

Division of Forestry 500 Lafayette Road St. Paul, MN 55155

January 25, 2021

Mark Johnson Executive Director Lessard-Sams Outdoor Heritage Council 100 Rev. Dr. Martin Luther King Jr. Blvd. State Office Building, Room 95 St. Paul, MN 55155

Dear Mr. Johnson:

The Minnesota Department of Transportation (MN DOT) is proposing a state road project that will impact lands owned by Blandin Paper Company over which the State holds a conservation easement funded in part by the Outdoor Heritage Fund. The project will result in a conversion of forestland to road right-of-way and the acquisition of road right-of-way by MN DOT. The State's easement will remain in effect on the land.

A request for this project was approved on July 31, 2020; however the previous request indicated that the project was a conveyance of a permanent road easement to MN DOT. We have since learned that the MN DOT acquisition is a transition from a MN DOT prescriptive easement to MN DOT fee title, rather than an easement, in the property. The valuation used in the prior submission has also been corrected. We have updated this request for your review, please see below.

Project Description: The MN DOT is proposing a reconstruction project on T.H. 1, also known as Highway 1, during the summer of 2021. The proposed work will include reconstruction of the current road as well as some culvert repair and/or replacement which will require the acquisition of road right-of-way by MN DOT across one parcel (Tax Parcel #10-014-9000) located in the East Half of the Southeast Quarter (E1/2 SE1/4), Section Fourteen (14), Township Sixty-two (62) North, Range Twenty-two (22) West, Itasca County, Minnesota. The property changing ownership is approximately 5.53 acres (shown on the attachments). Approximately 2.47 acres of the 5.53 acres is already encumbered by a road easement. This transaction will convert the road easement into fee ownership and MN DOT will acquire a fee interest in approximately 3.06 additional acres.

According to the easement terms, the State of Minnesota is entitled to a share of the proceeds of any sale, exchange or involuntary conversion of the property formerly subject to this Conservation Easement, according to the State's proportional interest in the Protected Property. The proportional interest is based on the appraised value at the time of acquisition. The proportional interest for this easement is 0.4082954.

The estimated value of the transition from a prescriptive easement to fee title, as determined by MN DOT is:

Transition to fee title: (5.53 acres) X (\$1000/acre determined by MN DOT) = \$5,530

Total Value: \$5,530

Total Share:  $($5,530) \times (0.4082954 \text{ proportional share}) = $2,258$ 

OHF Share: (\$2,258) X (0.777) = \$1,754

We do not anticipate that the affected lands will be replaced by other conservation lands and recommend that \$1,754 be repaid to the Outdoor Heritage Fund (OHF provided approximately 77.7% of the acquisition costs.)

Sincerely, Christine Ostern Forest Legacy Program Coordinator 525 Lake Avenue South, Paulucci Office Bldg., Suite 415 Duluth, MN 55802

CC: Gary Michael Doug Tillma

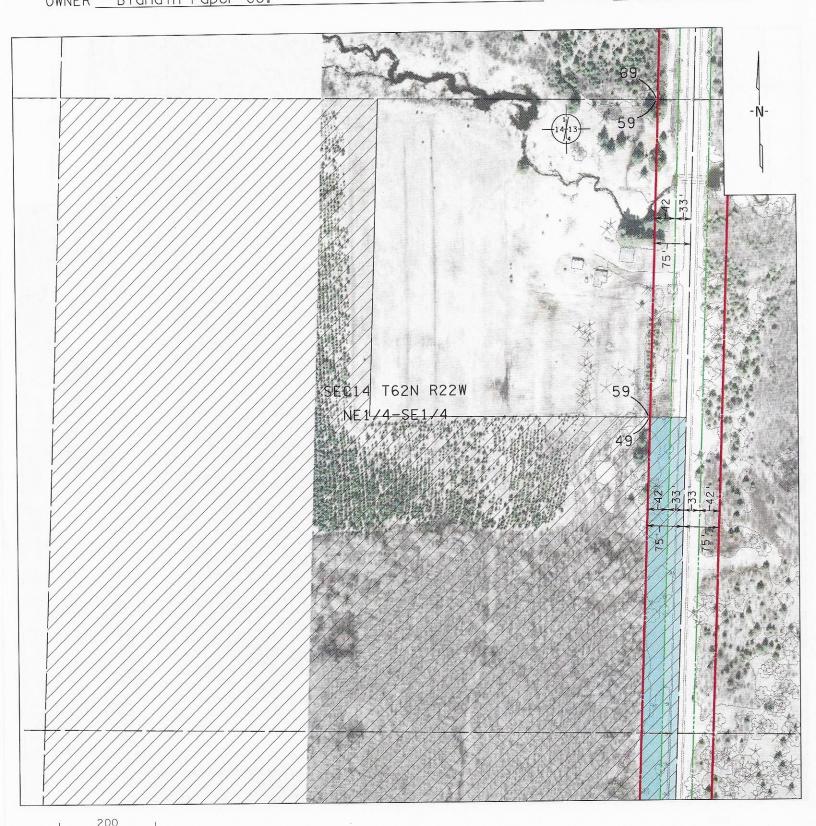
Kelly Wilder

DEPARTMENT OF

C.S. 3101(1=160)906 LOCATION T.H.1 from T.H.65 to T.H.53

S.P. 3101-37 COUNTY Itasca PARCEL NO. 49

OWNER Blandin Paper Co. SHEET 4 OF 4



SCALE IN FEET

Drawn by \_\_\_\_pmeier\_\_\_\_

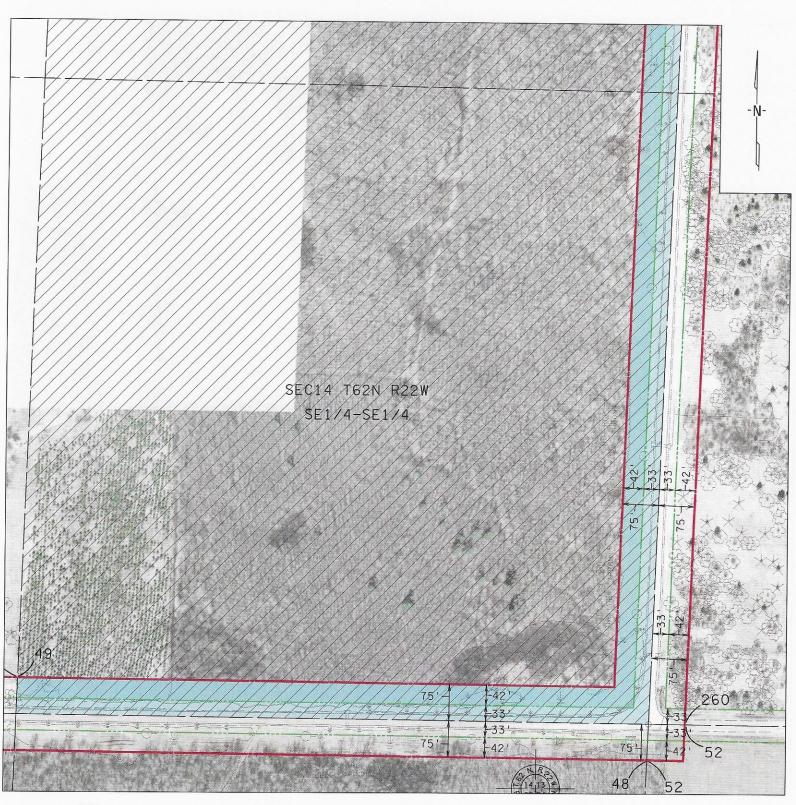
Create Date 12/3/2019

DEPARTMENT OF

C.S. 3101(1=160)906 LOCATION T.H.1 from T.H.65 to T.H.53

S.P. <u>3101-37</u> COUNTY <u>I+asca</u> PARCEL NO. <u>49</u>

OWNER Blandin Paper Co. SHEET 3 OF 4



200

SCALE IN FEET

Drawn by \_\_\_\_pmeier\_

Create Date <u>12/3/2019</u>



C.S.	3101(1=160)906	LOCATION _	T.H.1 from T.H.65	to T.H.5	53		
S.P.	3101-37	COUNTY	Itasca	PARCEL	NO	49	No. 16
OWNED	Blandin Paper Co			SHEET	2	OF	4

-N-

C.S. 3101(1=160)906 S.P. 3101-37

	PARCEL NUMBER	MN/DOT PLAT	OWNER		CONTIGUOUS PROPERTY	ENTIRE TRACT WITHOUT ROADS ACRES	NEW T.H. R/W ACRES	BALANCE	ENCUM BY EX TH R/W ACRES	PERMANENT R/W INTEREST
	49	31-196	Blandin Paper	Co.	Part of E1/2-SE1/4	69.60		64.07		FEE
*										

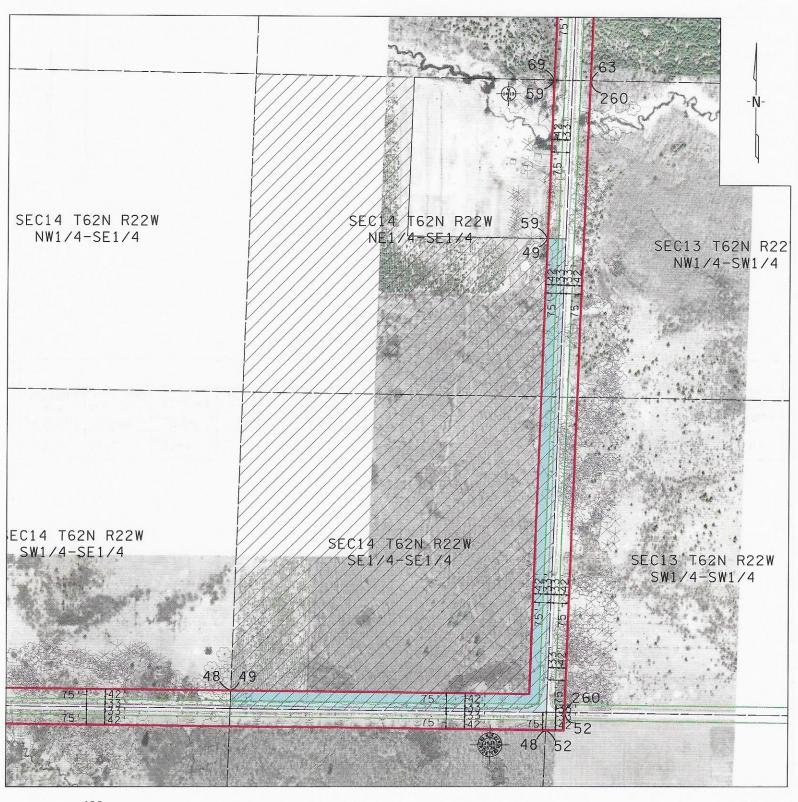
SEC 14 T62N R22W

DEPARTMENT OF

C.S. 3101(1=160)906 LOCATION T.H.1 from T.H.65 to T.H.53

S.P. 3101-37 COUNTY Itasca PARCEL NO. 49

OWNER Blandin Paper Co. SHEET 1 OF 4



400

SCALE IN FEET

Drawn by \_\_\_\_pmeier

Create Date 12/3/2019