Lessard – Sams Outdoor Heritage Council

The State of Minnesota

Centennial Office Building, First Floor
658 Cedar St
St. Paul, MN 55155

October 28, 2026

Sen. Foung Hawj
Minnesota Senate
95 University Avenue W.
Minnesota Senate Building, Room 3231
St. Paul, MN 55155

Sen. Jennifer A. McEwen
Minnesota Senate
95 University Avenue W.
Minnesota Senate Building, Room 3217
St. Paul, MN 55155

Sen. Steve Green
Minnesota Senate
95 University Avenue W.
Minnesota Senate Building, Room 2319
St. Paul, MN 55155

Sen. John Marty
Minnesota Senate
95 University Avenue W.
Minnesota Senate Building, Room 3235
St. Paul, MN 55155

Sen. Nick A. Frentz
Minnesota Senate
95 University Avenue W.
Building, Room 3109
St. Paul, MN 55155

Sen. Eric R. Pratt
Minnesota Senate
95 University Avenue W.
Minnesota Senate Building, Room 2217
St. Paul, MN 55155

Rep. Joe McDonald
Minnesota House of Representatives
658 Cedar Street
2nd Floor, Centennial Office Building
St. Paul, MN 55155

Rep. Roger Skraba
Minnesota House of Representatives
658 Cedar Street
2nd Floor, Centennial Office Building
St. Paul, MN 55155

Rep. Samantha Vang
Minnesota House of Representatives
658 Cedar Street
5th Floor, Centennial Office Building
St. Paul, MN 55155

Rep. Samakab Hussein
Minnesota House of Representatives
658 Cedar Street
5th Floor, Centennial Office Building
St. Paul, MN 55155

Rep. Paul Torkelson
Minnesota House of Representatives
658 Cedar Street Minnesota Senate
2nd Floor, Centennial Office Building
St. Paul, MN 55155

Rep. Kristin Robbins
Minnesota House of Representatives
658 Cedar Street
2nd Floor, Centennial Office Building
St. Paul, MN 55155

Rep. Cedrick Frazier
Minnesota House of Representatives
658 Cedar Street
5th Floor, Centennial Office Building
St. Paul, MN 55155

Rep. Esther Agbaje
Minnesota House of Representatives
658 Cedar Street
5th Floor, Centennial Office Building
St. Paul, MN 55155

Re: Outdoor Heritage Fund Conversion/Conveyance Request: MN DNR – Aitkin County, MN – HWY 169 Improvement Project – Blandin

Dear Chairs and Ranking Minority Members of the Legislative Committees and Divisions with Jurisdiction Over the Outdoor Heritage Fund,

Pursuant to M.S. 97A.056, Subdivision 15, this letter notifies you that the Lessard-Sams Outdoor Heritage Council has received and approved a request from the Minnesota Department of Natural Resources (MNDNR) to allow the MN Department of Transportation (MNDOT) to acquire a permanent easement across 0.02606 acres (1,135 sq/ft) on lands permanently protected with Outdoor Heritage Funds. The subject parcel is located on HWY 169 in Aitkin County. MNDOT has planned a comprehensive reconstruction and resurfacing project. A total of $25.00 will be returned to the Outdoor Heritage Fund. The attached materials from the MNDNR provide further information on the proposed request.

The state interest in the land was originally purchased by the MNDNR with Outdoor Heritage Funds (ML 2009, Chapter 172, Art. 1, Sec. 2, Subd. 3 – MN Forests for the Future / Upper Mississippi River Project, Phase 1 and 2). The final report for this program can be found at the following website: https://www.lsohc.mn.gov/FY2010/accomp_plan/3.pdf.

Pursuant to statute and the council's approved operating procedures, and in the absence of disapproval by leadership by November 20, 2026, I will approve the conveyance and forward notification to the MNDNR. Please contact me if you have questions regarding this matter. I will withhold final notification until November 21, 2026, to hear from you, if you have concerns.

Sincerely,

Kristina Smitten
Executive Director, Lessard-Sams Outdoor Heritage Council

cc: Members of the LSOHC
Andrew Kernan, MNDNR

Attachments: Supporting materials from MNDNR

DEPARTMENT OF TRANSPORTATION

District 3
7694 Industrial Park Road, Baxter, MN 56425
218-828-5700 / 800-657-3971

Minimum Damage Acquisition Report

Summary

Date of Report:	**June 24, 2026**			
Prepared for:	Kevin Schmidt; R/W Engineer			
	MnDOT District 3 - Baxter			
Prepared by:	James Johanneck; Real Estate Representative			
	MnDOT District 3 - Baxter			
State Project:	SP #:	0116-51RW	MnDOT Parcel #:	404
Control Section:	CS #:	0116 (169=35) 527	Trunk Highway #:	169
Fee Owner:	Blandin Paper Company			
Property Address:	645th Lane/Highway 169, Hill City, MN 55748			
County:	Aitkin		Site Size:	39.77 Acres (1,732,512 SqFt)
Parcel Identification Number:	12-0-060200			
Current Use/Improvements:	Unimproved vacant land			
Allocation of Damages:	Permanent Easement		0.02606 Acres (1,135 SqFt)	**$24**
	Temporary Easement		None	$0
	Acquired Improvements		None	$0
	Severance Damages		None	$0
	Cost to Cure		None	$0
	Access Control		Not acquired	$0
Total Estimated Damages:				$24
Estimated Damages (Rounded):				**$500**
Date of Inspection:				
MnDOT policy sets a minimum payment amount of $500 for a right of way acquisition; therefore, damage estimates below the MnDOT minimum must be rounded up to $500.				

This report is a Minimum Damage Acquisition (MDA) Report as described in Minnesota Statute §117.036 Subdivision 2 and §82B.03 Subdivision 4. (2022) and prepared by a qualified person with appraisal knowledge. The acquisition price opinion for the property, as indicated in this report, has been prepared for the Minnesota Department of Transportation (MnDOT). The result of this analysis is to determine an acquisition price opinion as opposed to an appraisal. This MDA Report option, has been selected by a qualified MnDOT employee who determined that an appraisal is unnecessary because the valuation problem is uncomplicated and the anticipated value of the proposed acquisition is estimated at $25,000 or less, based on a review of available data. Amounts over $15,000 require a landowner written waiver of an appraisal report (allows use of an MDA).

This MDA opinion is not an appraisal for the purposes of the Section 82B regulated by the Minnesota Department of Commerce, the Code of Federal Regulations and is allowed per Title 49, Subtitle A, §24.102 (c)(2) (2022) as a waiver valuation. Unless disclosed elsewhere in this report, the person preparing this MDA Report is a disinterested party, with no current or prospective interest in the property identified.

Subject Property Before Acquisition

The subject property is located on the northeast corner of the intersection of 645th Lane and TH 169, in Hill Lake Township, in Aitkin County, Minnesota. The subject property is zoned Farm Residential and is comprised of one (1) tax parcel with a total site size of **39.77 Acres** (1,732,512 SqFt), it is encumbered by a an existing 116,663 SqFt (2.68 Acre) TH169 easement as well as an existing 77,468 Sqft (1.78 Acre) easement for 645th Lane with a net site area of 1,538,381 SqFt (35.52 Acres). The subject is undeveloped lowland with a mixture of open areas and scrub trees. The property has no driveway access to TH169 or 645th Lane. The property is subject to a blanket conservation easement.

No improvements will be impacted by the acquisition, therefore, only the portion of land affected by the acquisition is being considered in the report.

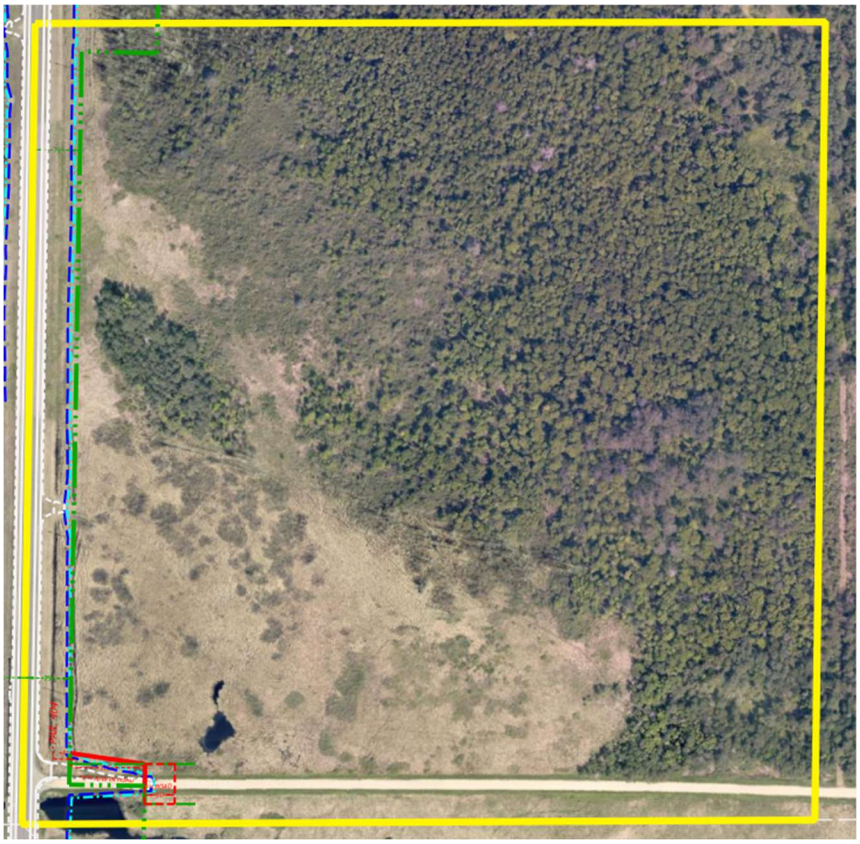
County Assessor Estimated Market Value

Assessment Year	**2025**
Land Value	**$15,000 ($377/Acre)**
Building Value	**$0.00**
Total Market Value	**$15,000**

5-Year Ownership/Sales History

No sales or transfers within the past five years. The subject property has been owned by Blandin Paper Company since April, 1981.

Aerial View of Subject



Project Description

The Minnesota Department of Transportation has planned for a comprehensive reconstruction and resurfacing project along Trunk Highway 169 (TH 169). The reconstruction will take place between the Mississippi River Bridge and the junction of Trunk Highway 200 (TH 200) in Hill City, in Aitkin County Minnesota. This project will improve pavement conditions and ride quality, replace existing bridges/culverts, improve safety and drainage, and widen the highway shoulders throughout the corridor. This project is scheduled to be constructed in 2028.

Acquisition Description

MnDOT proposes to acquire a Permanent Easement (PE) across a portion of the subject property. The permanent easement is a triangle shaped portion on the south west corner of the property, primarily along 645th Lane. The PE contains **1,135 SqFt (0.02606 Acres)** of land, consisting of wet meadow/marsh. The PE is needed for the re-alignment of 645th Lane for construction of a new TH169 centerline culvert just south of 645th Lane.

The following **caption block** summarizes the acquisition, and a **parcel sketch** is included in the Attachments to this report.

C.S. 0116(169=35)527 S.P. 0116-51RW								
RIGHT OF WAY IN SECTION 35, TOWNSHIP 52 N, RANGE 26 W								
PARCEL NUMBER	OWNER	LOCATION	ENTIRE TRACT WITH ROADS	EXISTING T.H. R/W	EXISTING R/W OTHER ROADS	BALANCE	NEW T.H. R/W (EASE)	PERMANENT R/W INTEREST
			SQ. FEET MORE OR LESS	SQ. FEET MORE OR LESS	SQ. FT. MORE OR LESS	SQ. FEET MORE OR LESS	SQ. FEET MORE OR LESS	
404	BLANDIN PAPER COMPANY	SW 1/4 NE 1/4	1,732,512	116,663	77,468	1,732,512	1,135	EASE

Detailed View of the Acquisition Area



Subject Property After Acquisition

The acquisition is a permanent easement that will result in a minor reduction in useable site area to the subject property of 0.074%. There are no improvements within the acquisition and the reduction in usable site area will not have any negative impacts to the utility, zoning or conservation easement compliance of the property.

After the acquisition, the use and function of the property will remain the same as the before condition.

Property Valuation

An analysis of comparable properties that have sold in competing areas were utilized in determining the unit value of the land for the subject property. Five (5) sales of comparable land have been identified and are briefly summarized below.

Rural Vacant Land Sale Market Data					
Comparable Sale #	**#1**	**#2**	**#3**	**#4**	**#5**
Address or PID#	**XXX 170th Place**	**XXX 560th St**	**XXX St. Highway 210**	**XXX 560th St**	**XXX Highway 73**
City	**Spalding**	**Palisade**	**Jevne**	**Unorg. 50-25**	**Floodwood**
Site Size (Acres)	36.52	39.48	42.97	39.42	40.00
Sale Date	3/28/2025	2/7/2025	10/10/2025	10/30/2023	5/5/2025
Sale Price	$35,000	$40,000	$23,500	$77,900	$34,500
Price per Acre	$958	$1,013	$547	$1,976	$863

The subject is a **39.77 acre** site comprised of primarily low/marsh land and has Farm Residential zoning without utilities. The comps shared similar locations and features with the subject. The comps range in size from 36.52 Acres to 42.97 Acres in site size, with the subject property near the middle of the comp range. Adjustments to the sale data were considered for date of sale (market changes) as well as for sale terms/conditions. The comparable sales were weighted in accordance with their comparability to the subject, sale date and other factors.

The comparable sites were weighed as follows, **Comps 1, 3 & 5** were given primary consideration since they are mostly made up of marsh land similar to the subject property. **Comps 2 & 4** were given less consideration since they were made up of largely high wooded land.

Based on the available market data, the estimate of land value for property similar to the subject is reconciled at **$920/Acre**.

Permanent Damages (New Permanent Easement)

The acquisition includes a 1,135 SqFt (0.02606 Acre) Permanent Easement (PE). Permanent easements are valued at 100% of fee value due to the limited utility retained by the fee owner. Damages consist of 0.02606 Acres of PE X $920/Acre for a total value of $24

Acquisition Type	Area (Acres)	Market Value Rate ($/Acre)	Percentage of Fee Value	Adjusted Rate ($/Acre)	Acquisition Value
Fee Acquisition	0	$920	100%	$920.00	$0
Permanent Easement	0.02606	$920	100%	$920.00	$24

Temporary Easement

There is no temporary easement associated with the proposed acquisition.

Acquired Site or Building Improvements

There are no improvements impacted by this acquisition.

Items Damaged Within the Acquisition

There are no items damaged within the acquisition area.

Access Control

There is no access control associated with the proposed acquisition.

Allocation of Damages

The subject will be impacted by the proposed acquisition. Damages to the subject property resulting from the acquisition are allocated as follows:

Land Acquired	**Units**	**Unit Rate**	**Value**
Unencumbered Fee R/W	*None*	*N/A*	$0
Encumbered Fee R/W	*None*	*N/A*	$0
Easements Acquired	**Units**	**Unit Rate**	**Value**
Permanent Easement	*1,135 SqFt (0.02606 Acres)*	$920/Acre	$24
Temporary Easement	*None*	*N/A*	**$0**
Improvements Acquired	**Description**		**Value**
Building Improvements	*None*		$0
Site Improvements	*None*		$0
Damages to Remainder	**Description**		**Value**
Severance Damages	*None*		$0
Cost to Cure	*None*		$0
Access Control	*Not acquired*		$0
Total Damages			$24
Final Estimate of Compensation (Rounded)			**$500**
MnDOT policy sets a minimum payment amount of $500 for a right of way acquisition; therefore, damage estimates below the MnDOT minimum must be rounded up to $500.			

Preparer's Certification

That on April 13th 2026, I have personally inspected the property herein and that I have afforded the property owner(s) the opportunity to accompany me at the time of the inspection. Such opportunity was afforded to Sawyer Scherer, Lands & Silviculture Manager for Blandin Paper co., on April 6th 2026 and said individual declined the offer to accompany me and was not present at the time of inspection.

Prepared by: James Johanneck Date: 6/24/2026

James Johanneck
Real Estate Representative
District 3, MN Dept. of Transportation

Certified by: Kevin Schmidt Date: 6-24-2026

Kevin Schmidt
R/W Engineer
District 3, MN Dept. of Transportation

Attachments: **Subject Photographs, Parcel Sketch, Acquisition Legal Description**

Subject Photographs (Taken 4/13/2026)

All representations of the PE area in the photos above are estimations based on aerial photography



Photo #1 – Facing northwest at the southeast corner of the PE along 645th Lane.



Photo #2 – View of PE area, looking east along 645th Lane from TH169.



Photo #3 – Viewing southeast at the northwest corner of the PE along TH 169



Photo #4 – Looking north along TH169 from the intersection with 645th Lane. Subject on right.



Photo #5 – Looking south along TH 169 near the intersection of 645th Lane. Subject on the left.



Photo #6 – Viewing North along the southeast corner of the PE along 645th Lane.

Parcel Sketch

DEPARTMENT OF TRANSPORTATION

RIGHT OF WAY PARCEL LAYOUT

Control Section: 0116 (169=35) 527
State Project: 0116-51RW
Owner: Blandin Paper Company

County: Aitkin

Parcel Number: 404
Sheet 1 of 4
Scale 1 inch = 300 ft.



Layout sketch by Tyler Stellmach

Created on April 13, 2026

Parcel Sketch-Aerial

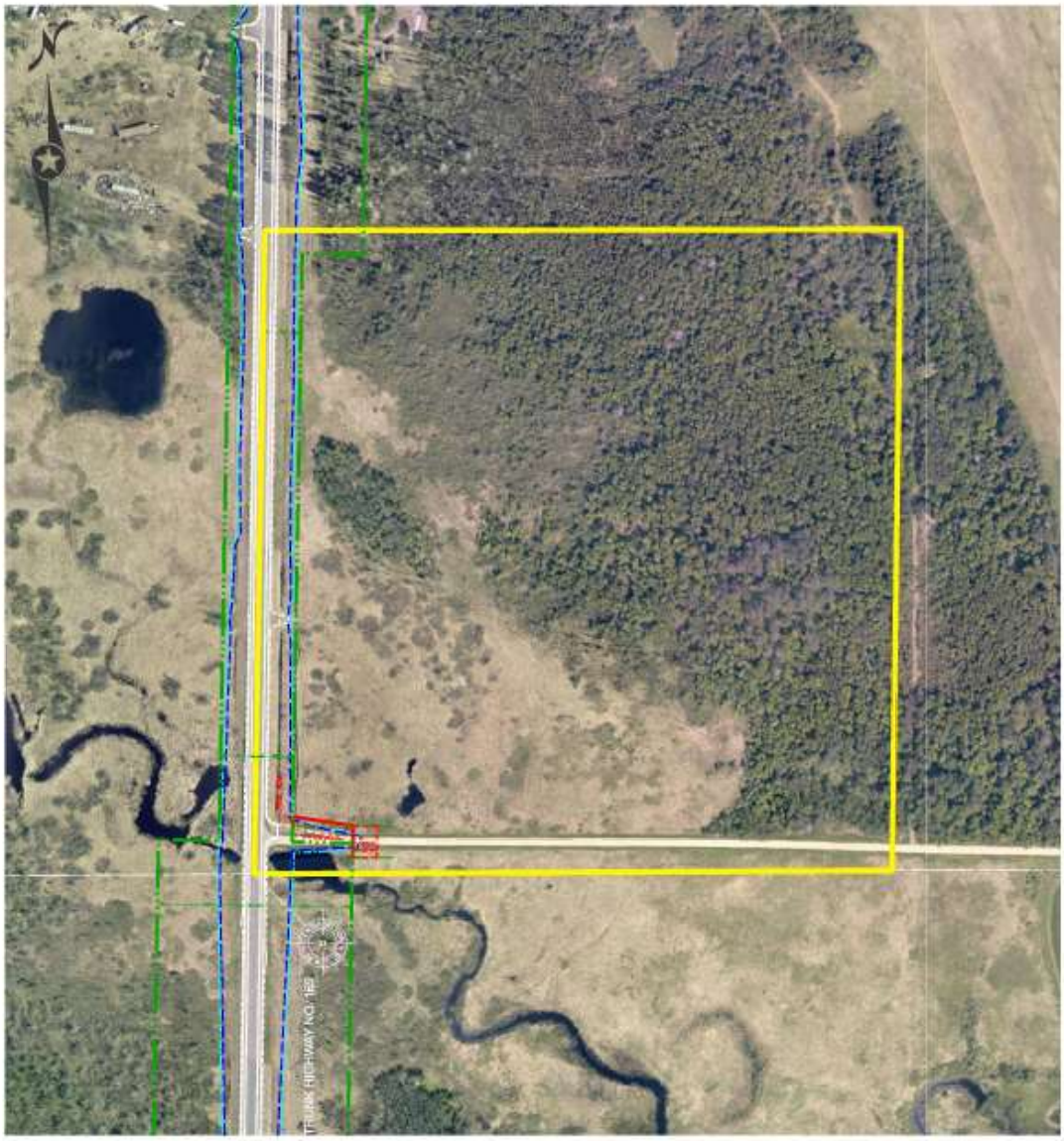
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Created on April 13, 2026

Parcel Sketch

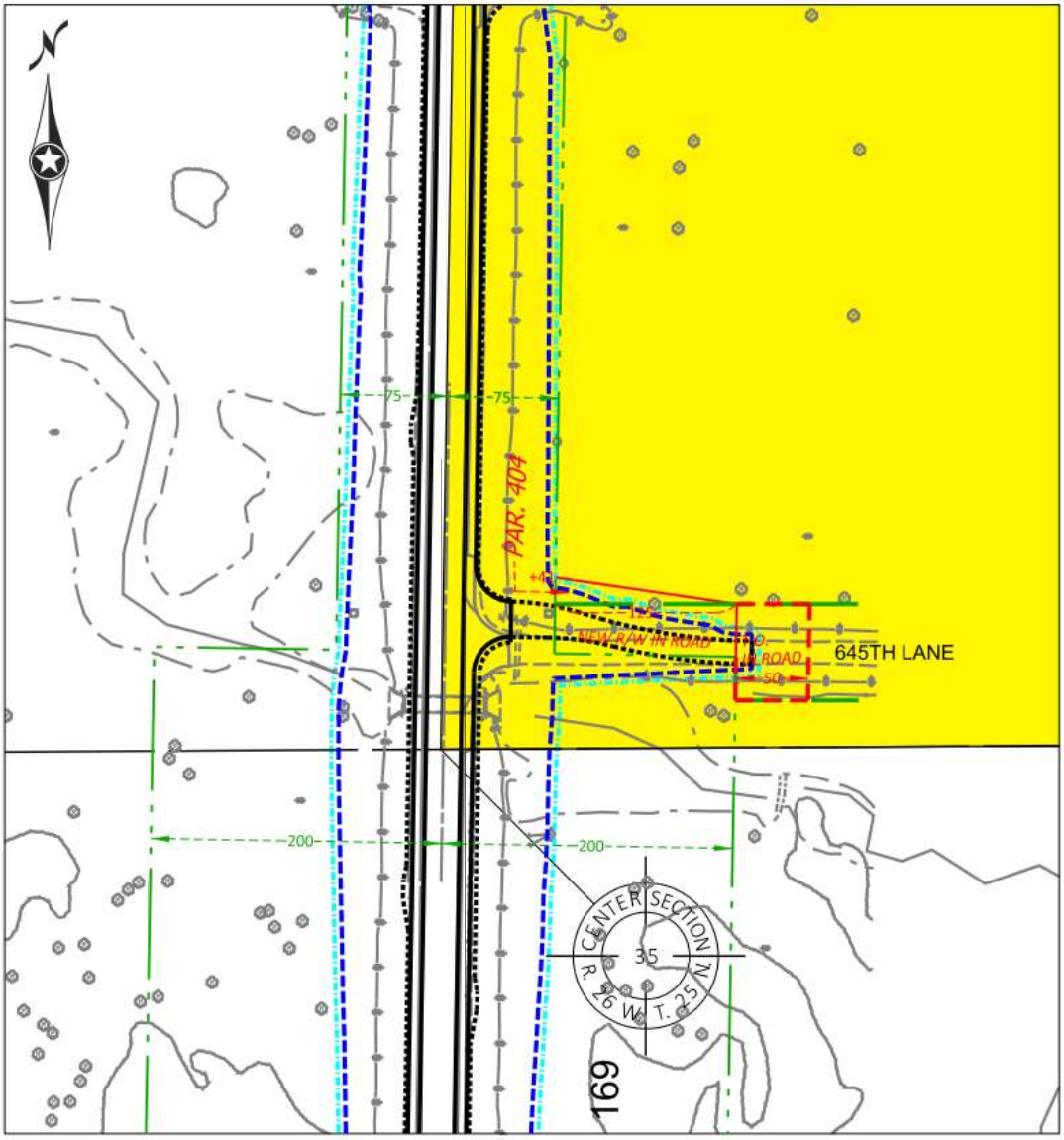
DEPARTMENT OF TRANSPORTATION

RIGHT OF WAY PARCEL LAYOUT

Control Section: 0116 (169=35) 527
State Project: 0116-51RW
Owner: Blandin Paper Company

County: Aitkin

Parcel Number: 404
Sheet 3 of 4
Scale 1 inch = 100 ft.



Layout sketch by Tyler Stellmach

Created on January 20, 2026

Parcel Sketch-Aerial

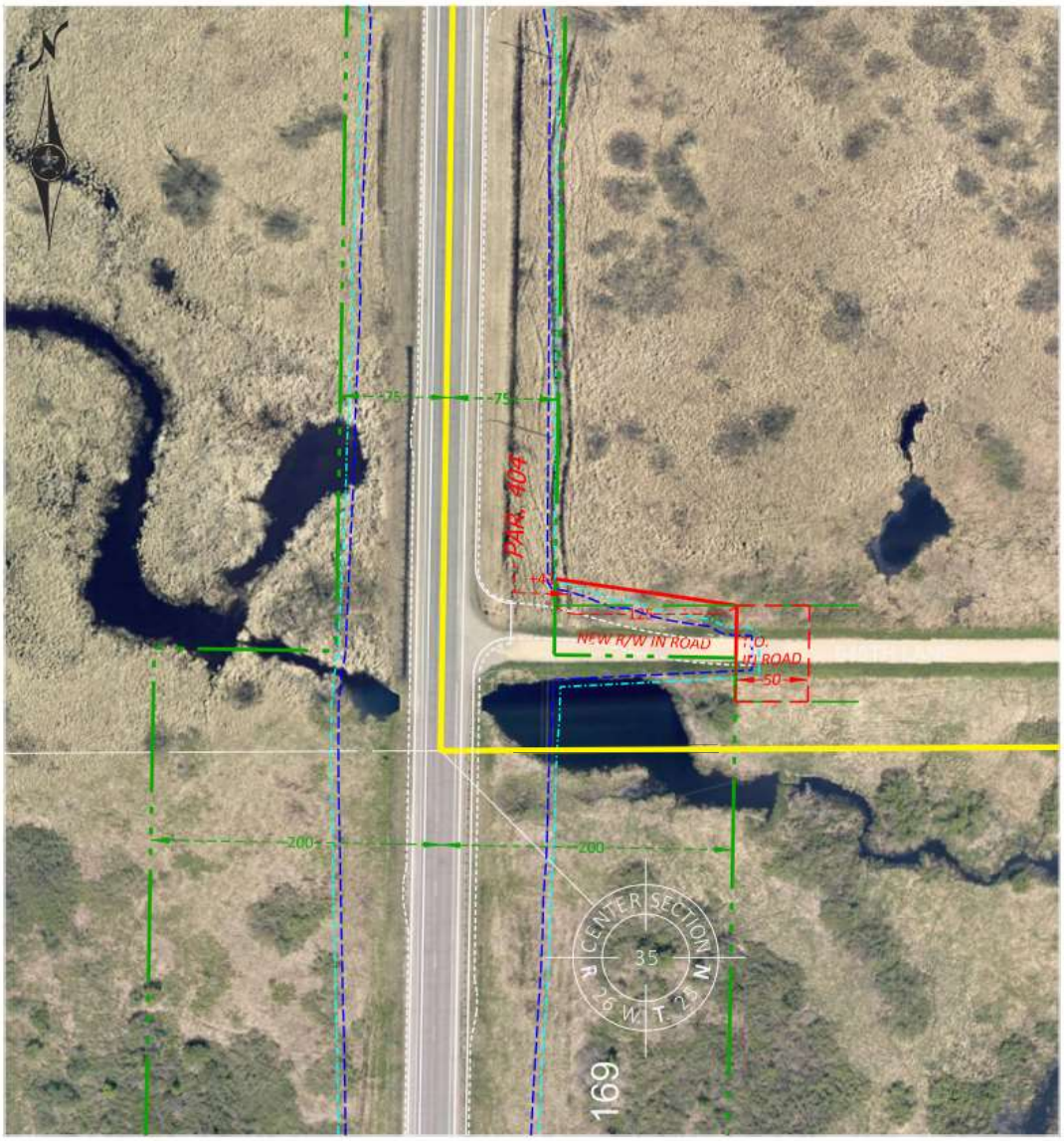
DEPARTMENT OF TRANSPORTATION

RIGHT OF WAY PARCEL LAYOUT

Control Section: 0116 (169=35) 527
State Project: 0116-51RW
Owner: Blandin Paper Company

County: Aitkin

Parcel Number: 404
Sheet 4 of 4
Scale 1 inch = 100 ft.



Layout sketch by Tyler Stellmach

Created on January 20, 2026

Acquisition Legal Description

May 12, 2026
0116-527-404

EASEMENT ACQUISITION

Parcel 404 C.S. 0116 (169=35-27)

S.P. 0116-51RW

That part of Tract A described below:

Tract A. The Southwest Quarter of the Northeast Quarter of Section 35, Township 52 North, Range 26 West, Aitkin County, Minnesota, except Trunk Highway No. 169 and 645th Lane (both as now located and established);

which lies southerly of the following described line: Commencing at the intersection of the easterly Right of Way line of said Trunk Highway No.169 and the northerly Right of Way line of said 645th Lane; thence northerly along said easterly Right of Way line of Trunk Highway No.169 for 18.16 feet to the point of beginning of the line to be described; thence southeasterly to a point on the said northerly Right of Way line of said 645th Lane, distant 125 feet easterly from the point of beginning, and there terminating;

containing 1,135 square feet, more or less.

Legal Description Header Page 1 of 1 LD1001 6/3/2026

May 12, 2026
0116-527-404

EASEMENT ACQUISITION

Parcel 404 C.S. 0116 (169=35-27)

S.P. 0116-51RW

That part of Tract A described below:

Tract A. The Southwest Quarter of the Northeast Quarter of Section 35, Township 52 North, Range 26 West, Aitkin County, Minnesota, except Trunk Highway No. 169 and 645th Lane (both as now located and established);

which lies southerly of the following described line: Commencing at the intersection of the easterly Right of Way line of said Trunk Highway No.169 and the northerly Right of Way line of said 645th Lane; thence northerly along said easterly Right of Way line of Trunk Highway No.169 for 18.16 feet to the point of beginning of the line to be described; thence southeasterly to a point on the said northerly Right of Way line of said 645th Lane, distant 125 feet easterly from the point of beginning, and there terminating;

containing 1,135 square feet, more or less.