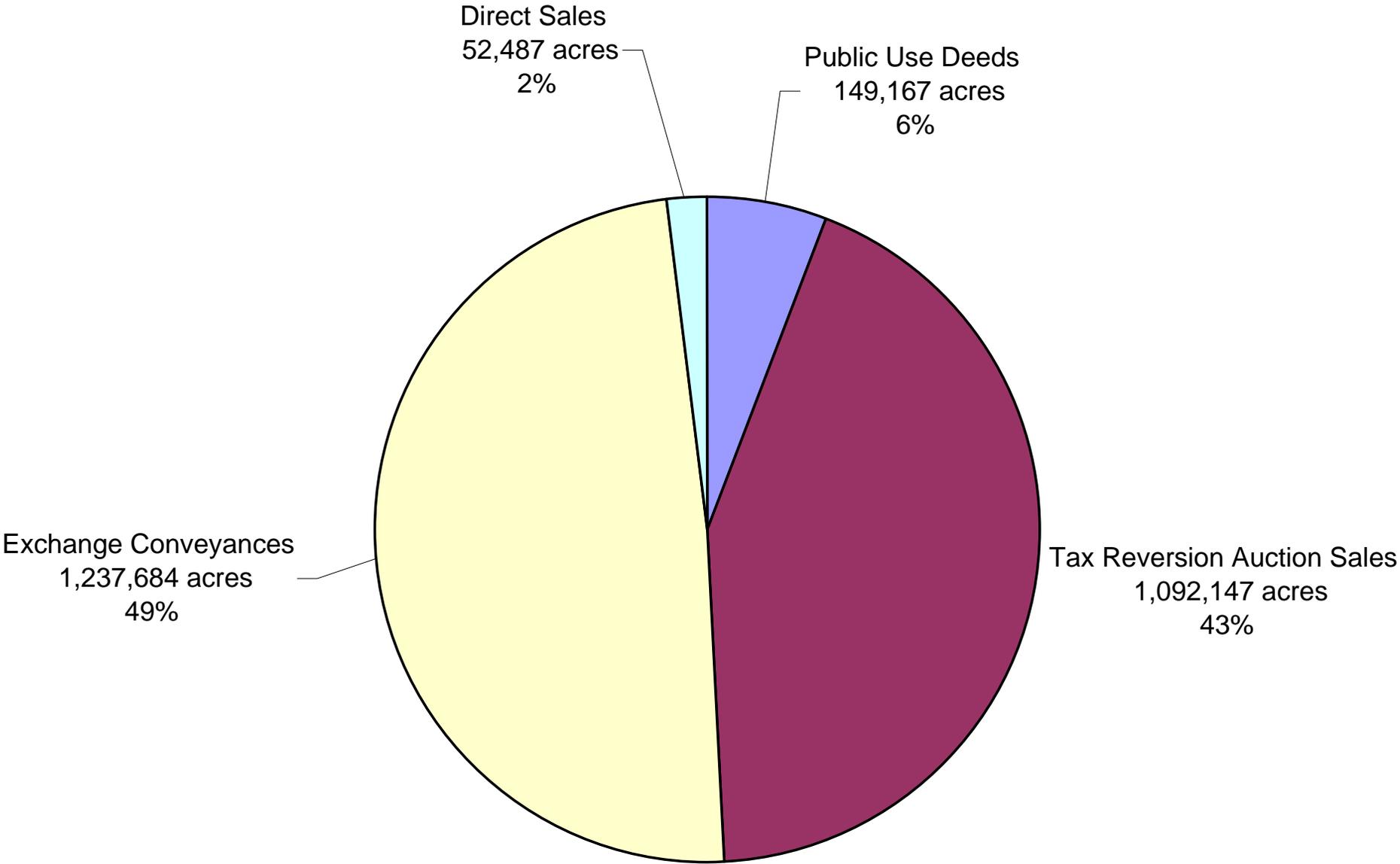


Conveyances 1921 to Present Acreage Parcels Only



DNR Managed Public Lands Disposal Process - Proposed Changes

The following provides the stepped process for disposing of DNR managed public lands under this Public Land Management Strategy:

Parcels with no public access or are not consolidated will be evaluated using disposal criteria and a determination will be made to:

- Dispose
- Offer to a Conservation Partner
- Retain

Each parcel will be reviewed for the following:

- Parcel Funding Source
- Title or Deed Restrictions
- Occurrence of a Recreation Trail
- Occurrence of environmental issues, e.g. contamination
- Occurrence of oil, gas or mineral lease or lease nomination
- Cultural and Historic importance

After internal parcel review, the public will have an opportunity to comment on the parcel evaluation

- Public meetings

Public comments will be reviewed internally and a recommendation on whether the parcels will be retained or disposed.

- Public comments are considered within recommendation

Director decision at a Natural Resource Commission meeting

Legislative 30-day Notice of Disposal

- Notify House and Senate Committees
- House - Natural Resources, Tourism, and Outdoor Recreation; and Natural Resources appropriations subcommittee
- Senate – Natural Resources, Environment, and Great Lakes; and Department of Natural Resources appropriations subcommittee

DNR Website 30-day Notice of Disposal

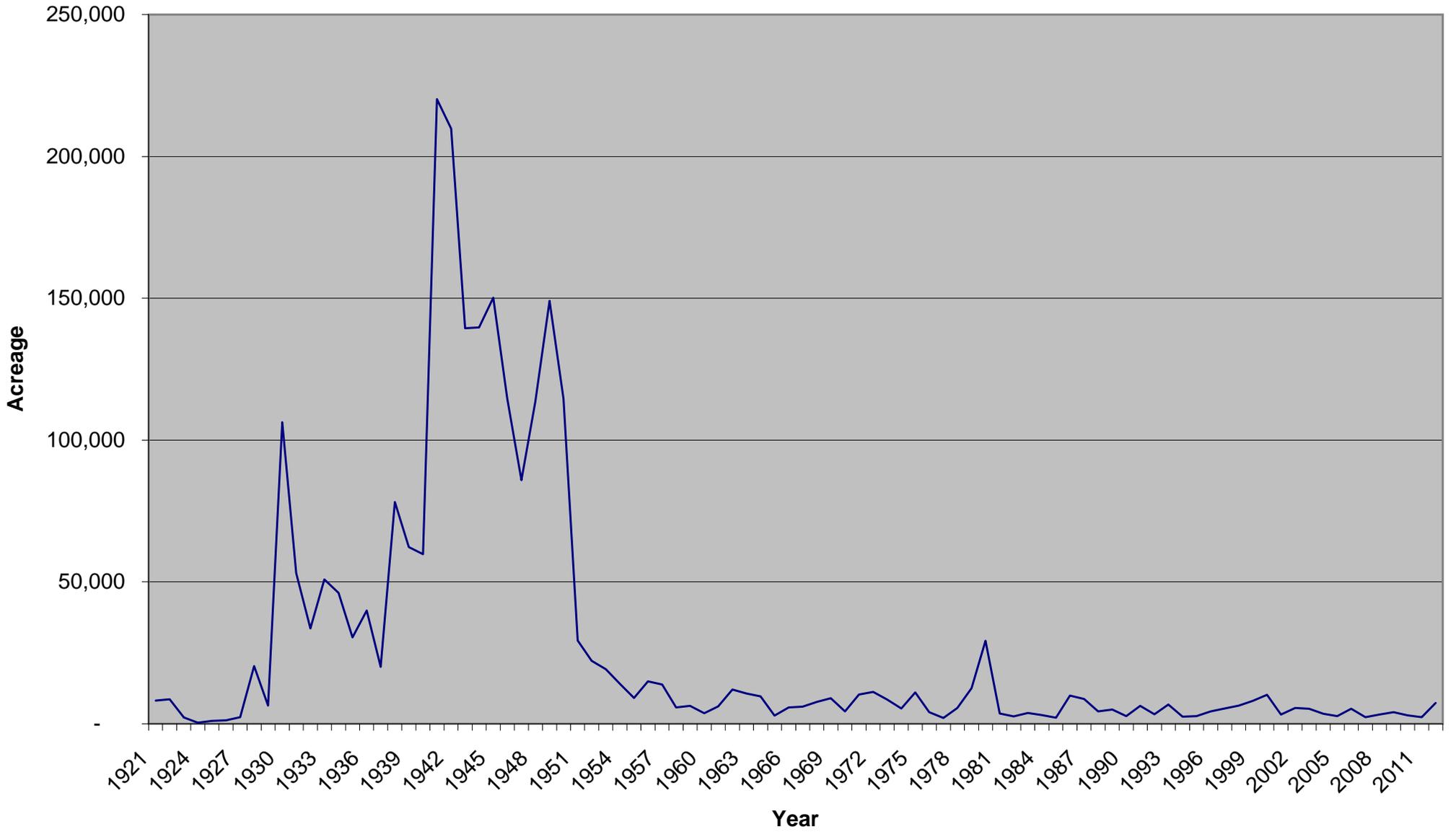
- Post the Legislative Notice on the DNR Website for review and comment

Sale of Surplus Land

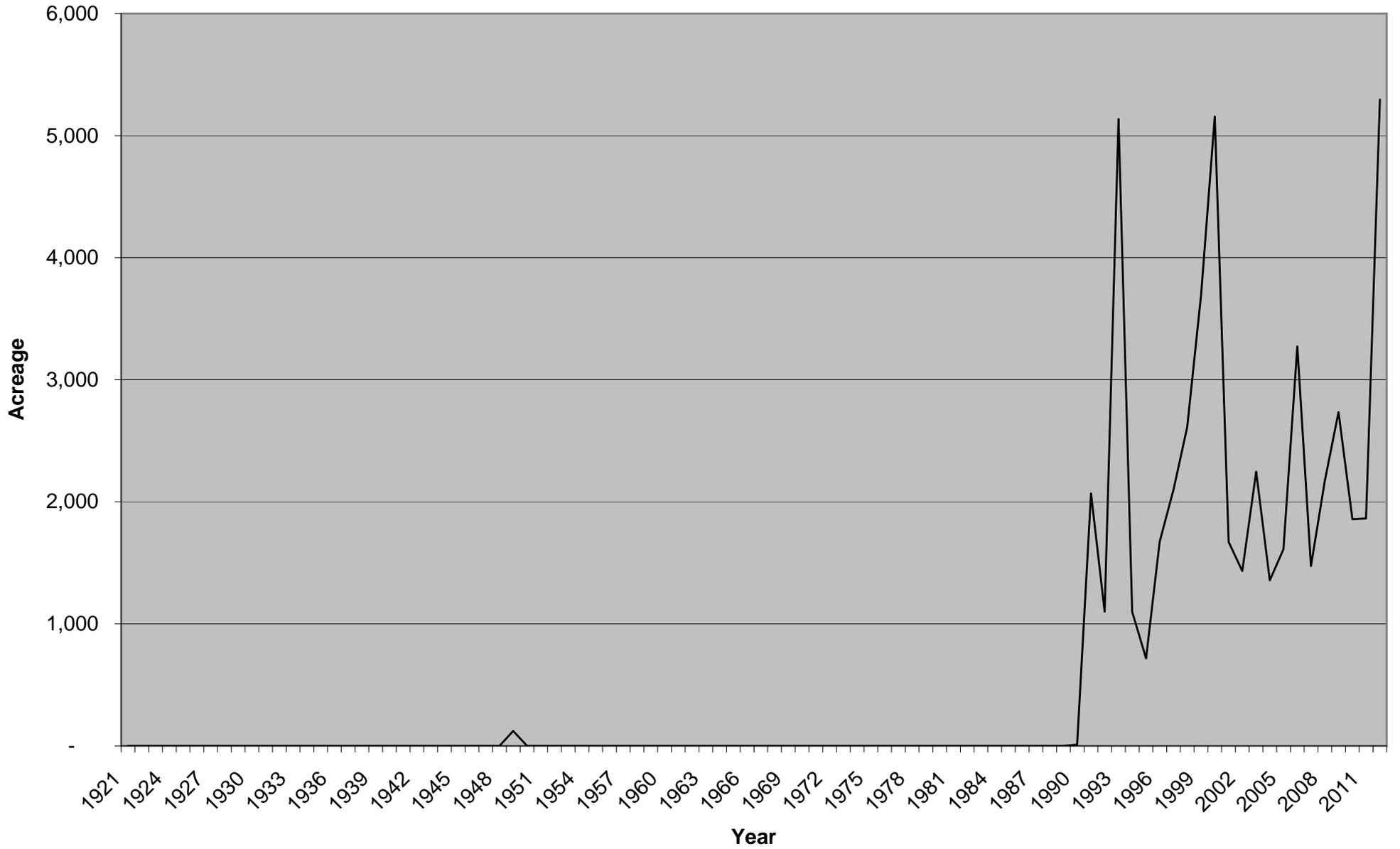
- Offers are made to:
- Local Units
- Conservation Partners
- Private Owners

Parcels will be sold by public auction, exchange, or direct sale. If parcels do not sell, parcels will remain for sale or be transferred to the Michigan Land Bank where appropriate.

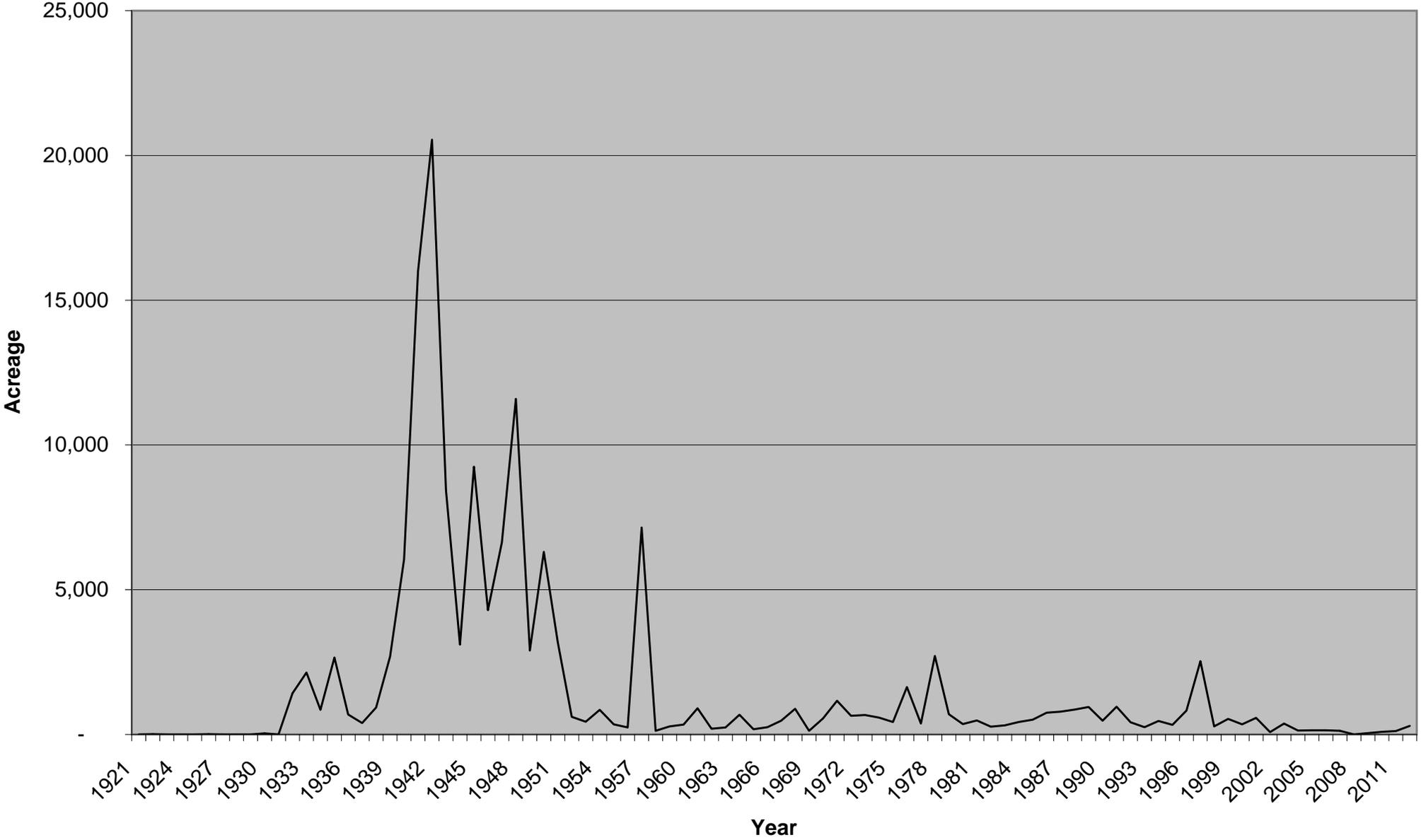
Total Conveyances 1921 to Present
Acreage Parcels Only
Does Not Include Reconveyances, Certificates of Errors and Several Other Categories



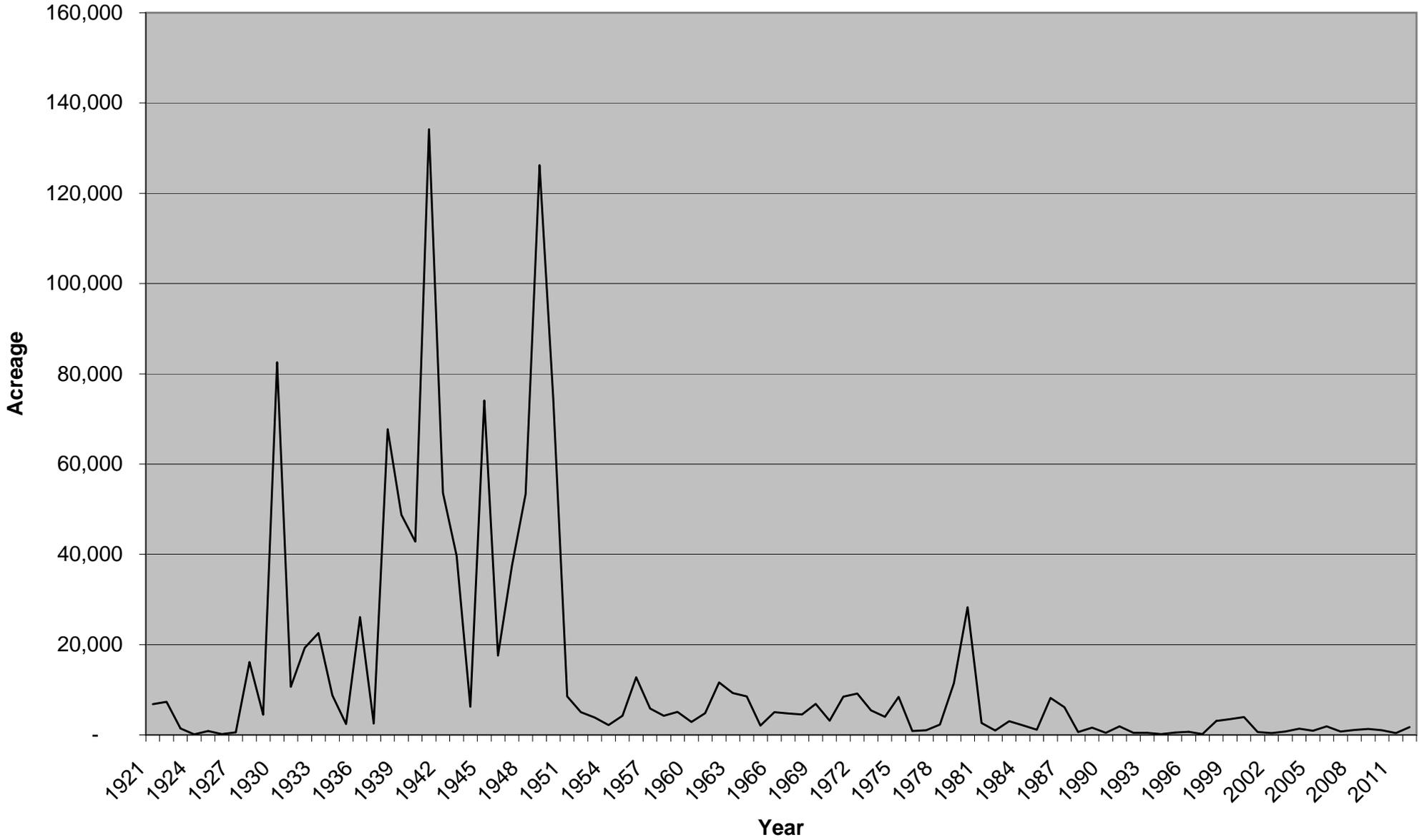
Direct Sales 1921 to Present



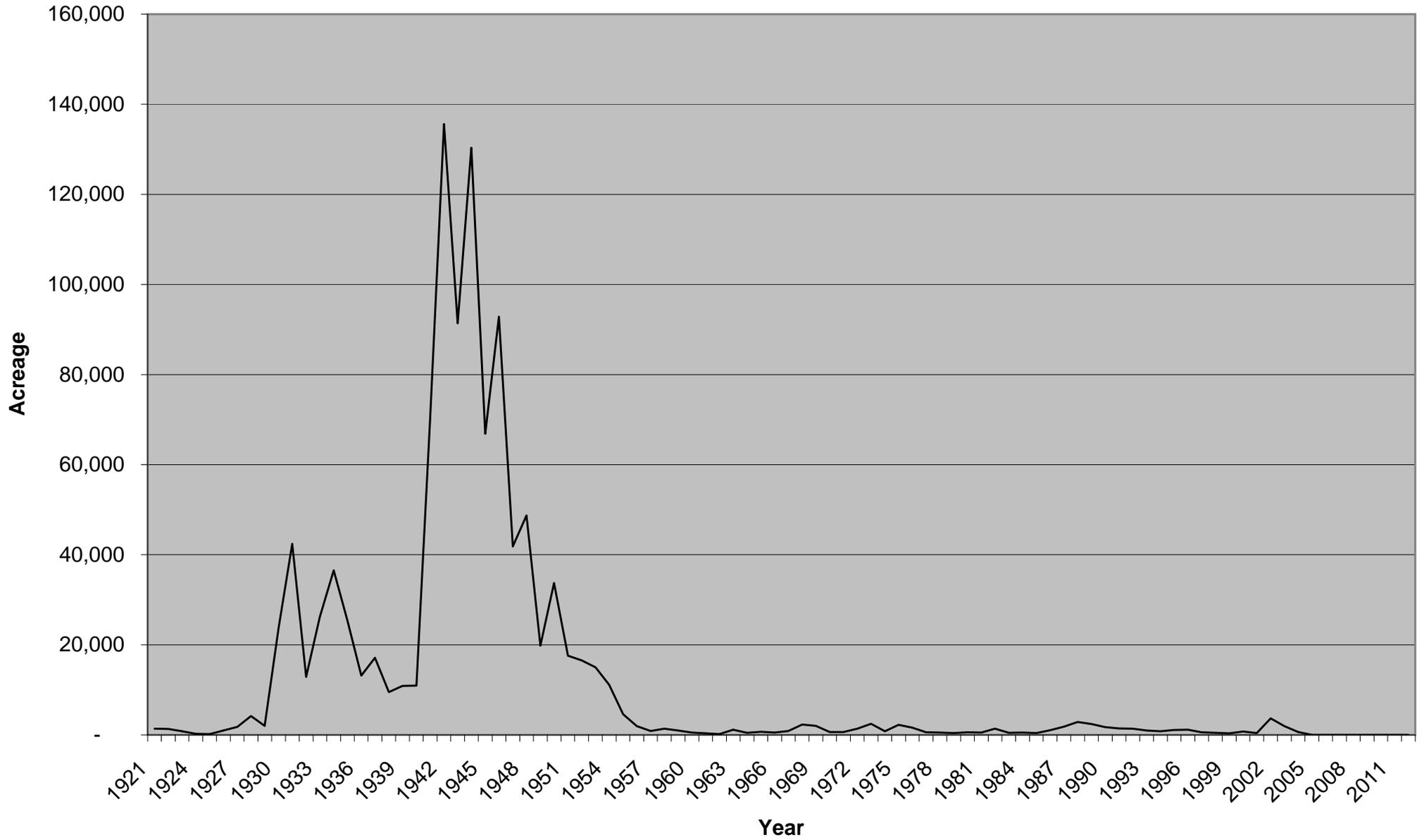
Public Use Deed Conveyances 1921 to Present
Acreage Parcels Only



Exchange Conveyances - All Types - 1921 to Present
Acreage Parcels Only



Tax Reversion Land Sales 1921 to Present
Acreage Parcels Only



Transactions Supporting Economic Activities 2008 to 2012

Introduction

During the last five years, the Department has completed more than 1,000 land transactions. These transactions have involved the selling, purchasing and exchanging of surface ownerships, utility easements, access easements, mineral rights and conservation easements for projects that support local, regional, and statewide economies as well as projects that further the Department's mission. An overview of the more significant transactions is provided below. A map showing the approximate location of each transaction is provided at the end of this report.

Land Sales

1 - Proud Lake Land Sale

The Department conveyed a 502-acre parcel of land in Oakland County to Commerce Township for community enhancement and the creation of a public park for its 36,000 residents. The Township intends to improve a portion of the property for developed outdoor recreation activities, such as ball fields, an ice rink and basketball courts.

2 - Land Consolidation Strategy Sales and Exchanges

In 2004, the Department established its current land management boundaries and began the review of potential surplus lands that lie outside of those boundaries. Within the past five years, 298 transactions have been completed under this program. These properties total 6,638 acres of land with the vast majority of them being initially acquired by the state through the tax reversion process. Many of these lands have now been returned to the tax rolls.

Easement Sales

Based on a random sample of the 9,172 easements that the Department has granted over its lifetime, the Department has granted easement across 8,740 miles of land. This is a distance nearly equal to driving from Lansing to San Diego four times. In addition to these easements there is an estimated 2,360 miles of county road right-of-ways on Department managed lands that are not covered by written easements.

In just the past five years, the Department has issued 282 easements across 186 miles of land. As shown on the following chart, the easements have been issued

for a variety of uses, including, but not limited to: telecommunications, oil and gas pipelines, electricity, water, sewage, highways and driveways. Provided below are examples of easements that enhanced the quality of life and provided positive economic impacts for the people of the state.

3 - Kinross Charter Township Easement

Water main, sewer, road and electric easement to support the Frontier Renewable Resources Plant ethanol plant in Kinross. According to the Frontier Renewable Resources website, Frontier will develop and operate a first-of-its-kind commercial-scale cellulosic ethanol facility in Kinross. The facility will use a consolidated bioprocessing technology platform to convert hardwood pulpwood into 20 million gallons of ethanol per year initially. Construction is expected to cost an estimated \$232 million to complete.

4 - Heritage Sustainable Energy / American Transmission Company Easement

Six miles of electric transmission and a substation on State-owned land to support the Garden Peninsula Wind Farm. The Garden Wind Farm in Garden Township, Delta County, Michigan, is the first wind energy generating facility in the Upper Peninsula. It consists of 14 two-megawatt wind turbines for a total installed generation capacity of 28 megawatts. The wind farm became fully operational in September of 2012. Over an annual period, the wind farm is anticipated to generate in excess of 70,000 megawatt hours of renewable, clean electricity. This is equivalent to the amount of energy needed to power nearly 7,000 average households (almost 50 percent of Delta County's households).

5 - Whitewater Express Pipeline Easement

The Department granted an easement covering six miles of a 15.75 mile long natural gas pipeline with a construction cost of \$3.6 million. This pipeline will enable the efficient transport of natural gas from wells drilled in Antrim and Grand Traverse counties for delivery to the Kalkaska Gas Plant. The facility extracts propane and other heavier hydrocarbons from natural gas and has a design capacity to generate 75 MWe of electricity for distribution to the public.

6 - American Transmission Company Iron County Easement

Four and one-half miles of electric transmission corridor in Iron County for a project that reinforced the electrical transmission infrastructure in the Western Upper Peninsula.

7 - Alger-Delta Electric Association Easement

Upgrade and add to the electric infrastructure in Marquette County for local service and the Kennecott Eagle Mine. The Kennecott Eagle Mine is an \$80 million nickel and copper mine in northern Marquette County that is expected to directly employ up to 70 full-time workers who will process 1,500 tons of ore per day.

8 - Harbor Springs Area Sewer Authority Easement

Three and one-half mile long sanitary force main running within a rail-trail corridor in order to provide sewer service along the developing US 31 corridor from Bay View to Alanson.

9 - City of St. Joseph Easement

This easement permitted the City of St. Joseph to construct a nearly one mile long water intake pipe along and under the Lake Michigan bottomlands. This will permit the City to increase their current pumping capacity of 16 million gallons per day to 40 million gallons per day. The new intake is also located in deeper water, which will provide improved water quality to the citizens of St. Joseph and be more reliable as the new intake site will require less dredging to keep it clear of shifting sediments.

10 - Moyle Real Estate Development Easement

The Department conveyed a 100 foot wide easement across the Keweenaw Trail, east of Hancock, in order to provide access to a 72-unit high end condominium project that was developed on a reclaimed industrial site.

11 - Encana / CVB Pipeline Easement

Six miles of natural gas pipeline crossing DNR managed land that will be used to transport natural gas from several proposed natural gas wells.

Development Partnerships

12 - Detroit Riverfront Project

Between 2009 and 2012, the Department acquired the 26.46 acre Detroit Free Press property and the Detroit RiverWalk along the banks of the Detroit River in Downtown Detroit. This multi-phase acquisition project is in association

with the Department's William G. Milliken State Park and Harbor. It is being continued with the development of the Globe Outdoor Adventure Center and purchase of adjacent land that will expand amenities along this urban open space corridor. This project is based on collaborative efforts between the Detroit RiverFront Conservancy, Detroit Economic Growth Corporation, City of Detroit, the Department of Natural Resources and many other partnerships seeking to transform the Detroit Riverfront into a vibrant and attractive green space.

13 - Crawford County Economic Development Partnership

In April of 2000, the Department entered into a Memorandum of Understanding (MOU) agreement with what is now the Crawford County Economic Development Partnership. The Department and the Partnership have identified a 1,850 acre area to the south east of the City of Grayling, adjacent to both I-75 and an active railroad line, that the Department stands ready to convey to developers per the terms of the MOU.

Exchanges

14 - Nub's Nob Exchange

Beginning in the early 1980s the Department conveyed land to the Nub's Nob ski resort for the expansion of the resort. This latest transaction was completed in 2011 and represents the final transaction for this 30 year project. The Nub's Nob ski resort has 248 acres of skiable terrain (much of it acquired from the Department), 53 ski runs, and 58 lodges with over 2,800 rooms.

15 - Longyear/Mascoma Exchange

This exchange involved a total of 1,164 acres of land and provided the proposed Frontier Renewable Resources ethanol plant in Kinross. A total of 355 acres of land were conveyed so that it could develop and operate the previously detailed first-of-its-kind commercial-scale cellulosic ethanol facility in Kinross. The facility will use a consolidated bioprocessing technology platform to convert hardwood pulpwood into 20 million gallons of ethanol per year initially. Construction is expected to cost an estimated \$232 million to complete.

Public Use Deeds

16 - Iron Ore Heritage Trail Public Use Deed

The Iron Ore Heritage Trail is envisioned as a 48-mile, multi-use, year round

trail. It connects, preserves, and interprets the significant structures and stories of the iron mining heritage of Marquette County. The goals are to provide local residents and visitors with a wide variety of outdoor activities. Also to serve as a resource for teachers and the public to learn about the local mining industry while gaining an understanding of the local natural and cultural history, and to serve as a spur for local economic development opportunities. In 2012, the Department conveyed over 280 acres of land by Public Use Deed to the Iron Ore Heritage Recreation Authority (IOHRA), a multijurisdictional body representing 10 local governmental units. The land exchange secured over 380 acres of land that was required to complete the connectivity of the Iron Ore Heritage Trail east of Negaunee.

Purchases

Rail-Trail Acquisitions

Working to complete the vision of an interconnected state trail system requires a coordinated and concerted action among the many organizations pursuing trail development statewide. The transactions that follow represent impressive progress toward fulfilling that vision.

17 - Marquette West Connector Extension Purchase

In 2009, the Department and the Michigan Department of Transportation (MDOT) entered into a Memorandum of Agreement (MOA), to work collaboratively to acquire rail corridors as they become available. In this example, the Department held title to a 6.27 mile long corridor named the Marquette West Connector. The eastern 3.55 miles is “railbanked” under federal statute to preserve the corridor for future rail reactivation while providing for interim trail use. The Mineral Range Inc. had an easement to operate a railroad over the western 2.72 miles. In 2011, the Department and MDOT partnered to acquire the easement rights to a 0.31 mile long segment offered by the Mineral Range Inc. The acquisition of the offered rights will protect the Department’s ownership interest and ensure the preservation of the Marquette West Connector for future transportation use, while allowing trail opportunities in the interim. In combination with this easement acquisition, the Department and Mineral Range Inc. entered into an MOA that sets forth the roles and responsibilities to safely provide both trail and rail use within the remaining 2.41 miles of corridor. By doing so, a permanent route is ensured for the Iron Ore Heritage Trail (IOHT). When combined with the land secured in the exchange completed by the Iron Ore Heritage Recreation Authority (see Public Use Deeds LTA #20110157 above), this transaction allowed the development of an additional 11.0 miles of the IOHT to be completed in 2013 with grant monies provided by the Michigan

Natural Resources Trust Fund and MDOT.

18 - Ironwood to Bessemer and State Line Trail Connector Purchase

Working collaboratively with the Gogebic Range Next Generation Initiative (GRNGI), the segments of inactive railroad corridor purchased by the Department in 2012 were stitched together from three separate sellers (Wisconsin Central Ltd, Keweenaw Land Association, and White Spruce Rentals), to serve as the core of the Initiative’s “Strengthening Our Niche Regional Trail Concept.” The intent is to provide multi-use trails for motorized and non-motorized users. GRNGI serves the communities of western Gogebic County in Michigan and eastern Iron County in Wisconsin with the mission to retain and attract young people on the Gogebic Range. Beginning near the Wisconsin border on the Montreal River at Ironwood and extending eastward to Bessemer, the offered 7.44 linear miles of inactive Soo Line and C&NW railroad corridors include the following features: the Soo Line railroad bridge over the Montreal River and a 70-foot long easement over the bridge approach on the Wisconsin side to provide motorized and non-motorized trail connectivity between the states’ trail systems; a 1,251-foot long extension of the State Line Trail east of the City of Wakefield; and three steel bridges, one of which is on the National Register of Historic Places. Also offered is a 0.7 acre parcel to the State that is next to the old railroad depot property in the City of Ironwood. The City is the recipient of a Michigan Natural Resources Trust Fund grant to develop the property as a downtown park and trailhead. The offered parcel will allow the trail to connect to the future city park. Coupled with other downtown enhancement projects and streetscape improvements, the proposed City of Ironwood Depot Recreation Park and Trailhead is being locally touted as the future Western Upper Peninsula Recreation Gateway, connecting Ironwood to Wisconsin and neighboring Michigan communities through a growing multi-state regional trail system.

19 - Iron Mountain Connector Purchase

The purchased corridor stretches 1.35 miles roughly parallel to US-2 and just north of the Central Business District of the City of Iron Mountain. This segment provides a critical connection into the City from a designated snowmobile trail that runs along a section of inactive railroad corridor acquired by the Department in 1990. The segment is also identified by the Dickinson County Bike Path Committee as a proposed route to connect downtown to the Lake Antoine Bike Path.

20 - Musketawa Trail Extension Purchase

This acquisition, the first of two in which the Department acquired a permanent 20-foot wide recreational trail easement within the right-of-way of the active 57

rail line of the Coopersville & Marne Railway Company (see Coopersville to Marne below), stretches 3.25 miles between Marne and the City of Walker. This easement acquisition provides a critical link toward connecting the State-owned Musketawa Trail and the Fred Meijer White Pine Trail State Park. In cooperation with Ottawa County Parks and Recreation, Kent County Parks, and the Kent County Road Commission, the acquisition of this easement brought the Musketawa Trail one step closer to connecting to the growing network of trails and parks along the Grand River in the Grand Rapids metropolitan area. Development of the trail will include sufficient fencing and barricade features between the active rail line and the trail to ensure the safety of trail users.

21 - Coopersville to Marne Railroad Corridor Purchase

The second of two transactions in which the Department acquired a permanent 20-foot wide recreational trail easement within the right-of-way of the active rail line of the Coopersville & Marne Railway Company, this easement stretches 8.39 miles between Coopersville and Marne, and is a direct extension to the adjoining easement acquired in LTA 20090129 described above. Like the previous phase, this easement represents a big step forward in regional trail connectivity by providing a link to the North Bank Trail. The North Bank Trail is a proposed non-motorized pathway which is to be constructed west along the same, but inactive portion of, the former Grand Trunk Railroad corridor that the Coopersville & Marne Railway operates on to the east. The trail will connect the Greater Grand Rapids area to the Grand Haven lakeshore community. The first phase of the North Bank Trail is being funded in part through local grants from the Michigan Natural Resources Trust Fund to Spring Lake Township and the Village of Spring Lake.

22 - Grand River Edges Purchase

The acquired 12.09 acres of inactive railroad corridor stretches nearly one mile along the east bank of the Grand River just north of the Central Business District of the City of Grand Rapids. A unique acquisition toward the City's vision of a system of interconnected parks and pathways along the Grand River, the property fills a gap between the City's Riverwalk Pathway to the south and the Riverside Park Trail to the north. This segment, with substantial frontage along the Grand River, is the final piece of corridor that will connect the City of Grand Rapids to 245 miles of the state rail-trail network that includes the Fred Meijer White Pine Trail State Park; Musketawa State Trail; Fred Meijer Berry Junction Trail; Hart-Montague Bicycle Trail State Park; and Pere Marquette State Trail. The area adjacent to the corridor is utilized for various industrial, retail, and commercial office purposes. The trail will enhance the City's existing riverfront park, and contribute to economic development by adding to the

amenities in this redeveloping urban center. A unique feature of the property is an area of accreted land that lies nestled between the railroad grade and the Grand River. Approximately 3.18 acres in size, the vacant parcel is wooded, and provides a great trail amenity. The area is considered valuable floodplain in an urban area and provides important flood control capacity. The acquisition was supported by the Fisheries Division for providing shoreline and riparian corridor protection, as well as established access points for fishing.

23 - Ionia to Lowell Railroad Corridor Purchase

Paralleling the Grand River, the corridor known as the "Fred Meijer Grand River Valley Rail-Trail," extends westerly 15.83 miles from a point east of the City of Ionia in Ionia County, passing through the City of Ionia, the Ionia State Recreation Area, and Saranac to a point near Lowell in Kent County. The east end of the corridor connects to the 41.23 mile-long Ionia to Owosso Railroad corridor, acquired jointly by the Department and the Michigan Department of Transportation in 2007. Collectively the two grades will provide 57 miles of corridor for multi-use recreational trail purposes. The Friends of the Fred Meijer Heartland Trail (FFMHT), a 501(c)(3) Corporation, was organized in 1994 to establish a recreational trail using abandoned railroad rights-of-ways in Montcalm and Gratiot Counties. In this instance, the FFMHT assisted when the operating railroad indicated it planned to abandon two rail corridors but chose not to sell them to the State. After acquiring the first corridor that ran between Ionia and Lowell, the FFMHT approached the Department about buying that portion that passes through the Ionia Recreation Area. In the course of the discussions, it was suggested that they would gift the remainder of the corridor once some property management issues were resolved with the railroad on the segment to be gifted. In the end, this transaction consisted of the Department acquiring the eastern 8.47 miles of the 15.83 mile long corridor in 2010, and the FFMHT donating the remaining 7.36 miles in 2012. The FFMHT has now completed the purchase of the second rail corridor between Lowell and Greenville, and will be donating that 21.88 mile corridor to the Department in 2013.

24 - North Eastern State Trail Connector Purchase

Prior to surfacing the 70-mile long former railroad corridor between Alpena and Cheboygan with crushed limestone, the Department desired to extend the North Eastern State Trail (NEST) one last mile into the City of Alpena. This connector represents an important link between two popular trail systems. At the time the trail was operating under annual license agreements at this location. In 2010, working with three separate entities (Lake State Railway, Alpena Power Company, and Alpena Community College); the Department

was able to acquire a short section of the former railroad corridor and two permanent recreational trail easements. With completion of the trail surface improvements and signage, funded through grants from the Michigan Natural Resources Trust Fund and Michigan Department of Transportation, the City of Alpena is working to connect its popular 14-mile trail system to the NEST and on to Cheboygan where a connection is made to the 62-mile long North Central State Trail that stretches between Gaylord and Mackinaw City.

