



Board of County Commissioners Agenda Request

3A
 Agenda Item #

Requested Meeting Date: 10/25/2016

Title of Item: Administrative land exchange 4-52-23 & 11/12-47-25

<input checked="" type="checkbox"/> REGULAR AGENDA <input type="checkbox"/> CONSENT AGENDA <input type="checkbox"/> INFORMATION ONLY	Action Requested: <input type="checkbox"/> Approve/Deny Motion <input checked="" type="checkbox"/> Adopt Resolution (attach draft) <small><i>*provide copy of hearing notice that was published</i></small>	<input type="checkbox"/> Direction Requested <input type="checkbox"/> Discussion Item <input type="checkbox"/> Hold Public Hearing*								
Submitted by: Land Commissioner		Department: Land Department								
Presenter (Name and Title): Mark Jacobs		Estimated Time Needed: 15-minutes								
Summary of Issue: Aitkin County has parcels adjacent to the Mississippi River (1.8 miles of frontage) that were deeded to the County by the railroad (50+ years ago) that are in fee title. The County also has some tax forfeited property adjacent to the BNSF railroad with good road access; that we view as a potential commercial site. I am proposing to exchange these properties via the expedited land exchange procedure in MN Statute 94.3495 to... 1. Offer greater protection to 1.8-miles of undeveloped Mississippi River frontage (4-52-23) afforded by tax-forfeit status as it would require DNR and legislative approval for sale. 2. Put the commercial site adjacent to the RR (11/12-47-25) in County fee title status as an economic development "tool". If a commercial/industrial business was interested in locating in Aitkin County a sale could be accomplished in a more timely manner; without a lengthy DNR approval process. The appraisals are within the expedited exchange "substantially equal value" threshold for class 2 & 3 properties. <table style="width: 100%; border: none;"> <tr> <td style="width: 30%;">Class 3 = 4-52-23</td> <td style="width: 30%;">Ball Bluff Township</td> <td style="width: 30%;">County fee title parcels =</td> <td style="width: 10%;">\$ 75,200 (84-acres)</td> </tr> <tr> <td>Class 2 = 11/12-47-25</td> <td>Kimberly Township</td> <td>Tax Forfeited parcels =</td> <td>\$ 72,700 (66.5-acres)</td> </tr> </table>			Class 3 = 4-52-23	Ball Bluff Township	County fee title parcels =	\$ 75,200 (84-acres)	Class 2 = 11/12-47-25	Kimberly Township	Tax Forfeited parcels =	\$ 72,700 (66.5-acres)
Class 3 = 4-52-23	Ball Bluff Township	County fee title parcels =	\$ 75,200 (84-acres)							
Class 2 = 11/12-47-25	Kimberly Township	Tax Forfeited parcels =	\$ 72,700 (66.5-acres)							
Alternatives, Options, Effects on Others/Comments: This internal administrative exchange would simply change the "status" of the properties; it would not impact their public use.										
Recommended Action/Motion: A resolution approving the appraisals and the exchange - so it can be forwarded to the State Land Exchange Board.										
Financial Impact: Is there a cost associated with this request? <input type="checkbox"/> Yes <input type="checkbox"/> No What is the total cost, with tax and shipping? \$ Is this budgeted? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>Please Explain:</i>										

Legally binding agreements must have County Attorney approval prior to submission.

CERTIFIED COPY OF RESOLUTION OF COUNTY BOARD OF AITKIN COUNTY, MINNESOTA

ADOPTED October 25, 2016

By Commissioner: xx

20161025-0xx

**EXPEDITED LAND EXCHANGE
CLASS 2 and CLASS 3 PROPERTY**

WHEREAS, Aitkin County owns in fee title Gov't lot 3, 4, 10, and 14, in S 4 T 52 R 23 along the Mississippi River and administers County tax forfeited land in SE-NE S 11 T 47 R 25 and SW-NW S 12 T 47 R 25 (less BNSF RR ROW), and

WHEREAS, exchanging the status of these properties would offer added protection to the Mississippi River and provide potential commercial property for enhancing economic development, and

WHEREAS, the appraised value of the property is substantially equal as required under MN Statute 94.3495 for an expedited land exchange involving class 2 and class 3 properties.

THEREFORE, BE IT RESOLVED, that the Aitkin County Board of Commissioners approves the land appraisal and the exchange of the class 2 and class 3 lands.

Commissioner xx moved the adoption of the resolution and it was declared adopted upon the following vote

FIVE MEMBERS PRESENT

All Members Voting Yes

**STATE OF MINNESOTA}
COUNTY OF AITKIN}**

I, Patrick Wussow, Interim County Administrator, Aitkin County, Minnesota do hereby certify that I have compared the foregoing with the original resolution filed in the Administration Office of Aitkin County in Aitkin, Minnesota as stated in the minutes of the proceedings of said Board on the 25th day of October 2016, and that the same is a true and correct copy of the whole thereof.

Witness my hand and seal this 25th day of October 2016

Patrick Wussow
Interim County Administrator



**OFFICE OF
AITKIN COUNTY ASSESSOR**
209 2nd ST N.W. Room 111
AITKIN, MINNESOTA 56431
Phone: 218/927-7327 – Fax: 218/927-7379
assessor@co.aitkin.mn.us

June 6, 2016

Mark Jacobs
Land Commissioner
Aitkin County Land Department

Re: Valuation of Tax Exempt Parcels

Dear Mr. Jacobs:

I have verified our records and certify to you that the following values are the true and correct values for the 2016 assessment for the following parcels:

<u>Parcel Numbers:</u>	<u>Estimated Market Values:</u>
02-0-005500	\$8,000
02-0-005600	\$6,300
02-0-006000	\$26,800
02-0-006100	\$34,100
15-0-017900	\$56,500
15-0-020000	\$16,200

The effective date of the valuations above is January 2, 2016. Please contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Dangers", is written over a faint circular stamp.

Mike Dangers
Aitkin County Assessor

94.3495 EXPEDITED EXCHANGES OF LAND INVOLVING STATE AND GOVERNMENTAL SUBDIVISIONS OF STATE.

Subdivision 1. **Purpose and scope.** (a) The purpose of this section is to expedite the exchange of public land ownership. Consolidation of public land reduces management costs and aids in the reduction of forest fragmentation.

(b) This section applies to exchanges of land between the state and a governmental subdivision of the state. For land exchanges under this section, sections 94.342 to 94.347 apply only to the extent specified in this section.

Subd. 2. **Classes of land; definitions.** (a) The classes of public land that may be involved in an expedited exchange under this section are:

(1) Class 1 land, which for the purpose of this section is class A land as defined in section 94.342, subdivision 1;

(2) Class 2 land, which for the purpose of this section is class B land as defined in section 94.342, subdivision 2; and

(3) Class 3 land, which for the purpose of this section is all land owned in fee by a governmental subdivision of the state.

(b) "School trust land" has the meaning given in section 92.025.

(c) "University land" means land granted to the state by acts of Congress for university purposes.

Subd. 3. **Valuation of land.** (a) In an exchange of class 1 land for class 2 or 3 land, the value of all the land shall be determined by the commissioner of natural resources, but the county board must approve the value determined for the class 2 land, and the governmental subdivision of the state must approve the value determined for the class 3 land. In an exchange of class 2 land for class 3 land, the value of all the land shall be determined by the county board of the county in which the land lies, but the governmental subdivision of the state must approve the value determined for the class 3 land.

(b) To determine the value of the land, the parties to the exchange may either (1) cause the land to be appraised, or (2) determine the value for each 40-acre tract or lot, or a portion thereof, using the most current township or county assessment schedules for similar land types from the county assessor of the county in which the lands are located. Merchantable timber value should be considered in finalizing valuation of the lands.

(c) Except for school trust lands and university lands, the lands exchanged under this section shall be exchanged only for lands of at least substantially equal value. For the purposes of this subdivision, "substantially equal value" has the meaning given under section 94.343, subdivision 3, paragraph (b). No payment is due either party if the lands, other than school trust lands or university lands, are of substantially equal value but are not of the same value.

(d) School trust lands and university lands exchanged under this section must be exchanged only for lands of equal or greater value.

Subd. 4. **Title.** Title to the land must be examined to the extent necessary for the parties to determine that the title is good, with any encumbrances identified. The parties to the exchange may utilize title insurance to aid in the determination.

Subd. 5. **Approval by Land Exchange Board.** All expedited land exchanges under this section, and the terms and conditions of the exchanges, require the unanimous approval of the Land Exchange Board.

Subd. 6. **Conveyance.** (a) Conveyance of class 1 land given in exchange shall be made by deed executed by the commissioner of natural resources in the name of the state. Conveyance of class 2 land given in exchange shall be by a deed executed by the commissioner of revenue in the name of the state. Conveyance of class 3 land shall be by a deed executed by the governing body in the name of the governing authority.

(b) If class 1 land is given in exchange for class 2 or 3 land, the deed to the class 2 or 3 land shall first be delivered to the commissioner of natural resources. Following the recording of the deed, the commissioner of natural resources shall deliver the deed conveying the class 1 land.

(c) If class 2 land is given in exchange for class 3 land, the deed to the class 3 land shall first be delivered to the county auditor. Following the recording of the deed, the commissioner of revenue shall deliver the deed conveying the class 2 land.

(d) All deeds shall be recorded or registered in the county in which the lands lie.

Subd. 7. **Mineral and water power rights and other reservations.** Class 1 land given in exchange is subject to the reservation provisions of section 94.343, subdivision 4. Class 2 land given in exchange is subject to the reservation provisions of section 94.344, subdivision 4. County fee land given in exchange is subject to the reservation provisions of section 373.01, subdivision 1, paragraph (g).

Subd. 8. **Land status.** Land received in exchange for class 1 land is subject to the same trust, if any, and otherwise has the same status as the land given in exchange. Land received in exchange for class 2 land is subject to a trust in favor of the governmental subdivision wherein it lies and all laws relating to tax-forfeited land. Land received in exchange for class 3 land has the same status as the land given in exchange.

History: 2008 c 357 s 23; 2008 c 363 art 5 s 12; 2008 c 368 art 1 s 13; 2016 c 154 s 6-8; 2016 c 189 art 3 s 33-35

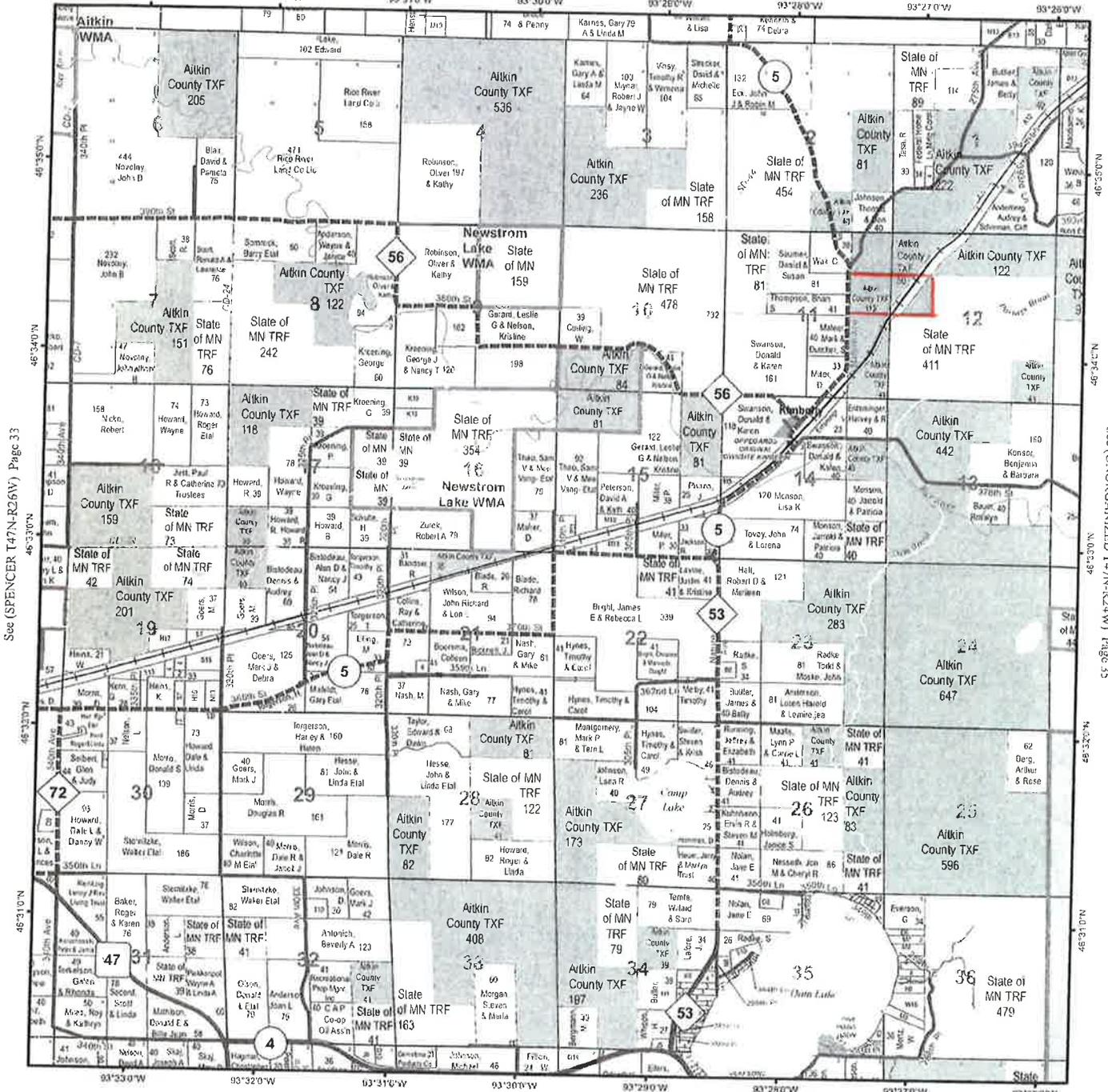


KIMBERLY T47N-R25W



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See (FLEMING T48N-R25W) Page 40



See (SPENCER T47N-R26W) Page 33

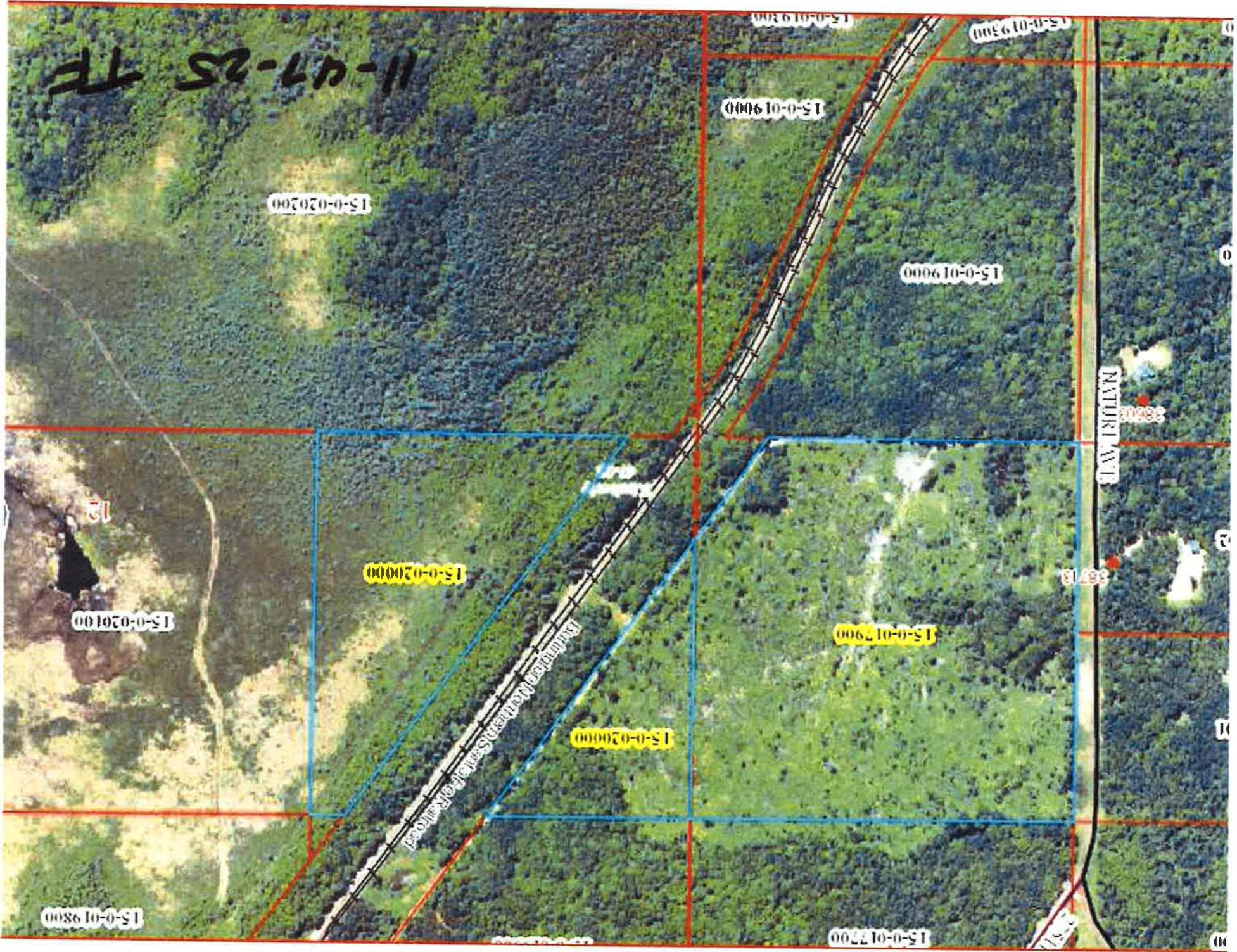
See (UNORGANIZED T47N-R24W) Page 35

See (GLEN T46N-R25W) Page 28



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CERTIFIED COPY OF RESOLUTION OF COUNTY BOARD OF AITKIN COUNTY, MINNESOTA

ADOPTED July 22, 2014

By Commissioner: Marcotte

072214-048

CLASSIFICATION OF LANDS FORFEITED TO THE STATE FOR TAXES

WHEREAS, under Statute 282, the Aitkin County Board of Commissioners, is acting on behalf of the state under laws allowing the county board to classify and manage tax-forfeited lands held by the state in trust for the local units, and

WHEREAS, parcels of land becoming the property of the state in trust under law declaring the forfeiture of lands to the state for taxes must be classified by the county board of the county in which the parcels lie as conservation or nonconservation. In making the classification the board has considered the present use of adjacent lands, the productivity of the soil, the character of forest or other growth, accessibility of lands to established roads, schools, and other public services, their peculiar suitability or desirability for particular uses, and the suitability of the forest resources on the land for multiple use and sustained yield management. The classification, furthermore, must: (1) encourage and foster a mode of land utilization that will facilitate the economical and adequate provision of transportation, roads, water supply, drainage, sanitation, education, and recreation; (2) facilitate reduction of governmental expenditures; (3) conserve and develop the natural resources; and (4) foster and develop agriculture and other industries in the districts and places best suited to them, and

WHEREAS, a public meeting was held on July 22, 2014 at 11:00 am at the regular county board meeting and that prior to meeting for the purpose of classifying or reclassifying tax-forfeited lands, the county board gave notice of its intent to meet for that purpose in postings, on the web site, and in the local newspaper, in addition to sending letters to any township or city in which the properties were located, and

WHEREAS, at the meeting, no objections were raised on any of the attached parcels.

THEREFORE, BE IT RESOLVED, that the Aitkin County tax forfeited parcels be classified as per the attached document. And any Aitkin County tax forfeited parcel that is too small to be mapped in this attachment will be classified as nonconservation.

Commissioner Niemi moved the adoption of the resolution and it was declared adopted upon the following vote

FOUR MEMBERS PRESENT

All Members Voting Yes

STATE OF MINNESOTA)
County of Aitkin) ss.
Office of County Auditor,)

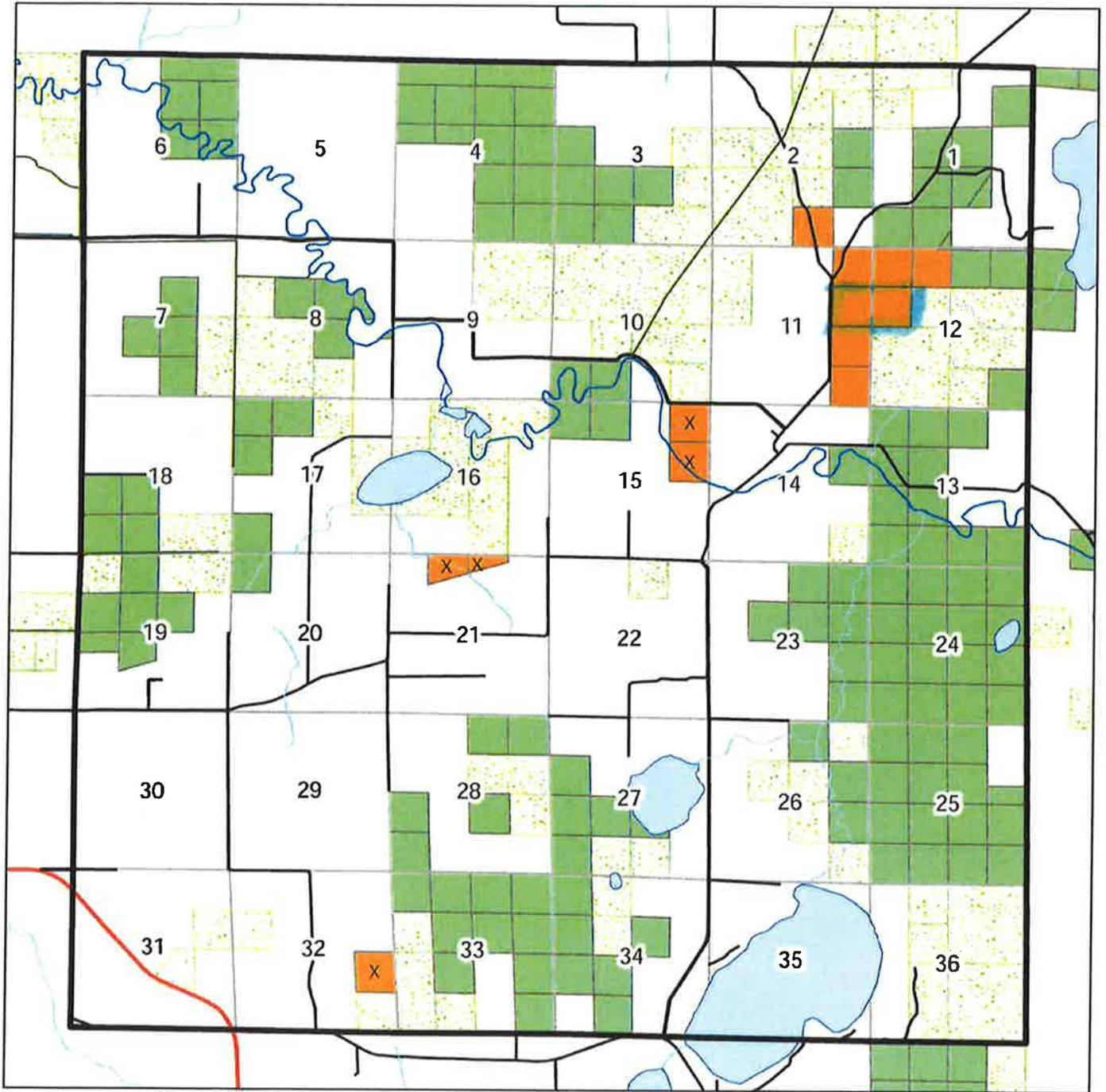
I, Kirk Peysar, Auditor, of the County of Aitkin, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 22nd day of July A.D., 2014, and that the same is a true and correct copy of the whole thereof.

WITNESS MY HAND AND SEAL OF OFFICE at Aitkin, Minnesota, this 22nd day of July A.D., 2014


KIRK PEYSAR, County Auditor
BY _____, Deputy

Land Classification 2014

Kimberly T47 R25



Legend

NEW county_land_classification Other Public Land

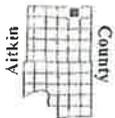
NEW_CLASS

CONSERVATION

NON-CONSERVATION

X =Exchange Candidate

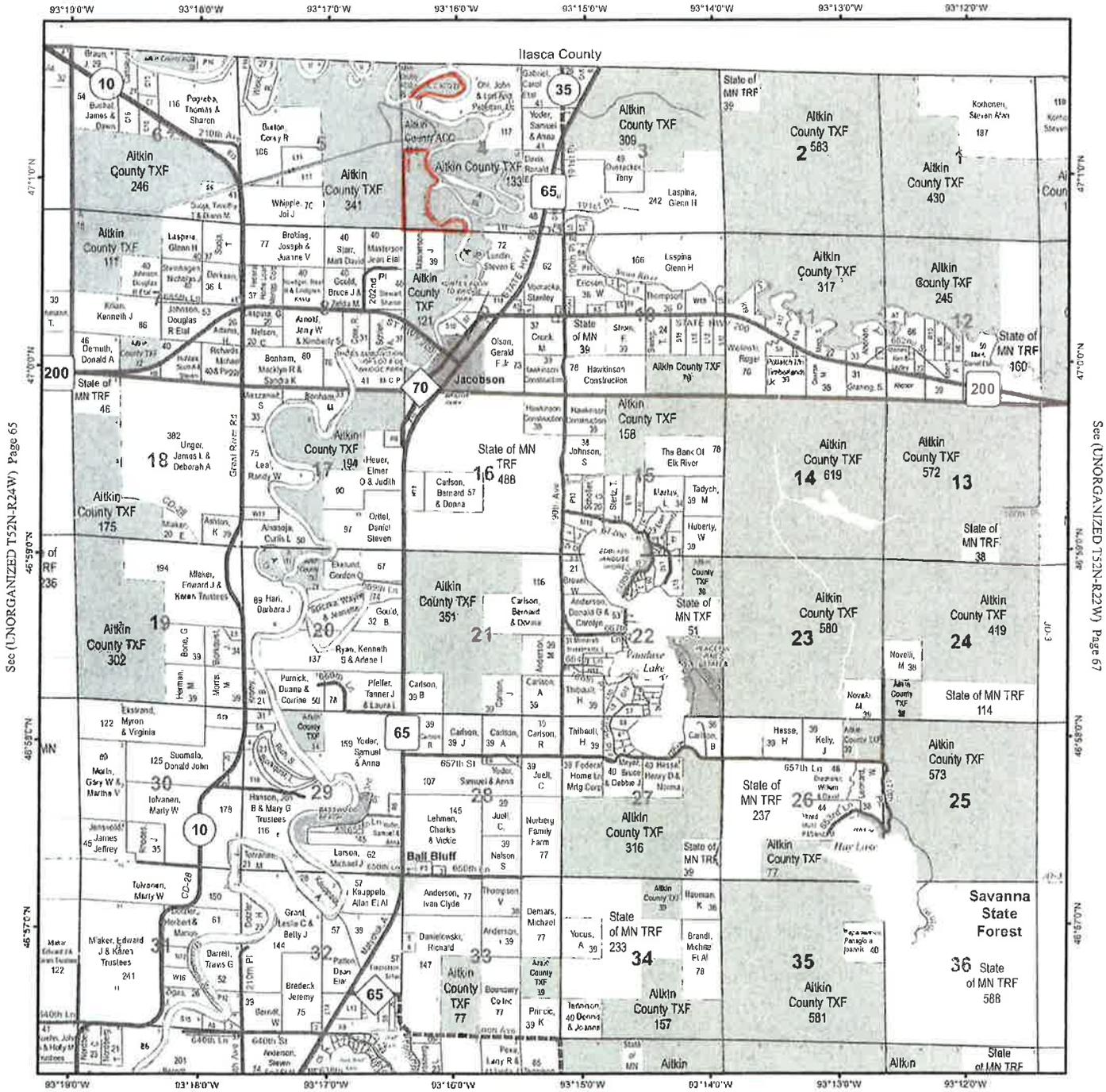
Map Created: 02/26/2014



BALL BLUFF T52N-R23W



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Sec (UNORGANIZED T52N-R24W) Page 65

Sec (UNORGANIZED T52N-R22W) Page 67

Sec (CORNISH T51N-R23W) Page 60



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CF 9-52-23

