Lessard-Sams Outdoor Heritage Council

MEMO: Agenda Item #7

DATE: November 12, 2025

SUBJECT: OHF Acquisition of Parcels with Buildings/Structures

Suggested Motion:

Motion by Member XX to approve/deny the following guidelines regarding acquisition of buildings that are on parcels to be acquired with OHF appropriations:

- 1. When OHF monies are used in acquiring a parcel of land in fee-title, OHF monies are to be used with the following guidelines in mind:
 - a) The cumulative building/structure value should not exceed 10% of the acquisition price, and
 - b) Individual buildings should not exceed a value of more than \$100,000, and
 - c) If the cumulative building value and/or individual building value exceeds the above guidelines, pre-approval by the Council is needed before acquisition.
 - d) In the absence of pre-approval by the Council, if the cumulative building value and/or individual building value exceeds the above guidelines, the value exceeding the above guidelines must be paid with non-OHF monies.

Background:

Sometimes fee-title acquisition parcels include existing buildings/structures such as houses, cabins, sheds, barns, or other improvements. Sellers often prefer to convey the entire property rather than carve out a building site. Conservation partners are then left with the decision to either buy the entire property, including the building/structures, or having to walk away from conservation acquisition opportunities. Acquiring buildings/structures with Outdoor Heritage Funds has never been a primary objective. Buildings/structures have been treated as incidental to the primary habitat goals of the acquisition projects.

Acquisitions with buildings/structures do affect project scope and budget. The MNDNR and USFWS both require removal of buildings prior to transfer from the conservation partner. A disposition plan is required, cultural resource review may be required, and often permits are needed (septic system decommissioning, well sealing, debris removal, etc.).

Buildings/structures are always considered during the required appraisal process. Depending on the age, condition, and type, buildings/structures may or may not affect the value of the entire parcel. Old farm sites with dilapidated buildings often provide no value to the property while a habitable lakeshore cabin most certainly will provide additional value to the property.

LSOHC staff and fee-title acquisition managers believe a Council policy is needed to provide clear direction on the allowable use of Outdoor Heritage Funds for the acquisition of parcels with buildings/structures.

LSOHC Staff Notes:

• Parcel lists within the accomplishment plan have a section that includes information on parcels with buildings/structures.

Fee Parcels with Buildings

Name	County	TRDS	Acres	Est Cost	Existing	Buildings	
					Protection		Buildings
Tiger Marsh WMA Addn	Carver	11526208	80	\$660,000	No	1	\$37,000

LSOHC staff recommends the buildings/structures policy reside within DNR's
 "Attachment E. Land Acquisition Reporting Procedures." These procedures apply to all
 acquisition appropriations except for direct appropriations to the MNDNR. LSOHC staff
 have consulted with MNDNR acquisition staff, and they are willing to follow Council
 policy.

Attachments:

• OHF Attachment E. Land Acquisition Reporting Procedures