



Environment and Natural Resources Trust Fund

M.L. 2024 Approved Work Plan

General Information

ID Number: 2024-081

Staff Lead: Michael Varien

Date this document submitted to LCCMR: June 11, 2024

Project Title: Acquisition of State Park Inholdings

Project Budget: \$1,886,000

Project Manager Information

Name: Brett Feldman

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Project Reporting

Date Work Plan Approved by LCCMR: June 20, 2024

Reporting Schedule: June 1 / December 1 of each year.

Project Completion: September 30, 2026

Final Report Due Date: November 14, 2026

Legal Information

Legal Citation: M.L. 2024, Chp. 83, Sec. 2, Subd. 09c

Appropriation Language: \$1,886,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the Parks & Trails Council of Minnesota to complete efficient, time-sensitive acquisitions of high-priority state park inholdings from willing sellers, deconstruct buildings and reuse building materials, and convey properties to the state to protect and enhance Minnesota's environment and public recreation opportunities. This appropriation may not be used to purchase habitable residential structures.

Appropriation End Date: June 30, 2027

Narrative

Project Summary: Complete efficient, time-sensitive acquisition of high priority State Park inholdings, conduct needed site cleanup, and convey the properties to the state to enhance Minnesota's environment and public recreation opportunities.

Describe the opportunity or problem your proposal seeks to address. Include any relevant background information.

Minnesota's state parks and trails provide multiple benefits to the people and environment of Minnesota, including high quality natural resources, habitat value, and outstanding outdoor recreational opportunities. However, approximately 16% of the land within statutory state park boundaries remain in private ownership, diminishing the value of these state resources.

When private landowners of park inholdings are willing and ready to sell, it is a once-in-a-lifetime opportunity. Without swift action, the property is at risk of being subdivided, developed or taken off the market for decades.

Parks & Trails Council of Minnesota (P&TC) has been a proven partner to MN DNR due to our ability to move quickly to purchase lands for state parks, leverage private funds for activities such as debris cleanup and deconstruction, and transfer the land to the state once it is prepared for private ownership.

As MN DNR experiences staff shortages, limitations on its funding, and bottlenecks in legal review due to staff shortages, state park inholdings are increasingly at risk. There is an urgent, critical need for P&TC to step up and protect crucial state park inholdings and avoid private development that would have broad negative long-term statewide impact.

What is your proposed solution to the problem or opportunity discussed above? Introduce us to the work you are seeking funding to do. You will be asked to expand on this proposed solution in Activities & Milestones.

P&TC and MN DNR each maintain and periodically compare prioritized lists of critical park inholdings based on relevant planning documents, technical knowledge, and best practices for achieving multiple benefits and preventing negative consequences for Minnesota's natural and recreational resources. P&TC proposes to purchase state park inholdings that rank highly on both lists from willing sellers, clean up the properties, and convey them to MN DNR when the land is prepared for public use.

MN DNR has long relied on P&TC to help save threatened, high-priority land. This proposal seeks to streamline and expand our coordinated efforts to increase the pace and efficiency of acquisition of priority state park in-holdings so they are not sold off and lost forever due to lack of available resources and staffing.

LCCMR funds will allow P&TC to contact landowners to see if priority lands are on the market and efficiently complete negotiations including legal review. We will partner with Better Futures Minnesota and leverage non-state philanthropic resources to complete needed cleanup.

By supporting more nimble, efficient acquisition and cleanup of Minnesota state park inholdings, this proposal will solve an urgent statewide issue achieving outcomes with multiple recreation and natural resource benefits.

What are the specific project outcomes as they relate to the public purpose of protection, conservation, preservation, and enhancement of the state's natural resources?

The successful acquisition and cleanup of State Park inholdings will result in permanent protection of high-impact lands for the public, directly reflecting LCCMR's mission to protect, conserve, preserve, and enhance Minnesota's air, water, land, fish, wildlife, and other natural resources for the benefit of current citizens and future generations.

P&TC has the capacity and readiness to achieve these tangible outcomes. As a nonprofit we can act nimbly, avoid

bottlenecks, and oversee all facets of cleanup, leveraging innovative partnerships and non-state resources to cover building deconstruction and debris removal that are needed to prepare land for public use.

Project Location

What is the best scale for describing where your work will take place?

Statewide

What is the best scale to describe the area impacted by your work?

Statewide

When will the work impact occur?

During the Project

Activities and Milestones

Activity 1: Timely Acquisition of State Park Inholdings

Activity Budget: \$1,873,000

Activity Description:

P&TC’s land acquisition work under this activity includes: 1) Identification and assessment: When a priority parcel becomes available, conduct additional needed evaluation or prioritization. 2) Partnership: Partner with MN DNR to confirm, engage local park “Friends” groups. 3) Landowner negotiations and purchase: Complete needed inspections, legal work, and negotiations needed for purchase. 4) Ownership transfer: Convey lands to the MN DNR for ongoing management for the public. (Site cleanup is described in Activity 2).

The priority parcels to be considered for acquisition under this project are the same as MN DNR’s priority list. Should one of these acquisitions be unsuccessful, P&TC will request an amendment to the Project Work plan that will identify a replacement property selected from a statewide priority list. The list being submitted with this proposal is significantly larger than the LCCMR grant being sought so some of the parcels included are not being purchased. Pending the extent to which there are willing sellers, our rough estimate is that seven parcels totaling approximately 560 acres will be purchased with the requested LCCMR funds. Other projects on the list will be purchased using private funds.

Activity Milestones:

Description	Approximate Completion Date
Priority park inholdings identified, Acquisition Process Initiated, Initial Property Assessments completed, Property Owner Interest Secured	September 30, 2024
Other or secondary inholdings identified	December 31, 2024
Submit annual land acquisition report every December 1 every subsequent year.	December 31, 2024
Complete all Attachment E acquisition requirements, including appraisals, surveys and environmental assessments.	March 31, 2025
Submit transaction cost reporting within 60 days following acquisition	August 31, 2025
Secure DNR Commissioner Approval at least 10 days before closing on any parcel acquisition	August 31, 2026
Submit financial information for LCCMR review at least 10 days before closing on any parcel	August 31, 2026
Record Notice of Funding Restriction	August 31, 2026
Install durable and fixed signage in prominent locations with ENRTF logo and acknowledgement	August 31, 2026
Submit initial land acquisition report upon acquisition	August 31, 2026
Acquisition of priority State Park and State Recreation Area property inholdings complete	September 30, 2026
All lands acquired under this grant conveyed to MN DNR	September 30, 2026
Submit annual land acquisition report by December 1 every subsequent year	September 30, 2026

Activity 2: Site Cleanup/Deconstruction to Prepare Land for Public Use

Activity Budget: \$13,000

Activity Description:

After parcels are acquired and before they are conveyed to the MN DNR, P&TC will conduct any site cleanup work needed to prepare the land for public use as part of the surrounding State Park. This work will involve engaging in-kind volunteer support and equipment for debris removal through our network of park “Friends” groups. For deconstruction projects that require professional expertise and equipment we will use an RFP process to contract for professional services and/or leverage our innovative partnership with Better Futures Minnesota. Building deconstruction will be funded by P&TC and will not use LCCMR funds.

All site cleanup activities will focus on material recovery, prioritizing reuse of materials so they are diverted from the

waste stream, achieving additional environmental benefits. For materials and debris that can't be diverted from the waste stream, P&TC will solicit bids to haul and dump debris at the local county landfill. All applicable solid waste and demolition fees and taxes will also be funded by the LCCMR grant.

Activity Milestones:

Description	Approximate Completion Date
Partner with Friends group networks to confirm debris removal that can be conducted by volunteers.	December 31, 2025
Issue RFP for contractors/Better Futures to complete deconstruction/materials recovery and waste stream diversion.	December 31, 2025
Clean up and site cleanup/deconstruction on all lands acquired complete.	June 30, 2026

Project Partners and Collaborators

Name	Organization	Role	Receiving Funds
Shelby Kok	Minnesota DNR	Shelby Kok is the DNR Parks and Trails Division Acquisition Consultant who manages all state park and trail acquisitions. DNR is not receiving funding from this proposal but is providing in-kind support. See attached letter of support from DNR.	No
Dave Lais	Sibley State Park Improvement Association	The Sibley State Park Improvement Association provides volunteer help with in-holding acquisition and site clean up.	No
Jason Allen	Better Futures Minnesota	Better Futures Minnesota (BFM) is a nonprofit that helps reintegrate high-risk adults, primarily African American men, into society by offering them positions in deconstruction services. Together with BFM we can reduce the waste impact of structure removal on lands acquired for state parks by salvaging and repurposing materials.	Yes

Dissemination

Describe your plans for dissemination, presentation, documentation, or sharing of data, results, samples, physical collections, and other products and how they will follow ENRTF Acknowledgement Requirements and Guidelines.

Parks & Trails Council of Minnesota (P&TC) will abide by the ENRTF Acknowledgement Requirements and Guidelines and will use our web site, print publications, electronic communications and media relations to acknowledge and promote the Environment and Natural Resources Trust Fund as being critical to the success of all state park inholding acquisitions made as a result of being awarded an LCCMR grant appropriation. In addition, P&TC will install durable and fixed signage in prominent locations with ENRTF logo and acknowledgement at all acquisition sites.

Long-Term Implementation and Funding

Describe how the results will be implemented and how any ongoing effort will be funded. If not already addressed as part of the project, how will findings, results, and products developed be implemented after project completion? If additional work is needed, how will this work be funded?

P&TC will use LCCMR funds to purchase priority parcels including due diligence work like property surveys, appraisals, title work, legal review, environmental assessments and transaction negotiations. We will leverage partnerships and in-kind volunteer support and use non-state funds to ensure debris is removed from land P&TC acquires before it is conveyed to the DNR. Because each of the properties identified for potential acquisition are located within existing state park boundaries, all facilities are components of the Outdoor Recreation System which require individual master plans to guide land acquisition, development and improvement, public use and resource management.

Budget Summary

Category / Name	Subcategory or Type	Description	Purpose	Gen. Ineligible	% Benefits	# FTE	Classified Staff?	\$ Amount
Personnel								
Administrative Coordinator		LCCMR Grant administration and compliance oversight, expenditure tracking and grant reporting assistance.			16%	0.2		\$11,000
							Sub Total	\$11,000
Contracts and Services								
Legal counsel	Acquisition costs	Creates and reviews all legal documents and provides legal counsel on transaction-related activities				0.06		\$48,000
Technical contractor	Acquisition costs	Conducts appraisals, surveys, title work, and Environmental Site Assessments for required due diligence. This figure anticipates doing up to 7 transactions at \$7,143 per transaction. State contracting rules apply.				0.2		\$50,000
Land Acquisition Consultant	Acquisition costs	Manages all acquisition projects, assists legal counsel and provides technical assistance.				1		\$75,000
Trucking and Excavation Company	Professional or Technical Service Contract	Hauling and dumping debris from acquisition sites to the local county landfill.				0.1		\$13,000
							Sub Total	\$186,000
Equipment, Tools, and Supplies								
							Sub Total	-
Capital Expenditures								
							Sub Total	-
Acquisitions and Stewardship								

	Fee Title Acquisition	Acres: 560 Parcels: 7						\$1,689,000
							Sub Total	\$1,689,000
Travel In Minnesota								
							Sub Total	-
Travel Outside Minnesota								
							Sub Total	-
Printing and Publication								
							Sub Total	-
Other Expenses								
							Sub Total	-
							Grand Total	\$1,886,000

Classified Staff or Generally Ineligible Expenses

Category/Name	Subcategory or Type	Description	Justification Ineligible Expense or Classified Staff Request
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Non ENRTF Funds

Category	Specific Source	Use	Status	\$ Amount
State				
			State Sub Total	-
Non-State				
Cash	Private contributions	Support for project management including oversight of all land acquisition activities and engagement of partners and volunteer networks.	Secured	\$24,000
Cash	Private contributions	Estimated land acquisition and site cleanup activities not fundable through LCCMR.	Potential	\$404,000
Cash	Private contributions	Travel within Minnesota to visit project sites (estimated 3,000 miles at .655 per mile.	Secured	\$1,965
			Non State Sub Total	\$429,965
			Funds Total	\$429,965

Acquisition and Restoration

Parcel List

Name	County	Site Significance	Activity	Acres	Miles	Estimated Cost	Type of Landowner	Easement or Title Holder	Status of Work
Banning	Pine	State Park Inholding	Fee Title	93	-	\$257,700	Private	Minnesota Department of Natural Resources	Has Not Begun
Banning	Pine	State Park Inholding	Fee Title	40	-	\$221,600	Private	Minnesota Department of Natural Resources	Has Not Begun
Beaver Creek Valley	Houston	State Park Inholding	Fee Title	80	-	\$431,400	Private	Minnesota Department of Natural Resources	Has Not Begun
Frontenac	Goodhue	State Park Inholding	Fee Title	93	-	\$449,300	Private	Minnesota Department of Natural Resources	Has Not Begun
Itasca	Clearwater	State Park Inholding	Fee Title	224	-	\$495,900	Private	Minnesota Department of Natural Resources	Has Not Begun
Jay Cooke	Carlton	State Park Inholding	Fee Title	120	-	\$535,000	Private	Minnesota Department of Natural Resources	Has Not Begun
Maplewood	Otter Tail	State Park Inholding	Fee Title	239	-	\$531,700	Private	Minnesota Department of Natural Resources	Has Not Begun
Maplewood	Otter Tail	State Park Inholding	Fee Title	126	-	\$451,500	Private	Minnesota Department of Natural Resources	Has Not Begun
Maplewood	Otter Tail	State Park Inholding	Fee Title	39	-	\$123,200	Private	Minnesota Department of Natural Resources	Has Not Begun

Savanna Portage	Aitkin	State Park Inholding	Fee Title	72	-	\$228,700	Private	Minnesota Department of Natural Resources	Has Not Begun
Savanna Portage	Aitkin	State Park Inholding	Fee Title	120	-	\$360,700	Private	Minnesota Department of Natural Resources	Has Not Begun
Savanna Portage	Aitkin	State Park Inholding	Fee Title	74	-	\$239,500	Private	Minnesota Department of Natural Resources	Has Not Begun
Sibley	Kandiyohi	State Park Inholding	Fee Title	10	-	\$22,200	Private	Minnesota Department of Natural Resources	Has Not Begun
Sibley	Kandiyohi	State Park Inholding	Fee Title	19	-	\$403,600	Private	Minnesota Department of Natural Resources	Has Not Begun
Sibley	Kandiyohi	State Park Inholding	Fee Title	22	-	\$51,200	Private	Minnesota Department of Natural Resources	Has Not Begun
St. Croix	Pine	State Park Inholding	Fee Title	64	-	\$124,800	Private	Minnesota Department of Natural Resources	Has Not Begun
St. Croix	Pine	State Park Inholding	Fee Title	163	-	\$235,200	Private	Minnesota Department of Natural Resources	Has Not Begun
Tettegouche	Lake	State Park Inholding	Fee Title	21	-	\$740,000	Private	Minnesota Department of Natural Resources	Has Not Begun
Totals				1,619	0	\$5,903,200			

Fee Acquisition

1. Describe the selection process for identifying and including proposed parcels on the parcel list, including an explanation of the criteria and decision-making process used to rank and prioritize parcels.

Proposed parcels were identified based on the following criteria: located within legislatively defined boundaries and alignments for State Parks, State Recreation Areas, and State Trails; threat of opportunity lost due to factors such as development pressure or threat of rapidly escalating land values; strategic location relative to meeting local needs; preservation of natural diversity and natural resource conservation value such as ecologically rare parcels, unique landscapes, wildlife habitats, endangered species, water quality significance, historic/cultural significance, and connectivity of natural lands and habitat; fills a land gap that will improve continuity and/or provide space for high value end uses. These criteria are outlined in P&TC's Land Acquisition Plan document and the parcel list also uses investment criteria established in the DNR Parks and Trails System Plan and is reflective of other plans as noted below.

2. List all adopted state, regional, or local natural resource plans in which the lands included in the parcel list are identified for the acquisition purposes you propose. Include the URL to the plan if one is available.

Parcels are based on:

P&TC's 2022 Land Acquisition Plan - <https://www.parksandtrails.org/land-protection/plan/>

Parks and Trails Legacy Plan - https://www.legacy.mn.gov/sites/default/files/resources/parks_trails_legacy_plan_0.pdf

Greater Minnesota Regional Parks and Trails Strategic Plan - <https://www.lrl.mn.gov/docs/2021/mandated/210598.pdf>

MN DNR State Parks/Trails System Plan -

https://files.dnr.state.mn.us/input/mgmtplans/pat/system_plan/system_plan.pdf

State Comprehensive Outdoor Recreation Plan (SCORP) -

https://files.dnr.state.mn.us/aboutdnr/reports/scorp_final_2024.pdf

Metropolitan Parks and Trails 2040 Regional Parks Policy Plan -

[https://metro council.org/Parks/Publications-And-Resources/POLICY-PLANS/2040-REGIONAL-PARKS-POLICY-PLAN-\(2020-version\)/2040-Regional-Parks-Policy-Plan.aspx](https://metro council.org/Parks/Publications-And-Resources/POLICY-PLANS/2040-REGIONAL-PARKS-POLICY-PLAN-(2020-version)/2040-Regional-Parks-Policy-Plan.aspx)

3. For any parcels acquired in fee title, a restoration and management plan must be prepared. Summarize the components and expected outcomes of restoration and management plans for parcels acquired by your organization, how these plans are kept on file by your organization, and overall strategies for long-term plan implementation, including how long-term maintenance and management needs of the parcel will be financed into the future.

Immediate cleanup of acquired parcels by P&TC will be conducted based on future use and state requirements.

Ultimately, all resource management plans for individual parks and trails facilities are maintained by the MN DNR Division's Resource Management Program. Long term maintenance and management of the selected properties will be assumed by the existing Parks and Trails Division Facility Managers and Staff.

4. For each parcel to be conveyed to a State of Minnesota entity (e.g., DNR) after purchase, provide a statement confirming that county board approval will be obtained.

Each property purchased will be subject to County Board Approval per DNR administrative direction.

5. If applicable (see M.S. 116P.17), provide a statement confirming that written approval from the DNR Commissioner will be obtained 10 business days prior to any final acquisition transaction.

Confirmed.

Attachments

Required Attachments

Map

File: [d6e99e52-3a1.pdf](#)

Alternate Text for Map

Map of State park in-holdings to be acquired with detail of each state park...

Financial Capacity

File: [cebe6ef6-001.pdf](#)

Board Resolution or Letter

Title	File
Parks & Trails Council of Mn Board Resolution	e82a9f1c-fd8.pdf

Supplemental Attachments

Capital Project Questionnaire, Budget Supplements, Support Letter, Photos, Media, Other

Title	File
Minnesota DNR Letter of Support for State Park in-holding acquisition	8db99e4d-ab9.pdf
IRS Letter of 501 c 3 status	d7076f03-d25.pdf
Parks & Trails Council of MN Land Acquisition Plan	5175e6f1-1bf.pdf

Difference between Proposal and Work Plan

Describe changes from Proposal to Work Plan Stage

Changes were made in this work plan to reflect the fact that the LCCMR recommendation to the 2024 Legislature is 94.3% of Parks & Trails Council of Minnesota's original request. In addition, this work plan recognizes the ENRTF Acknowledgement Requirements and Guidelines and will use all mediums of communication at our disposal to promote the critical role the Environment and Natural Resources Trust Fund played in making any and all state park inholding acquisitions funded by this appropriation possible.

Additional Acknowledgements and Conditions:

The following are acknowledgements and conditions beyond those already included in the above workplan:

Do you understand and acknowledge the ENRTF repayment requirements if the use of capital equipment changes?

N/A

Do you agree travel expenses must follow the "Commissioner's Plan" promulgated by the Commissioner of Management of Budget or, for University of Minnesota projects, the University of Minnesota plan?

N/A

Does your project have potential for royalties, copyrights, patents, sale of products and assets, or revenue generation?

No

Do you understand and acknowledge IP and revenue-return and sharing requirements in 116P.10?

N/A

Do you wish to request reinvestment of any revenues into your project instead of returning revenue to the ENRTF?

N/A

Does your project include original, hypothesis-driven research?

No

Does the organization have a fiscal agent for this project?

No

Does your project include the pre-design, design, construction, or renovation of a building, trail, campground, or other fixed capital asset costing \$10,000 or more or large-scale stream or wetland restoration?

No

Is the purpose of the acquisition for construction of a building(s), trail, campground, or other fixed capital asset costing \$10,000 or more or large-scale stream or wetland restoration, either now or in the future?

No

Do you propose using an appropriation from the Environment and Natural Resources Trust Fund to conduct a project that provides children's services (as defined in Minnesota Statutes section 299C.61 Subd.7 as "the provision of care, treatment, education, training, instruction, or recreation to children")?

No