

Date: June 27, 2025

To: Senator Foung Hawj, Chair, Senate Environment, Climate, and Legacy Committee Senator Steve Green, Ranking Minority Member, Senate Environment, Climate, and Legacy Committee Representative Peter Fischer, Co-Chair, House Environment and Natural Resources Finance and Policy Committee Representative Josh Heintzeman, Co-Chair, House Environment and Natural Resources Finance and Policy Committee Representative John Burkel, Co-Vice Chair, House Environment and Natural Resources Finance and Policy Committee Representative Kristi Pursell, Co-Vice Chair, House Environment and Natural Resources Finance and Policy Committee

CC: LCCMR Executive Committee members

Andrew Gapinski, Executive Director, University of Minnesota Landscape Arboretum

Ben Nash From: Becca Nash, LCCMR Director

Re: 15- day notice prior to 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 ENRTF funds.

In compliance with this statute, I am writing to you on behalf of the LCCMR regarding a request from the University of Minnesota Landscape Arboretum to convey to the Minnesota Board of Water and Soil Resources (BWSR) a perpetual conservation easement on approximately eight (8) of the approximately 78 acres of land acquired with ENRTF funds on November 1, 2013. LCCMR intends to consider this request for approval at its meeting on July 18, 2025. Please let me know in advance of this date if you have questions or concerns.

As a result of impacts from the State Highway 5 Improvement Project in Carver County, the County is required to enhance and protect through a conservation easement held by the Minnesota Board of Water & Soil Resources (BWSR) ten (10) acres of land for habitat to support the rusty patched bumble bee, a listed federally endangered species known to the area. Based on site conditions and habitat needs of the rusty patched bumble bee, eight (8) of these acres are proposed on the existing 78 acres of land acquired in 2013 with ENRTF and the other two (2) acres are proposed on adjacent Arboretum-owned land. Carver County would fund the enhancement work and long-term management to increase wildflower species needed by the rusty patched bumblebee in these existing grassland and woodland habitats. The Arboretum would be responsible for conducting the work and continuing to manage the land subject to the easement with long-term funding support put in place through Carver County.

The letter from the Arboretum requesting the conservation easement is attached.

Minnesota Statute 116P.15 LAND ACQUISITION RESTRICTIONS. Subdivision 1. Scope

## LEGISLATIVE-CITIZEN COMMISSION ON MINNESOTA RESOURCES

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.

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 subdivision 2. A recipient of an appropriation from the trust fund who uses any portion of the appropriation for a capital construction project with a total cost of \$10,000 or more must comply with subdivision 3.

## Subd. 2.Restrictions; modification procedure.

(a) An easement, fee title, or other 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:

<u>1Sp2001 c 2 s 141; 2002 c 225 s 4; 2006 c 243 s 21; 2013 c 52 s 6; 2023 c 60 art 2 s 8</u>