

Lessard-Sams Outdoor Heritage Council

MEMO: **Agenda Item #8**

DATE: April 28, 2017

SUBJECT: DNR Request for OHF Land Acquisition Conveyances (Little Grand Lake AMA)

PRESENTER: Rick Walsh

Suggested Motion:

Motion by Councilmember X to approve the request by DNR to sell a parcel of state-owned land purchased with ML 2009 OHF appropriation, otherwise known as Little Grand AMA, to St. Louis County, the entity from which the parcel was originally purchased.

Background:

Little Grand AMA is a 2.9 acre parcel located between Grand lake and Little Grand lake in St. Louis County. The parcel, previously tax forfeited land, was purchased by the DNR from St. Louis County in May of 2011 under ML 2009 Aquatic management Area Acquisition Phase I. This was one of the first AMAs that DNR purchased with OHF.

Recently, after discussion and review of lake access issues that are inconsistent with AMA allowable uses, St. Louis County has expressed interest in purchasing the parcel back to alleviate the access issues. DNR has agreed that in this case county ownership of the parcel is reasonable and could resolve the situation of conflicting land use.

To avoid another year of delay, DNR has proceeded to seek legislative approval for sale of the parcel in accordance with state law. The provision is currently carried in HF1451 and SF1124 (Omnibus Lands bill).

Additional information (attachments):

November 21, 2016 letter from Jim Leach, Director of Division of Fish & Wildlife, DNR
Map depicting location of Little Grand Lake AMA



November 21, 2016

Mr. Mark Johnson, Executive Director
Lessard-Sams Outdoor Heritage Council
95 State Office Building
Saint Paul, Minnesota 55155

Dear ^{*Mark*} ~~Mr. Johnson~~:

The Department of Natural Resources is seeking the Lessard-Sams Outdoor Heritage Council's assistance in resolving a situation of potentially conflicting uses on a parcel of state-owned land purchased with funding from M.L. 2009 appropriation of the Outdoor Heritage Fund. To remedy the situation, the DNR proposes to sell the parcel to St. Louis County, the entity from which the parcel was originally purchased.

The land is currently designated as an aquatic management area (AMA). It is called Little Grand AMA located in Section 31 of Township 51, Range 16, St. Louis County. It is three acres of wooded lakeshore and lies on a narrow bridge of land between Little Grand Lake and Grand Lake—see attached map.

Local government and citizens have requested that the DNR allow snowmobile traffic to cross the AMA. We understand that the connection between Little Grand Lake and Grand Lake is an important one for ice anglers, and the historic connection between the two lakes, which was located on an adjacent parcel, is no longer available due to a recent land sale and closure of the trail by the new landowner. Before the Little Grand AMA was purchased for AMA purposes, much of the discussion around the acquisition focused on lake access, and, therefore, many in St. Louis County assumed the snowmobile access could continue on the DNR parcel. We believe that when the DNR decided to purchase the parcel as an AMA, the specific nature of access and use probably was not well understood by all parties.

The Little Grand AMA does afford a spot to cross between the two lakes by snowmobile; however, motorized vehicle use is prohibited on AMAs under Minnesota Administrative Rule 6270.0200, Subpart 5A, except in designated/posted areas. The policy of the DNR's Division of Fish and Wildlife is to allow continued use by snowmobilers of established grants-in-aid trails that existed prior to state ownership by posting such trails. The crossing being used by snowmobilers is not a grants-in-aid trail.

To resolve the issue, St. Louis County is interested in purchasing the parcel back. Although the DNR generally is not interested in selling conservation lands, particularly those purchased with

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Mr. Mark Johnson, Executive Director

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OHF, in this case, the DNR feels that county ownership of the parcel would be a reasonable outcome. This parcel was acquired prior to the development and adoption of our Fish Habitat Plan, and, while it does meet current criteria for AMA protection, it would not be a high priority under the strategic approach outlined in the Fish Habitat Plan.

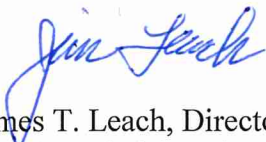
Another factor in the DNR's willingness to sell the property back to the County is that the land had been tax forfeited land (state-owned land held in trust for the taxing districts) at the time the DNR acquired it.

Sale of this parcel under Minnesota Statutes, Sections 94.09 to 94.10 would typically require an appraisal to establish current fair market value. Sale of this parcel will also require approval from the LSOHC in accordance with MS 97A.056, Subdivision 15. Subdivision 15, Part (b) states that the procedures by which the LSOHC reviews requests for conveyance of an interest in real property shall allow for replacement at fair market value or greater and in a reasonably equivalent location. We do not anticipate that the affected lands will be replaced by other conservation lands.

It is the DNR's preference to seek legislation in the 2017 session to authorize sale to the county, or to the State to be held in trust for the taxing districts, at the price it was purchased from the County rather than current market value. Therefore, the DNR proposes to seek legislative approval of a sale at \$45,650, plus expenses. We propose that \$45,650 be repaid to the Outdoor Heritage Fund. Proceeds from the sale exceeding \$45,650 would be deposited into the account from which the expenses were paid.

Please feel free to contact me or DNR staff to discuss further.

Sincerely,



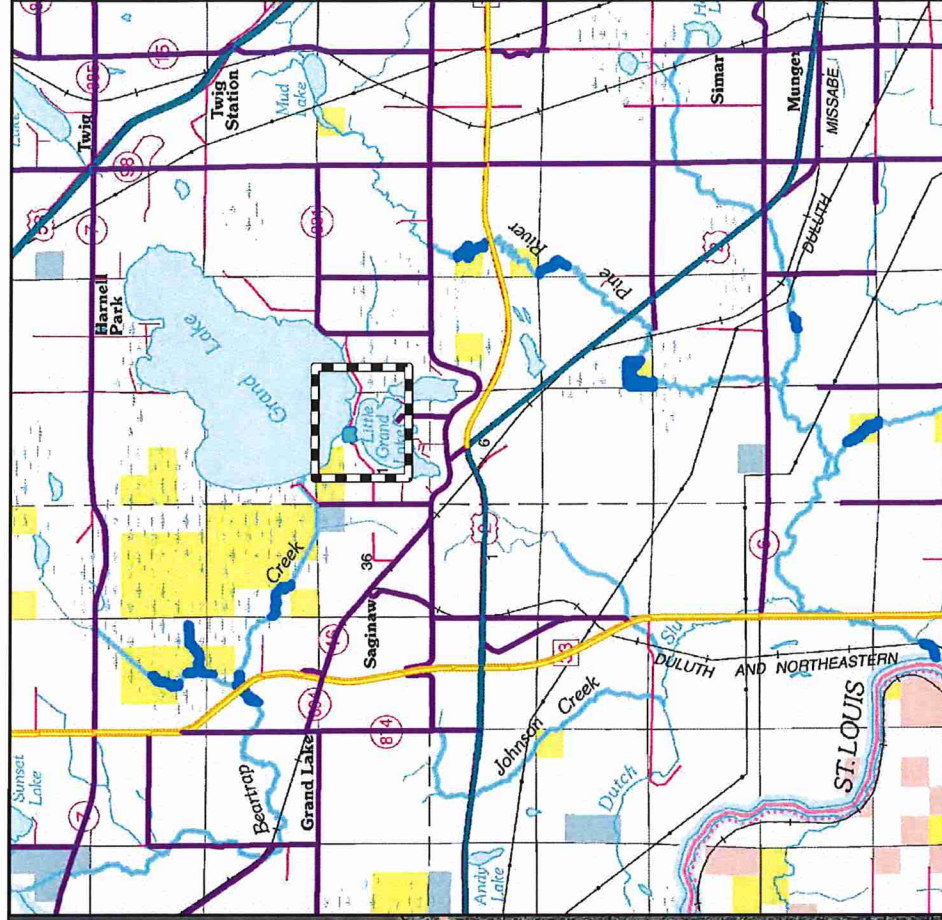
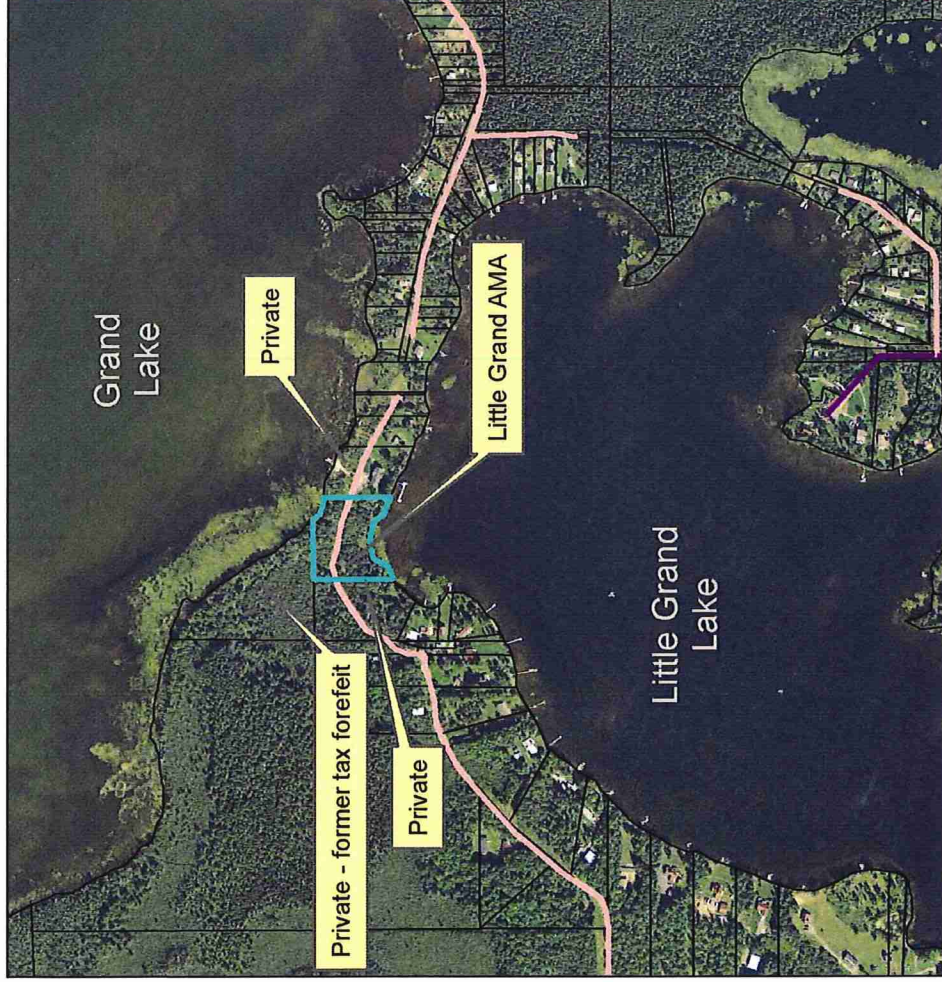
James T. Leach, Director
Division of Fish and Wildlife
DNR Building – 500 Lafayette Road
Saint Paul, Minnesota 55155-4020
651-259-5180

JTL/RW/jls

Attachment

c Ms. Sarah Strommen, Assistant Commissioner for Parks and Trail; and Fish and Wildlife, DNR
Dr. Donald L. Pereira, Chief, Section of Fisheries, Division of Fish and Wildlife, DNR
Mr. Grant Wilson, FAW Policy Planning Unit Supervisor

Little Grand Lake AMA - St. Louis County - Section 31, Twp 51, Rng 16



- Subject Property
- State Aquatic Management Areas
- State Wildlife Management Area Boundaries
- State Forest
- County lands



- Minnesota Snowmobile Trails
- Interstate Trunk Highway
- U.S. Trunk Highway
- MN Trunk Highway
- County Highway
- Municipal Road
- Township or Other Road
- Parcels



Note: This map shows the approximate relative location of property boundaries and other features but was not prepared by a professional land surveyor. This map is provided for informational purposes only and may not be sufficient or appropriate for legal, engineering, or surveying purposes.

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Map prepared by Rick Walsh, November 2016.