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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. **3424**

03/08/2018 Authored by Johnson, C., and Fabian  
The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy and Finance

1.1 A bill for an act  
1.2 relating to state lands; providing for lease security; modifying requirements of  
1.3 public land sales; adding to and deleting from state parks and forests; amending  
1.4 Minnesota Statutes 2016, sections 92.50, by adding a subdivision; 94.10,  
1.5 subdivision 2; Minnesota Statutes 2017 Supplement, section 89.17; repealing Laws  
1.6 2008, chapter 368, article 1, section 21, subdivision 2.

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. Minnesota Statutes 2017 Supplement, section 89.17, is amended to read:

1.9 **89.17 LEASES AND PERMITS.**

1.10 (a) Notwithstanding the permit procedures of chapter 90, the commissioner may grant  
1.11 and execute, in the name of the state, leases and permits for the use of any forest lands under  
1.12 the authority of the commissioner for any purpose that in the commissioner's opinion is not  
1.13 inconsistent with the maintenance and management of the forest lands, on forestry principles  
1.14 for timber production. Every such lease or permit is revocable at the discretion of the  
1.15 commissioner at any time subject to such conditions as may be agreed on in the lease. The  
1.16 approval of the commissioner of administration is not required upon any such lease or  
1.17 permit. No such lease or permit for a period exceeding 21 years shall be granted except with  
1.18 the approval of the Executive Council.

1.19 (b) Public access to the leased land for outdoor recreation is the same as access would  
1.20 be under state management.

1.21 (c) Notwithstanding section 16A.125, subdivision 5, after deducting the reasonable costs  
1.22 incurred for preparing and issuing the lease, all remaining proceeds from leasing school  
1.23 trust land and university land for roads on forest lands must be deposited into the respective  
1.24 permanent fund for the lands.

2.1 (d) The commissioner may require a performance bond, security deposit, or other form  
2.2 of security for removing any improvements or personal property left on the leased premises  
2.3 by the lessee upon termination or cancellation of the lease.

2.4 Sec. 2. Minnesota Statutes 2016, section 92.50, is amended by adding a subdivision to  
2.5 read:

2.6 Subd. 3. **Security requirement.** The commissioner may require a performance bond,  
2.7 security deposit, or other form of security for removing any improvements or personal  
2.8 property left on the leased premises by the lessee upon termination or cancellation of the  
2.9 lease.

2.10 Sec. 3. Minnesota Statutes 2016, section 94.10, subdivision 2, is amended to read:

2.11 Subd. 2. **Public sale requirements.** (a) After complying with subdivision 1 and before  
2.12 any public sale of surplus state-owned land is made and at least 30 days before the sale, the  
2.13 commissioner of natural resources shall publish a notice of the sale in a newspaper of general  
2.14 distribution in the county in which the real property to be sold is situated. The notice shall  
2.15 specify the time and place at which the sale will commence, a general description of the  
2.16 lots or tracts to be offered, and a general statement of the terms of sale. The commissioner  
2.17 shall also provide electronic notice of sale.

2.18 (b) The minimum bid for a parcel of land must include the estimated value or appraised  
2.19 value of the land and any improvements and, if any of the land is valuable for merchantable  
2.20 timber, the value of the merchantable timber. The minimum bid may include expenses  
2.21 incurred by the commissioner in rendering the property salable, including survey, appraisal,  
2.22 legal, advertising, and other expenses.

2.23 (c) The purchaser of state land must pay recording fees and the state deed tax.

2.24 (d) Except as provided under paragraph (e), parcels remaining unsold after the offering  
2.25 may be sold to anyone agreeing to pay at least 75 percent of the appraised value. The sale  
2.26 shall continue until all parcels are sold or until the commissioner orders a reappraisal or  
2.27 withdraws the remaining parcels from sale.

2.28 (e) The commissioner may retain the services of a licensed real estate broker to find a  
2.29 buyer for parcels remaining unsold after the offering. The sale price may be negotiated by  
2.30 the broker, but must not be less than 90 percent of the appraised value as determined by the  
2.31 commissioner. The broker's fee must be established by prior agreement between the

3.1 commissioner and the broker and must not exceed ten percent of the sale price for sales of  
3.2 \$10,000 or more. The broker's fee must be paid to the broker from the proceeds of the sale.

3.3 (f) Public sales of surplus state-owned land may be conducted through online auctions.

3.4 Sec. 4. ADDITIONS TO STATE PARKS.

3.5 Subdivision 1. [85.012] [Subd. 21.] Frontenac State Park, Goodhue County. The  
3.6 following area is added to Frontenac State Park, Goodhue County:

3.7 That part of the Northeast Quarter of Section 10, that part of the Southeast Quarter of  
3.8 Section 10, that part of the Northwest Quarter of Section 11, and that part of the Southwest  
3.9 Quarter of Section 11, all in Township 112 North, Range 13 West, Goodhue County,  
3.10 Minnesota, described as follows:

3.11 Commencing at the east quarter corner of said Section 10; thence on an assumed bearing  
3.12 South 00 degrees 25 minutes 27 seconds East, along the east line of the Southeast Quarter  
3.13 of said Section 10, a distance of 1,654.63 feet; thence South 89 degrees 34 minutes 33  
3.14 seconds West, a distance of 2,219.43 feet to the point of beginning of the land to be described;  
3.15 thence North 19 degrees 04 minutes 33 seconds East, a distance of 3,905.90 feet to the  
3.16 centerline of Hill Avenue; thence southeasterly, along said centerline, to the northwesterly  
3.17 right-of-way boundary of County Road Number 2, as designated on Goodhue County  
3.18 Highway Right-Of-Way Plat No. 25, as recorded in the Goodhue County Recorder's Office;  
3.19 thence southwesterly along said northwesterly right-of-way boundary and along the  
3.20 northwesterly right-of-way boundary of County Road Number 2, as designated in Goodhue  
3.21 County Highway Right-Of-Way Plat No. 24, and along the northwesterly right-of-way  
3.22 boundary of County Road Number 2, as designated in Goodhue County Highway  
3.23 Right-of-Way Plat No. 23, to the intersection with a line bearing South 76 degrees 25 minutes  
3.24 27 seconds East from the point of beginning; thence North 76 degrees 25 minutes 27 seconds  
3.25 West, a distance of 907.89 feet to the point of beginning.

3.26 EXCEPT that part lying within the boundaries of the following described parcel:

3.27 That part of the Southeast Quarter of Section 10, Township 112 North, Range 13 West,  
3.28 and that part of the Southwest Quarter of Section 11, Township 112 North, Range 13 West,  
3.29 Goodhue County, Minnesota, described as follows:

3.30 Commencing at the northeast corner of the Southeast Quarter of said Section 10; thence  
3.31 southerly on an assumed azimuth from North of 179 degrees 34 minutes 33 seconds, along  
3.32 the east line of the Southeast Quarter of said Section 10, a distance of 1,100.31 feet; thence  
3.33 westerly 269 degrees 34 minutes 33 seconds azimuth, a distance of 80.53 feet to the point

4.1 of beginning of the land to be described; thence northerly 340 degrees 42 minutes 19 seconds  
4.2 azimuth, a distance of 300.00 feet; thence easterly 100 degrees 22 minutes 46 seconds  
4.3 azimuth, a distance of 286.97 feet to the centerline of County Road Number 2, as now  
4.4 located and established; thence southerly and southwesterly, along said centerline, to the  
4.5 intersection with a line drawn southerly 160 degrees 42 minutes 19 seconds azimuth from  
4.6 the point of beginning; thence northerly 340 degrees 42 minutes 19 seconds azimuth, a  
4.7 distance of 51.66 feet to the point of beginning.

4.8 EXCEPT that part lying within the boundaries of the following described parcel:

4.9 That part of the Southeast Quarter of Section 10, Township 112, Range 13, Goodhue  
4.10 County, Minnesota, described as follows:

4.11 Commencing at the northeast corner of said Southeast Quarter; thence southerly, on an  
4.12 assumed azimuth from North of 179 degrees 34 minutes 33 seconds, along the east line of  
4.13 said Southeast Quarter; a distance of 1,491.88 feet; thence westerly 269 degrees 34 minutes  
4.14 33 seconds azimuth, a distance of 870.79 feet to an iron pipe on the centerline of County  
4.15 Road Number 2, as now located and established, being the point of beginning of the land  
4.16 to be described; thence northerly 24 degrees 07 minutes 23 seconds azimuth, a distance of  
4.17 132.28 feet to an iron pipe; thence northwesterly 301 degrees 14 minutes 43 seconds azimuth,  
4.18 a distance of 524.46 feet to an iron pipe; thence southerly 180 degrees 51 minutes 58 seconds  
4.19 azimuth a distance of 342.82 feet to an iron pipe; thence southeasterly 118 degrees 29  
4.20 minutes 28 seconds azimuth, a distance of 273.01 feet to an iron pipe on the centerline of  
4.21 said County Road Number 2, as now located and established; thence northeasterly along  
4.22 said centerline to the point of beginning.

4.23 EXCEPT that part described as follows:

4.24 That part of the Southeast Quarter of Section 10, Township 112 North, Range 13 West,  
4.25 Goodhue County, Minnesota, described as follows:

4.26 Commencing at the northeast corner of said Southeast Quarter of Section 10; thence  
4.27 southerly, on an assumed azimuth from North of 179 degrees 34 minutes 33 seconds, along  
4.28 the east line of said Southeast Quarter of Section 10, a distance of 1,100.31 feet; thence  
4.29 westerly 269 degrees 34 minutes 33 seconds azimuth, a distance of 80.53 feet to the point  
4.30 of beginning of the land to be described; thence northerly 340 degrees 42 minutes 19 seconds  
4.31 azimuth, a distance of 300.00 feet; thence westerly 250 degrees 42 minutes 19 seconds  
4.32 azimuth, a distance of 300.00 feet; thence southerly 160 degrees 42 minutes 19 seconds  
4.33 azimuth, a distance of 384.25 feet, to the northwesterly right-of-way boundary of County  
4.34 Road Number 2, as designated in Goodhue County Highway Right-of-Way Plat No. 23, as

5.1 recorded in the Goodhue County Recorder's Office; thence northeasterly, along said  
 5.2 northwesterly right-of-way boundary, to the intersection with a line drawn southerly 160  
 5.3 degrees 42 minutes 19 seconds azimuth from the point of beginning; thence northerly 340  
 5.4 degrees 42 minutes 19 seconds azimuth, a distance of 10.01 feet to the point of beginning.

5.5 Subd. 2. [85.012] [Subd. 21.] Frontenac State Park, Goodhue County. The following  
 5.6 areas are added to the Frontenac State Park, Goodhue County:

5.7 (1) all that part of Sections 31 and 32, Township 113 North, Range 13 West, in the  
 5.8 County of Goodhue and State of Minnesota, described as follows:

5.9 All of Block 7, Wacouta Beach, in said Section 32 lying on the south side of and adjoining  
 5.10 Lake View Drive and adjoining the south and west lines of said Section 32. Also that part  
 5.11 of said Section 31 described as follows:

5.12 Beginning at the southeast corner of said Section 31; thence run North along the east  
 5.13 line of said Section 31 a distance of 961.0 feet more or less to the southerly right-of-way  
 5.14 line of Lake View Drive; thence run North 61 degrees 30 minutes West along the southerly  
 5.15 right-of-way of Lake View Drive a distance of 170.0 feet; thence run South 34 degrees West  
 5.16 320.0 feet; thence run North 77 degrees East 125.0 feet; thence run South 13 degrees West  
 5.17 610.0 feet; thence run South 76 degrees West 600.0 feet; thence run South 88 degrees 30  
 5.18 minutes West 1,100.0 feet; thence run North 54 degrees 45 minutes West 1,140.0 feet;  
 5.19 thence run North 37 degrees 15 minutes West 400.0 feet; thence run North 72 degrees West  
 5.20 1,000.0 feet; thence run South 89 degrees 45 minutes West 200.0 feet; thence run North 70  
 5.21 degrees 45 minutes West 250.0 feet to a point on or near the east right-of-way line of public  
 5.22 road; thence run South 15 degrees 45 minutes West 720.0 feet along or near said east  
 5.23 right-of-way line of public road to a point at or near the northerly right-of-way line of State  
 5.24 Trunk Highway 61; thence run easterly along said northerly right-of-way line of State Trunk  
 5.25 Highway 61 a distance of 2,050.0 feet more or less to the south line of said Section 31;  
 5.26 thence run East 2,925.0 feet more or less along said south line of Section 31 to the point of  
 5.27 beginning;

5.28 (2) the West Half of the Northeast Quarter of Section 6, Township 112 North, Range  
 5.29 13 West, EXCEPT THE FOLLOWING:

5.30 All that part of the West Half of the Northeast Quarter of Section 6, Township 112 North,  
 5.31 Range 13 West, in Goodhue County and State of Minnesota, described as follows:

5.32 Beginning at the center of said Section 6; thence North 1,970 feet to the centerline of  
 5.33 State Trunk Highway 61; thence southeasterly along the centerline of said highway for 335  
 5.34 feet; thence North 66 degrees 31 minutes East 380 feet; thence deflect to the left on a six

6.1 degree curve for 570 feet to the south line of Borrow Pit No. 225; (Borrow Pit No. 225  
 6.2 being described in that certain Notice of Lis Pendens dated May 19, 1952, and recorded  
 6.3 May 20, 1952, in Book 115 of Mortgages, page 77); thence East 430 feet to the east line of  
 6.4 the West Half of said Northeast Quarter; thence South 2,250 feet to the southeast corner of  
 6.5 said West Half of the Northeast Quarter; thence West 1,320 feet to the place of beginning.  
 6.6 EXCEPTING from the above all rights-of-way of state highway and excepting the  
 6.7 right-of-way of the railroad company.

6.8 ALSO an easement for right-of way purposes on a strip of land 50 feet in width adjoining  
 6.9 and northwesterly of the northwesterly line of the above conveyed tract;

6.10 (3) that part of the Northwest Quarter of Section 6, Township 112 North, Range 13 West,  
 6.11 Goodhue County, Minnesota, lying northeasterly of the northeasterly right-of-way line of  
 6.12 the Canadian Pacific Railroad (formerly the Chicago, Milwaukee and St. Paul Railway Co.);  
 6.13 and

6.14 (4) Block 8 and Block 9, Wacouta Beach, according to the plat thereof, on file and of  
 6.15 record in the Goodhue County Recorder's Office.

6.16 Subd. 3. [85.012] [Subd. 43.] Minneopa State Park, Blue Earth County. The following  
 6.17 area is added to Minneopa State Park, Blue Earth County: the East Half of Government Lot  
 6.18 5, Section 2, Township 108 North, Range 28 West, together with an easement 33 feet in  
 6.19 width for access to said property, as now located, extending from the southwest corner of  
 6.20 the East Half of Government Lot 5 in said Section 2, Township 108, Range 28, to Minnesota  
 6.21 Highway 68.

6.22 Subd. 4. [85.012] [Subd. 49.] St. Croix State Park, Pine County. The following area  
 6.23 is added to the St. Croix State Park, Pine County: the Northwest Quarter of the Northwest  
 6.24 Quarter, Section 30, Township 41 North, Range 17 West.

6.25 Sec. 5. **DELETION FROM STATE PARK.**

6.26 [85.012] [Subd. 49.] St. Croix State Park, Pine County. The following area is deleted  
 6.27 from St. Croix State Park, Pine County: all that part of the Southeast Quarter of the Southeast  
 6.28 Quarter, Section 21, and that part of the Southwest Quarter of the Southwest Quarter, Section  
 6.29 22, Township 41 North, Range 18 West, bounded by the following described lines: beginning  
 6.30 at the southeast corner of Section 21; thence West 1,025 feet along the south section line;  
 6.31 thence North 515 feet; thence East 350 feet; thence northeasterly 1,070 feet to a point on  
 6.32 the centerline of County State-Aid Highway 22 a distance of 1,130 feet northerly of the  
 6.33 southeast corner of Section 21 as measured along said County State-Aid Highway 22; thence

7.1 southerly 1,130 feet along the centerline of County State-Aid Highway 22 to the point of  
 7.2 beginning.

7.3 **Sec. 6. ADDITIONS TO STATE FORESTS.**

7.4 **Subdivision 1. [89.021] [Subd. 2.] Badoura State Forest.** The following areas are added  
 7.5 to Badoura State Forest, Hubbard County:

7.6 (1) the Southwest Quarter, Section 35, Township 140 North, Range 32 West;

7.7 (2) the Northeast Quarter of the Northeast Quarter and the Northwest Quarter of the  
 7.8 Northeast Quarter, Section 11, Township 139 North, Range 33 West;

7.9 (3) the South Half of the Northeast Quarter, the West Half, and the Southeast Quarter,  
 7.10 Section 26, Township 140 North, Range 33 West; and

7.11 (4) the North Half, Section 26, Township 139 North, Range 33 West.

7.12 **Subd. 2. [89.021] [Subd. 48a.] Snake River State Forest.** The following areas are  
 7.13 added to Snake River State Forest, Kanabec County:

7.14 (1) the Northwest Quarter and the Southwest Quarter of the Northeast Quarter, Section  
 7.15 8, Township 42 North, Range 22 West;

7.16 (2) Section 17, Township 42 North, Range 22 West;

7.17 (3) Section 20, Township 42 North, Range 22 West;

7.18 (4) the West Half of the Northwest Quarter and the West Half of the Southwest Quarter,  
 7.19 Section 21, Township 42 North, Range 22 West;

7.20 (5) the Northeast Quarter and the East Half of the Southeast Quarter, Section 8, Township  
 7.21 42 North, Range 23 West;

7.22 (6) Section 9, Township 42 North, Range 23 West;

7.23 (7) the Southwest Half of the Southwest Quarter, Section 10, Township 42 North, Range  
 7.24 23 West;

7.25 (8) the Northwest Quarter, the North Half of the Southwest Quarter, and the Southwest  
 7.26 Quarter of the Southwest Quarter, Section 15, Township 42 North, Range 23 West;

7.27 (9) Section 16, Township 42 North, Range 23 West;

7.28 (10) the Northeast Quarter and the East Half of the Northeast Quarter, Section 17,  
 7.29 Township 42 North, Range 23 West; and

7.30 (11) Section 23, Township 42 North, Range 23 West.

8.1 Sec. 7. **REPEALER.**

8.2 Laws 2008, chapter 368, article 1, section 21, subdivision 2, is repealed.

*Laws 2008, chapter 368, article 1, section 21, subdivision 2*

Sec. 21. **DELETIONS FROM STATE PARKS.**

Subd. 2. [85.012][Subd. 30.] Jay Cooke State Park, Carlton County. Effective upon the commissioner of natural resources entering into an agreement with the commissioner of veterans affairs to transfer the property for use as a veterans cemetery, the following areas are deleted from Jay Cooke State Park:

(a) the Northeast Quarter of the Southeast Quarter lying southerly of the railroad right-of-way, Section 21, Township 48 North, Range 16 West;

(b) the Northwest Quarter of the Southwest Quarter lying southerly of the railroad right-of-way, Section 22, Township 48 North, Range 16 West; and

(c) the East 2 rods of the Southwest Quarter of the Southwest Quarter, Section 22, Township 48 North, Range 16 West.