

2010 Project Abstract

For the Period Ending June 30, 2012

PROJECT TITLE: State Parks Land Acquisition

PROJECT MANAGER: Dana Vanderbosch

AFFILIATION: Department of Natural Resources, Division of Parks and Trails

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FUNDING SOURCE: Environment and Natural Resources Trust Fund

LEGAL CITATION: ML 2010, Chap. 362, Sec. 2, Subd. 4d.

APPROPRIATION AMOUNT: \$1,750,000

Overall Project Outcome and Results

Environment and Natural Resources Trust Fund funding resulted in the Department of Natural Resources acquiring approximately 267 acres of land within the statutory boundaries of five Minnesota State Parks.

- *Acquired approximately 13 acres in Crow Wing State Park comprised of three parcels on the Crow Wing River. This acquisition provides additional shoreline protection and adds to the recreational opportunities now offered in this State Park such as hiking, and access to the river.*
- *Acquired approximately 160 acres at Scenic State Park with very high quality natural and cultural resource value and adjacent to state park lands on two sides. A Civilian Conservation Corps. (CCC) built cabin is located on the lakeshore.*
- *Acquired approximately 55 acres at Tettegouche State Park to preserve and protect over 700 feet of the Baptism River gorge and views from nearby Illgen Falls. The state park surrounds this parcel on three sides and may offer additional hiking trail opportunities.*
- *Acquired a portion of 19 acres at Split Rock Lighthouse State Park which directly overlooks Lake Superior with views of Split Rock Lighthouse. The property is surrounded by state park land.*
- *Partially funded the acquisition of approximately 20 acres of land in Nerstrand Big Woods State Park located in Rice County. This property was identified as outstanding biodiversity significance by Minnesota County Biological Survey and has not been logged in over 100 years. Spring ephemerals are prevalent in this area of the park and the site is important to maintaining the closed canopy and diverse understory characteristic of 'big woods' in Nerstrand Big Woods State Park.*

Project Results Use and Dissemination

As state park maps are updated these former private lands are identified as public land open to use by all park visitors.

Environment and Natural Resources Trust Fund (ENRTF) 2010 Work Program Final Report

Date of Report: August 15, 2013
Date of Next Progress Report: Final Report
Date of Work Program Approval: January 31, 2012
Project Completion Date: June 30, 2012
I. PROJECT TITLE: State Parks Land Acquisition

Project Manager: Dana Vanderbosch
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Location: Acquisitions include, but are not limited to: (1) Central-Crow Wing State Park, Crow Wing County, City of Brainerd (2) Northeast-Scenic State Park, Itasca County, City of Bigfork (3) Northeast-Tettegouche State Park, Lake County, City of Silver Bay (4) Northeast-Split Rock Lighthouse State Park, Lake County, City of Two Harbors. (5) Nerstrand Big Woods State Park, Rice County, City of Nerstrand. See attached map for locations.

Total ENRTF Project Budget:	ENRTF Appropriation	\$1,750,000
	Minus Amount Spent:	\$1,695,371
	Equal Balance:	\$ 54,629

Legal Citation: ML 2010, Chap. 362, Sec. 2, Subd. 4d.

Appropriation Language:

\$1,750,000 is from the trust fund to the commissioner of natural resources to acquire and preserve critical parcels within the statutory boundaries of state parks. Land acquired with this appropriation must be sufficiently improved to meet at least minimum management standards as determined by the commissioner of natural resources. A list of proposed acquisitions must be provided as part of the required work program.

II. FINAL PROJECT SUMMARY AND RESULTS:

Environment and Natural Resources Trust Fund funding resulted in the Department of Natural Resources acquiring approximately 267 acres of land within the statutory boundaries of five Minnesota State Parks.

- Acquired approximately 13 acres in Crow Wing State Park comprised of three parcels on the Crow Wing River. This acquisition provides additional shoreline protection and adds to the recreational opportunities now offered in this State Park such as hiking, and access to the river.

- Acquired approximately 160 acres at Scenic State Park with very high quality natural and cultural resource value and adjacent to state park lands on two sides. A Civilian Conservation Corps. (CCC) built cabin is located on the lakeshore.
- Acquired approximately 55 acres at Tettegouche State Park to preserve and protect over 700 feet of the Baptism River gorge and views from nearby Illgen Falls. The state park surrounds this parcel on three sides and may offer additional hiking trail opportunities.
- Acquired a portion of 19 acres at Split Rock Lighthouse State Park which directly overlooks Lake Superior with views of Split Rock Lighthouse. The property is surrounded by state park land.
- Partially funded the acquisition of approximately 20 acres of land in Nerstrand Big Woods State Park located in Rice County. This property was identified as outstanding biodiversity significance by Minnesota County Biological Survey and has not been logged in over 100 years. Spring ephemerals are prevalent in this area of the park and the site is important to maintaining the closed canopy and diverse understory characteristic of 'big woods' in Nerstrand Big Woods State Park.

This work program may ask for an amendment request to revise the project list. Each State Park has a Master Plan which includes an ecological inventory and assessment. Once acquired, the Department of Natural Resources plans to take the necessary steps to implement restoration management efforts according to the plan.

III. PROGRESS SUMMARY AS OF: August 15, 2013

The 19 acres at Split Rock Lighthouse State Park were acquired on December 23, 2010. The 20 acres at Nerstrand State Park were acquired on December 28, 2011. The 160 acres at Scenic State Park were acquired on July 11, 2012. The 55 acres at Tettegouche State Park were acquired on April 3, 2013. The 13 acres at Crow Wing State Park were acquired on December 18, 2012.

Due to declining property values, on January 25, 2012, DNR requested a workplan amendment to reduce result 1 & 2 and add partial funding to the Nerstrand State Park acquisition. On January 31, 2012 the amendment request was approved.

IV. OUTLINE OF PROJECT RESULTS:

RESULT/ACTIVITY 1: Acquire approximately 13 acres in Crow Wing State Park.

Description: The DNR proposes to acquire three parcels located in Crow Wing State Park along the Crow Wing River. This acquisition will provide additional shoreline protection and will add to the recreational opportunities such as access to the river and

hiking along the river. The Parks and Trails Council of Minnesota currently own these parcels.

Summary Budget Information for Result 1: ENRTF Budget: \$500,000
 Amount Spent: \$500,000
 Balance: \$ -0-

Deliverable/Outcome	Completion Date	Budget
1. Appraise Parcels	Completed	
2. Negotiate Acquisition Amount	Completed	
3. Acquire Parcels	December 18, 2012	\$500,000

Result Completion Date: June 30, 2012

Result Status as of May 15, 2011: An appraisal was ordered in February 2011 and the technical review is anticipated by the end of the month. Upon receipt of the certified appraised value, the DNR will make an offer to the landowner.

Result Status as of August 5, 2011: The landowner accepted the offer and the DNR has elected to purchase and encumbered the funds for this land acquisition. Transaction should close within the few months.

Result Status as of January 25, 2012: The DNR is working through rebuilding abstracts in preparation for the title opinion.

Result Status as of August 1, 2012: The DNR has encumbered the purchase price and has an elected to purchase these properties. The DNR has a binding contract for 13 acres, which makes the funding available until June 30, 2013. DNR is currently working through the title issues with the landowner.

Result Status as of January 4, 2013: The DNR acquired approximately 13 acres at Crow Wing State Park on December 21, 2012.

Final Report Summary August 15, 2013 (because of the binding contract the final report will by June 30, 2013): The DNR acquired approximately 13 acres at Crow Wing State Park on December 21, 2012.

RESULT/ACTIVITY 2: Acquire 160 acres at Scenic State Park.

Description: The DNR proposes to acquire 160 acres at Scenic State Park with very high quality natural and cultural resource value and adjacent to state park lands on two sides. A CCC built cabin is located on the lakeshore and is in good condition. The Parks and Trails Council of Minnesota currently own this parcel.

Summary Budget Information for Result 2: ENRTF Budget: \$322,876
Amount Spent: \$322,876
Balance: \$ -0-__

Deliverable/Outcome	Completion Date	Budget
1. Appraise Parcels	Completed	
2. Negotiate Acquisition Amount	Completed	
3. Acquire Parcels	July 11, 2012	\$322,876

Result Completion Date: June 30, 2013

Result Status as of May 15, 2011: An offer was made to the landowner in November 2010. Title issues were identified and landowner is working on resolving title issues before accepting the DNR's offer.

Result Status as of August 5, 2011: DNR is awaiting landowner's decision on the offer made in November 2010.

Result Status as of January 25, 2012: The landowner accepted the DNR's offer and the DNR elected to purchase the property and encumbered the funds on October 4, 2011. Closing is anticipated in the spring.

Result Status as of August 1, 2012: The acquisition for 160 acres at Scenic State Park closed on July 11, 2012. The DNR has binding agreements for Crow Wing State Park and Tettegouche State Park which allows for the transaction to be completed prior to June 30, 2013. The DNR anticipates that budget adjustments will need to be made to project budgets, but we won't know actual amounts until the projects close. An amendment request will be made after Crow Wing State Park and Tettegouche State Park projects are completed.

Result Status as of January 4, 2013: The DNR acquired 160 acres at Scenic State Park on July 11, 2012.

Final Report Summary August 15, 2013 (because of the binding contract the final report will be by June 30, 2013): The DNR acquired 160 acres at Scenic State Park on July 11, 2012.

RESULT/ACTIVITY 3: Acquire 55 acres at Tettegouche State Park.

Description: The DNR proposes to acquire 55 acres at Tettegouche State Park to preserve over 700 feet of the Baptism River gorge and views from nearby Illgen Falls. The state park surrounds this parcel on three sides and may offer additional hiking trail opportunities. The Parks and Trails Council of Minnesota currently own this parcel.

Summary Budget Information for Result 3: ENRTF Budget: \$227,006
Amount Spent: \$172,377
Balance: \$ 54,629

Deliverable/Outcome	Completion Date	Budget
1. Appraise Parcel	Completed	
2. Negotiate Acquisition Amount	Completed	
3. Acquire Parcel	April 3, 2013	\$172,377

Result Completion Date: June 30, 2012

Result Status as of May 15, 2011: Title issues were identified and resolved. An appraisal was ordered in February 2011 and technical review is due by the end of the month.

Result Status as of August 5, 2011: DNR made an offer to the landowner at the end of June 2010 and is awaiting the landowner response.

Result Status as of January 25, 2012: Due to declining valuations of property, DNR is requesting a workplan amendment to reduce Tettegouche budget and add a Nerstrand State Park acquisition.

Result Status as of August 1, 2012: The DNR has a binding agreement with the landowner, but need some additional time to build a better relationship with the county. This property is located within the statutory boundary of Tettegouche State Park. The DNR understands this transaction needs to be completed by June 30, 2013.

Result Status as of January 4, 2013: The DNR has a binding agreement with the landowner, but need some additional time to build a better relationship with the county. This property is located within the statutory boundary of Tettegouche State Park. The DNR understands this transaction needs to be completed by June 30, 2013.

Final Report Summary August 15, 2013 (because of the binding contract the final report will by June 30, 2013): The 55 acres at Tettegouche State Park were acquired on April 3, 2013. The remaining balance is due to the declining real estate market which led to lower than expected acquisition costs. Since there was not another state park acquisition that could be completed in time to utilize all the remaining funds a work plan amendment was not possible.

RESULT/ACTIVITY 4: Acquire a portion of 19 acres at Split Rock Lighthouse State Park.

Description: The DNR proposes to acquire a portion of 19 acres at Split Rock Lighthouse State Park which directly overlooks Lake Superior with views of Split Rock Lighthouse. The purchase price is anticipated to exceed the budget amount, and the DNR plans to supplement the actual cost with bonding funds. The property is surrounded by state park land and has the Gitchi-Gami State Trail running through it. The DNR plans to work with the Parks and Trails Council of Minnesota to appraise, negotiate and acquire these parcels.

Summary Budget Information for Result 4: ENRTF Budget: \$580,000
Amount Spent: \$580,000
Balance: \$ -0-

Deliverable/Outcome	Completion Date	Budget
1. Appraise Parcel	Completed	
2. Negotiate Acquisition Amount	Completed	
3. Acquire Parcel	December 23, 2010	\$580,000

Result Completion Date: June 30, 2012

Result Status as of August 5, 2011: Transaction was completed on December 23, 2010.

Result Status as of July 24, 2012: Transaction was completed on December 23, 2010.

Result Status as of January 4, 2013: The DNR acquired 19 acres at Split Rock Lighthouse on December 23, 2010.

Final Report Summary August 15, 2013 (because of the binding contract the final report will by June 30, 2013): The DNR acquired 19 acres at Split Rock Lighthouse on December 23, 2010.

RESULT/ACTIVITY 5: Partially fund acquisition of 20 acres at Nerstrand Big Woods State Park.

Description: The DNR proposes to acquire property located in Nerstrand Big Woods State Park. This property was identified as outstanding biodiversity significance by Minnesota County Biological Survey and has not been logged in over 100 years. The spring ephemerals are prevalent in this area of the park and the site is important in maintaining the closed canopy and diverse understory characteristic of ‘big woods’ in Nerstrand Big Woods State Park. Within the park there are over 160 wildflowers, 260 identified mushrooms, and over 150 bird species including and an uncommon forest colony of nesting Great Blue Heron located northwest of this parcel.

Summary Budget Information for Result 5: ENRTF Budget: \$ 120,118
Amount Spent: \$ 120,118
Balance: \$ -0-

Deliverable/Outcome	Completion Date	Budget
1. Appraise Parcel	Completed	
2. Negotiate Acquisition Amount	Completed	
3. Acquire Parcel	December 28, 2011	\$120,118

Result Completion Date: June 30, 2012

Result Status as of January 25, 2012: Due to declining property values, DNR requests a workplan amendment to add the partial funding of Nerstrand State Park acquisition.

Result Status as of August 1, 2012: On January 31, 2012, the workplan amendment was approved. The approximately 20 acre parcel in Nerstrand State Park was acquired on December 28, 2011.

Result Status as of January 4, 2013: The DNR acquired approximately 20 acres in Nerstrand Big Woods State Park on December 28, 2011.

Final Report Summary August 15, 2013 (because of the binding contract the final report will be by June 30, 2013): The DNR acquired 20 acres at Nerstrand State Park on December 28, 2011, partially funded by 2010 LCCMR.

V. TOTAL ENRTF PROJECT BUDGET: 1,750,000

Personnel: \$ -0-

Appraisal Services and Professional Services from DNR, Division of Lands and Minerals and the Attorney General's Office

Contracts: \$ -0-

Equipment/Tools/Supplies: \$ -0-

Acquisition (Fee Title or Permanent Easements): \$ 1,750,000

Travel: \$ -0-

Additional Budget Items: \$ -0-

TOTAL ENRTF PROJECT BUDGET: \$1,750,000

Explanation of Capital Expenditures Greater Than \$3,500: n/a

VI. PROJECT STRATEGY:

A. Project Partners: Local state parks and trails support groups. It is also anticipated that the Parks and Trails Council of Minnesota will continue to play a critical role in the negotiation and timely acquisition prior to the State acquisition.

B. Project Impact and Long-term Strategy: Acquire critical parcels within State Park statutory boundaries. The state currently owns about 84% of the 268,000 acres within State Park boundaries and expects approximately to \$4 million available parcels from willing sellers each year. With the continued support of the LCCMR, the Department of Natural Resources Division of Parks and Trails expects to keep moving forward to acquire critical parcels for preservation, recreation, education and habitat restoration.

C. Other Funds Proposed to be spent during the Project Period: Bonding 2008 and 2010 fund and RIM Match funds when appropriate.

D. Spending History: Land Acquisition for the Division of Parks and Trails for State Park property acquisition efforts have been supported by legislative appropriations through Capital Bonding, the General Fund, and the Legislative Commission of Minnesota Resources.

Land Acquisition for the Division of Parks and Trails

M.L. 2009 \$ 590,000
M.L. 2008 \$ 1,500,000
M.L. 2007 \$ 750,000
M.L. 2005 \$2,000,000
M.L. 2003 \$1,500,000
M.L. 2001 \$1,726,000
M.L. 1999 \$ 500,000
M.L. 1998 \$2,250,000
M.L. 1997 \$2,500,000
M.L. 1995 \$2,190,000
M.L. 1993 \$1,000,000

VII. DISSEMINATION: No projected news releases at this time.

VIII. REPORTING REQUIREMENTS: Periodic work program progress reports will be submitted not later than December 30, 2010, June 30, 2011, and December 30, 2011. A final work program report and associated products will be submitted between June 30 and August 1, 2012 as requested by the LCCMR.

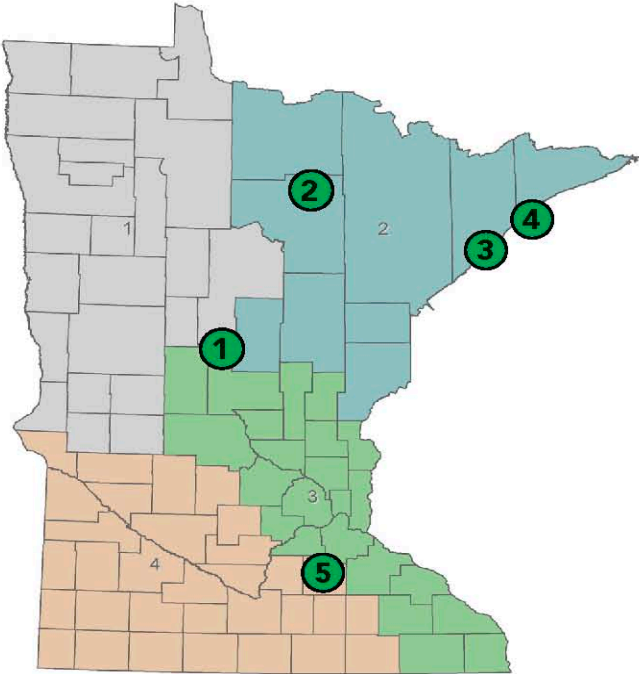
IX. RESEARCH PROJECTS:

Land Acquisition Proposed Projects



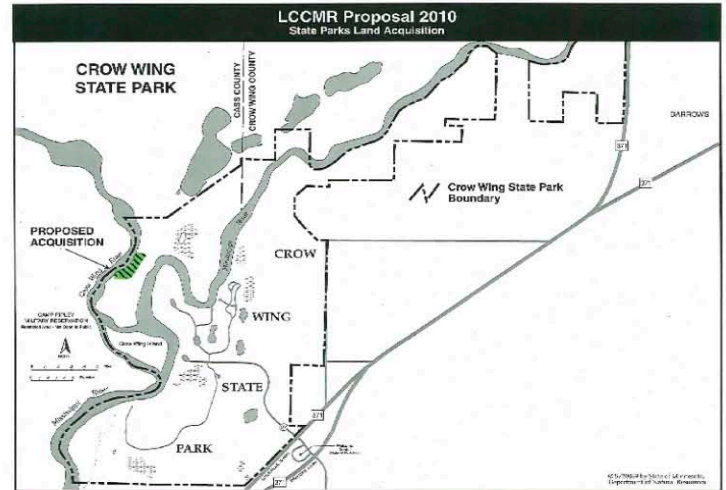
Map Location Indicator

Numbers correlate with result numbers in small maps showing inholdings.



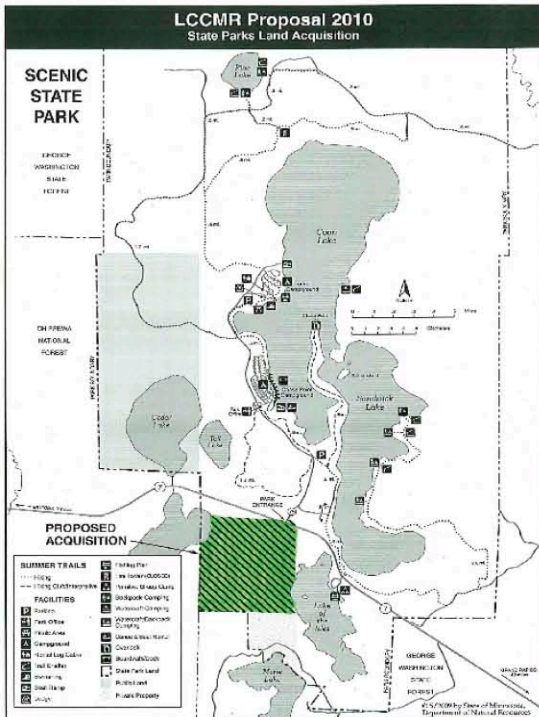
Result 1

Acquire approximately 13 acres in Crow Wing State Park



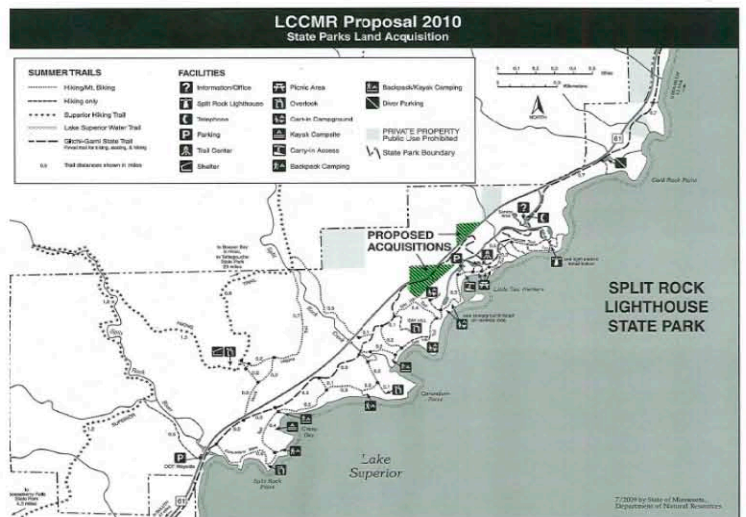
Result 2

Acquire 160 Acres in Scenic State Park



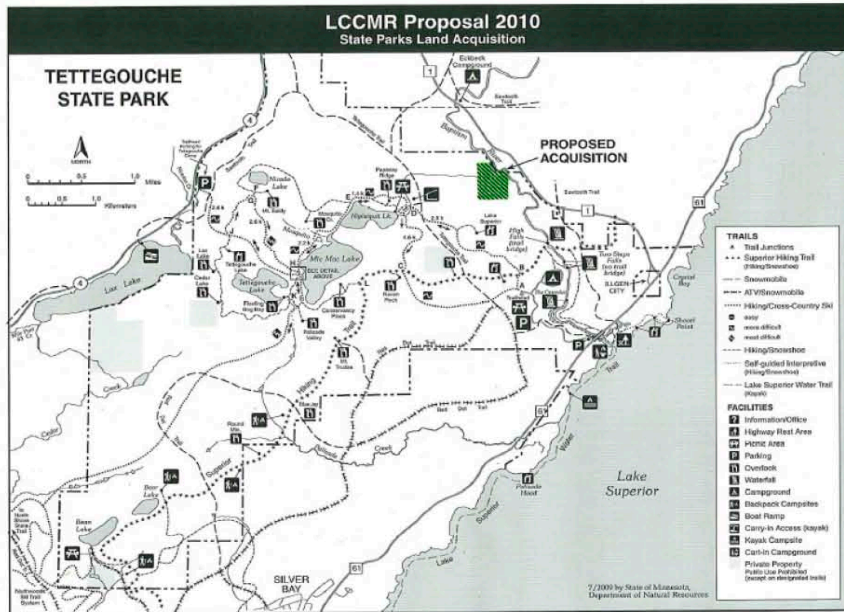
Result 3

Acquire a portion of 19 acres in Split Rock Lighthouse State Park



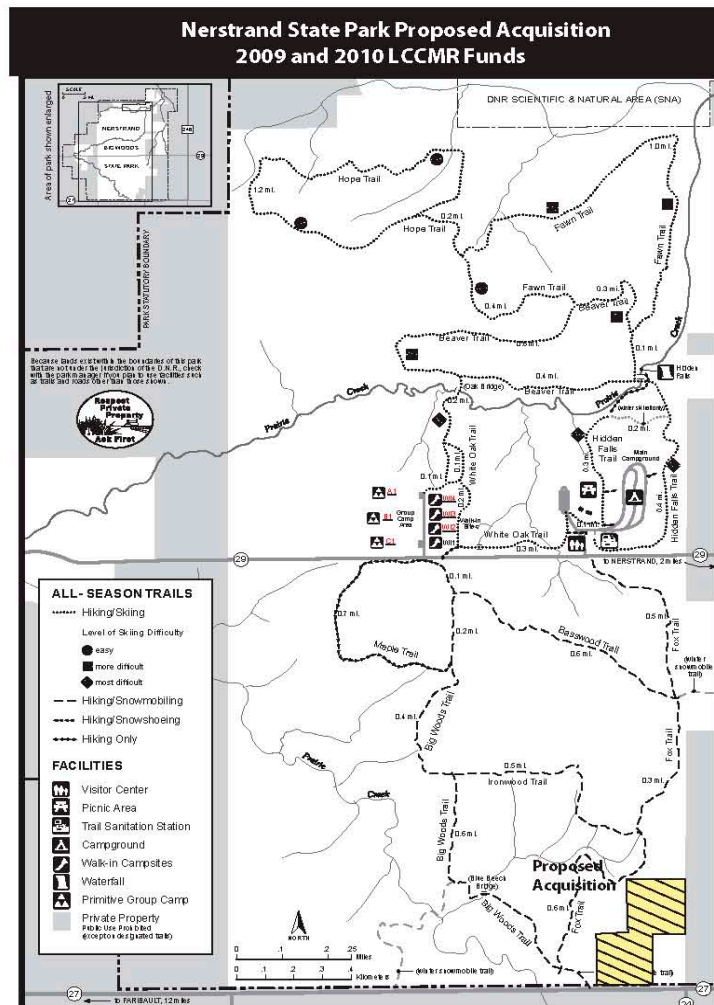
Result 4

Acquire 55 acres in Tettegouche State Park



Result 5

Partial funding for 20 acres at Nerstrand State Park



Final Attachment A: Budget Detail for 2010 Projects - Summary and a Budget page for each partner (if applicable)																	
8/15/2013																	
Project Title: <i>State Parks Land Acquisition</i>																	
Project Manager Name: <i>Dana Vanderbosch</i>																	
Trust Fund Appropriation: \$ 1,750,000																	
1) See list of non-eligible expenses, do not include any of these items in your budget sheet																	
2) Remove any budget item lines not applicable																	
	<u>Result 1 Budget:</u>	<u>Amount Spent</u> 8/15/13	<u>Balance</u> 8/15/13	<u>Result 2 Budget:</u>	<u>Amount Spent</u> 8/15/13	<u>Balance</u> 8/15/13	<u>Result 3 Budget:</u>	<u>Amount Spent</u> 8/15/13	<u>Balance</u> 8/15/13	<u>Result 4 Budget:</u>	<u>Amount Spent</u> 8/15/13	<u>Balance</u> 8/15/2013	<u>Result 5 Budget:</u>	<u>Amount Spent</u> 8/15/13	<u>Balance</u> /15/13	TOTAL BUDGET	TOTAL BALANCE
2010 Trust Fund Budget																	
	<i>Acquire approximately 13 acres in Crow Wing State Park</i>			<i>Acquire 160 acres in Scenic State Park</i>			<i>Acquire 55 acres in Tettegouche State Park</i>			<i>Acquire a portion of 9 acres at Split Rock Lighthouse State Park</i>			<i>Acquire a portion of 20 acres at Nerstrand State Park</i>				
BUDGET ITEM																	
Land acquisition	500,000	485,000	15,000	322,876	316,500	6,376	227,006	157,000	70,006	580,000	580,000	0	120,118	120,118	0	1,750,000	91,382
Professional Services for Acq.		15,000	-15,000		6,376	-6,376		15,377	-15,377							0	-36,753
Other In-Kind Contribution-Staff Time																	
COLUMN TOTAL	\$500,000	\$500,000	\$0	\$322,876	\$322,876	\$0	\$227,006	\$172,377	\$54,629	\$580,000	\$580,000	\$0	\$120,118	\$120,118	\$0	\$1,750,000	\$54,629