



**LEGISLATIVE-CITIZEN COMMISSION ON MINNESOTA RESOURCES**

100 REV. DR. MARTIN LUTHER KING JR. BLVD.  
ROOM 65 STATE OFFICE BUILDING  
ST. PAUL, MINNESOTA 55155-1201

Phone: (651) 296-2406

Email: [lccmr@lccmr.leg.mn](mailto:lccmr@lccmr.leg.mn)

Web: [www.lccmr.leg.mn](http://www.lccmr.leg.mn)

TTY: (651) 296-9896 or 1-800-657-3550

---

Becca Nash, Director

**Date:** January 9, 2023

**To:** Senator Foug Hawj, Chair, Senate Environment Finance Committee  
Senator Justin Eichorn, Ranking Minority Member, Senate Environment Finance Committee  
Representative Rick Hansen, Chair, House Environment and Natural Resources Committee  
Representative Josh Heintzeman, Republican Lead, House Environment and Natural Resources Committee

**CC:** LCCMR Executive Committee  
Christine Ostern, Forest Legacy Program, DNR

**From:** Becca Nash, Director

**Re:** 15- day notice of potential approval of conveyance of interests in land acquired with ENRTF funds

Minnesota Statute 116P.15 (below) requires that the Legislative-Citizen Commission on Minnesota Resource (LCCMR) notify the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the Environment and Natural Resources Trust Fund (ENRTF) at least 15 business days before approval of conveyance of land or interest in land acquired with Environment and Natural Resources Trust Funds (ENRTF).

In compliance with this statute, I am writing to you on behalf of the LCCMR regarding a request from the Department of Natural Resources (DNR) to remove 0.33 acres of land from a conservation easement and replace it with an adjoining 0.75 acres to resolve a violation of the conservation easement terms by the landowner. The LCCMR intends to hear this request at its next meeting, likely in January 2023.

The DNR acquired a conservation easement over approximately 86.33 acres of land in 2004 using ENRTF. During a monitoring site visit in 2019, the DNR discovered a violation and notified the landowner. After several attempts to rectify the situation, the decision was made to resolve the violation with an exchange as permitted under statutes guiding ENRTF funds. As required, the proposed new conservation lands are at least fair market value and are in the reasonably equivalent location and have an arguably superior conservation use. Additionally, all costs associated with implementing this resolution are being reimbursed by the landowner.

The letter requesting the conveyance and additional materials are attached.

**Please let me know by January 23, 2023 if you have questions or concerns.**

**116P.15 LAND ACQUISITION RESTRICTIONS.**

Subdivision 1.Scope.

A recipient of an appropriation from the trust fund or the Minnesota future resources fund who acquires an interest in real property with the appropriation must comply with this section. For the purposes of this section, "interest in real property" includes, but is not limited to, an easement or fee title to property.

Rep. Patty Acomb, Rita Albrecht, Sen. Gary Dahms, Sen. Kari Dziedzic, William Faber, Nancy Gibson,  
Rep. Rick Hansen, Sen. Foug Hawj, Sen. Bill Ingebrigtsen, Rep. Dale Lueck, Seth Moore, Rep. Kelly Morrison,  
Jeremy Peichel, Michael Reese, Shona Snater, Rep. Tama Theis, Sen. Torrey Westrom

**Agenda Item: 06b**

## LEGISLATIVE-CITIZEN COMMISSION ON MINNESOTA RESOURCES

### Subd. 2. Restrictions; modification procedure.

(a) An interest in real property acquired with an appropriation from the trust fund or the Minnesota future resources fund must be used in perpetuity or for the specific term of an easement interest for the purpose for which the appropriation was made. The ownership of the interest in real property transfers to the state if: (1) the holder of the interest in real property fails to comply with the terms and conditions of the grant agreement or work plan; or (2) restrictions are placed on the land that preclude its use for the intended purpose as specified in the appropriation.

(b) A recipient of funding who acquires an interest in real property subject to this section may not alter the intended use of the interest in real property or convey any interest in the real property acquired with the appropriation without the prior review and approval of the commission or its successor. The commission shall notify the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the trust fund or Minnesota future resources fund at least 15 business days before approval under this paragraph. The commission shall establish procedures to review requests from recipients to alter the use of or convey an interest in real property. These procedures shall allow for the replacement of the interest in real property with another interest in real property meeting the following criteria:

(1) the interest must be at least equal in fair market value, as certified by the commissioner of natural resources, to the interest being replaced; and

(2) the interest must be in a reasonably equivalent location, and have a reasonably equivalent useful conservation purpose compared to the interest being replaced, taking into consideration all effects from fragmentation of the whole habitat.

(c) A recipient of funding who acquires an interest in real property under paragraph (a) must separately record a notice of funding restrictions in the appropriate local government office where the conveyance of the interest in real property is filed. The notice of funding agreement must contain:

(1) a legal description of the interest in real property covered by the funding agreement;

(2) a reference to the underlying funding agreement;

(3) a reference to this section; and

(4) the following statement:

"This interest in real property shall be administered in accordance with the terms, conditions, and purposes of the grant agreement controlling the acquisition of the property. The interest in real property, or any portion of the interest in real property, shall not be sold, transferred, pledged, or otherwise disposed of or further encumbered without obtaining the prior written approval of the Legislative-Citizen Commission on Minnesota Resources or its successor. The ownership of the interest in real property transfers to the state if: (1) the holder of the interest in real property fails to comply with the terms and conditions of the grant agreement or work plan; or (2) restrictions are placed on the land that preclude its use for the intended purpose as specified in the appropriation."

History:

1Sp2001 c 2 s 141; 2002 c 225 s 4; 2006 c 243 s 21; 2013 c 52 s 6