofit Minnesota Historical Society is misplaced and should be funded to the State Historic Preservation Office of the State's Department of Administration.

1. **Article 1 Section 7 Subdivision 21. Upper Sioux Agency State Park** is entirely state-owned. 2022 MS 138.661 subd 2 acknowledges some historic sites are state-owned while others are owned by the nonprofit MNHS. Further, 138.661 subd. 2 states, "The authority of the commissioner of natural resources to administer and control the historic sites in 138.662 is withdrawn, and is conferred upon the Minnesota Historical Society." This withdrawal did not transfer property to MNHS, only management responsibilities. MS 138.662 subd. 33 identifies the "Upper Sioux Agency" as a state owned historic site; this is the area where the Agency existed in 1862 for the benefit of the Upper Sioux Indian tribe. The entire Upper Sioux Agency State Park is a designated State Historic District under MS 138.71 through 138.75 collectively the Minnesota Historic District Act of 1971. Historic Districts per MS 86A.055 cannot be sold "for the purpose of anticipated savings to the general fund." Upper Sioux Agency State Park – all 2,000 acres is identified as a Historic District in MS 138.73 Subd. 19. Upper Sioux Agency State Park qualifies as a unit of the Minnesota Outdoor Recreation System under 86A.05 Subd's 2 (state park), 10 (recreational river – MN), and 11 (historic site) deeming the area irreplaceable. Therefore, the site cannot be included in the current bonding bill under defeasance as several statutes forbid the action and MS 86A.055 specifically prohibits sales of outdoor recreation system units. The DNR aims to reduce the general fund through sale of the property to the Upper Sioux Indian Community for the purpose of Indian Trust, removing the land and historic site from the State of Minnesota and use and access by the State's residents and visitors. As Kent Whitworth, Director and CEO of nonprofit MNHS states there is nothing like experiencing history where it happened.
2. **Article 1 Section 25 Subdivision 2.** Minnesota Historical Society. The Minnesota Historical Society (MNHS) no longer has authority to determine asset preservation of Minnesota's building assets. The State Historic Preservation Office moved from the

nonprofit MNHS to the nonpartisan Department of Administration prior to 2020. It is SHPO who carries expertise to determine preservation need of Minnesota's historic structures in a timely and unbiased manner. MNHS owns numerous historic sites within the historic site network (MS 138.662). Prior to reclassification of Chapter 138 to incorporate the State Historic Site Network in 1993, MS 138.55 and 138.56 identified each historic site *by owner*, either MNHS or State of Minnesota. Since 1993, there has been no classification of ownership. Under 1992's statutes, MNHS owns Mill City Museum while the State owns Fort Snelling. In 2021, MNHS spent \$1.4 million on its own property, Mill City Museum, and failed to unveil the conflict of interest created when using public funds for a privately owned building before making repairs to a state asset. While MNHS's building assets increased, Minnesota's oldest manmade structure at Minnesota's first National Historic Landmark, the Round Tower, crumbled to the point it was closed to the public. Historic Fort Snelling and the Round Tower carry the same federal classification that Pearl Harbor does, National Historic Landmark. MNHS cannot make determinations on structural repairs without bias to improve its own withholdings first. Mill City Museum is not a state building asset. MNHS continued to include its privately owned buildings amongst state buildings where historic preservation was to be used for improvements to state assets. MNHS communicated in its January 28, 2022 letter as required under MS 16B.307, Subd. 2 future bonding would request \$13.585 million for preservation of state assets of which \$3.2 million would be used to enhance Mill City Museum. Of the remaining \$10 million, more than 30% was earmarked for the nonprofit's assets, not State assets. The \$5,000,000 appropriated to MNHS must be distributed through the nonpartisan Department of Administration under Section 12 if any state owned building assets are to be preserved. MNHS has access to more than \$2 million in partnership grants under the Legacy Amendment each year and millions more under the competitive grants process under another section of the Arts and Cultural Heritage Fund of the 2008 Legacy Amendment. Additionally, MNHS has a multitude of private donors eager to buy naming rights to buildings, corridors, patios and walkways to generate funds for preservation as the Society used to raise its obligated funding share for the Historic Fort Snelling Revitalization Project. Any historic preservation funds for buildings within the State Historic Site Network are to be through the State Historic Preservation Office of the Department of Administration whereby the State's experts in the area work without bias or partisanship.

Thank you,

A handwritten signature in black ink that reads "Stephanie Chappell". The signature is written in a cursive, flowing style.

Stephanie Chappell