

November 12, 2015

LCCMR Co-Chairs, Sen. Tomassoni, Rep. Persell, and Nancy Gibson 100 Rev. Dr. Martin Luther King Jr. Blvd, Room 65 State Office Building St. Paul, MN 55155

Dear LCCMR Co-Chairs, Sen. Tomassoni, Rep. Persell, and Nancy Gibson

The Department of Natural Resources (DNR) is requesting permission from LCCMR to pay more than appraised value to complete a land acquisition in Minneopa State Park, a project listed in the recently approved 2015 LCCMR State Parks and State Trails Land Acquisition project workplan and on the approved acquisition list in accordance with M.L. 2015 Chapter 76, Sec. 2, Subd 9(a).

The DNR has successfully negotiated a mutually agreed upon option agreement with the intent to close by the end of the calendar year. The property contains 147 acres of land within the statutory authorized boundary of Minneopa State Park located in Blue Earth County, near Mankato.

The DNR certified appraisal value was \$445,000. The landowner received a significantly higher offer from a business entrepreneur and rejected DNR's offer. Seven months after rejecting the DNR's offer, the landowners contacted the DNR about selling their land to the state. They changed their mind after some difficult and heartfelt soul searching about what they want for their family's legacy and future use of the land. Fortunately, the landowners decided their legacy is to have the land to become a part of the state park. The family asked the DNR for a relatively minor compensation increase to help justify passing up a significantly higher offer.

The DNR real estate staff, Parks and Trails Division leadership, and the Lands and Minerals leadership reviewed their request and decided it is in the best interest of current and future generations to secure the public ownership by increasing the offer above appraised value in this situation. In the end, a mutual agreement value of \$489,500 (10% increase) was reached.

Under statute 84.0272, the Department of Natural Resources Commissioner may approve offers up to 10% above appraised value. The DNR's increased offer process involves the acquiring Division Director requesting approval to increase an offer, based on the real estate and acquisition staff recommendation, to the Lands and Minerals Division Director, as reviewed and approved by Lands and Minerals Deputy Director/attorney, per attached approved memo.

This large, 147-acre, parcel is an important and high priority acquisition for the Parks and Trails Division. An increased value offer is justified based on the following:

1) Acquiring this parcel is a significant step towards contiguous, consolidated fee title ownership and preservation of land within Minneopa State Park which is consistent with the state park Master Plan vision.

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- 2) According to the Minnesota Natural Heritage Information System (NHIS) Database on rare and endangered species, the following species are documented in this river corridor: American bald eagle, western foxsnake, shovel sturgeon and small white ladyslipper.
- 3) Fee title acquisition will also:
 - a. protect potential cultural resources
 - b. provide for sustainable wildlife habitat
 - c. enhance outdoor recreation opportunities new hiking trails, and bird watching
 - d. provide a venue for interpretive programming
- 4) This property is located along the river corridor that will preserve the river view shed, watershed and river ecology.

DNR staff believes the land attributes and future public benefits justifies the long-term investment in public land with funding appropriated by the Environment and Natural Resources Trust Fund through the LCCMR.

Thank you for considering this request.

Sincerely,

Jennifer Christie State Parks and Trails Land Acquisition Consultant Parks and Trails Division Minnesota Department of Natural Resources





Minneopa State Park Acquisition

The property acquisition contains 147 acres of land within the statutory authorized boundary of Minneopa State Park located in Blue Earth County, near the city of Mankato.

HISTORY: Established in 1905, Minneopa State Park is the third oldest state park in Minnesota. **The word Minneopa comes from the Dakota language** and is interpreted to mean "water falling twice," referring to the beautiful waterfalls of the Minneopa Creek. Walk the trail which encircles the falls, leading down a limestone stairway to the valley below. Ascend the opposite side and enjoy a panoramic view of the valley which reveals the underlying geology of this area. Other features in the state park: Seppmann Mill, a wind driven grist mill fashioned in German style from native stone and lumber, or hike through oak savanna and native prairie grasslands overlooking the scenic Minnesota River Valley.

This large, 147-acre, parcel is an important and high priority acquisition for the Parks and Trails Division. An increased value offer is justified based on the following:

- 1) This parcel is a significant step towards contiguous, consolidated fee title ownership and preservation of land within Minneopa State Park which is consistent with the state park Master Plan vision.
- According to the Minnesota Natural Heritage Information System (NHIS) Database on rare and endangered species, the following species are documented in this river corridor: American bald eagle, western foxsnake, shovel sturgeon and small white ladyslipper.
- 3) Fee title acquisition will also:
 - a. protect potential cultural resources
 - b. provide for sustainable wildlife habitat
 - c. enhance outdoor recreation opportunities
 - d. provide a venue for interpretive programming
- 4) This property is located along the river corridor that will preserve the river view shed, watershed and river ecology.