



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
LANSING



KEITH CREAGH
DIRECTOR

October 15, 2012

TO: Keith Creagh, Director

INFORMATION: Natural Resources Commission

Transaction: Forest Resources Land Acquisition
Newberry Management Unit – Chippewa and Luce Counties
The Crisp Point Tract
Land Transaction Case #20110208

Purchase: 3,810 acres more or less. \$5,970,000.00

PA 240 of 2012: PILT Estimate: \$32,800.00
This parcel is north of the Mason-Arenac County line and will result in an increase of 3,780 counted acres.
Excluded Acres: 30 acres – Trail located on the property

Description: Part or all of Sections 1, 11, 12, 13, 14, 15, McMillan Township, Luce County, T 50 N, R 8 W and part or all of Sections 5, 7 and 9, Whitefish Township, Chippewa County, T 50N, R 7 W.

Seller(s): Crisp Point Properties L.L.C.

Authority: Act 451, Public Acts of 1994, as amended

Notice: This item will appear on the Department of Natural Resources (Department) October 29, 2012, calendar, and is eligible for approval on November 6, 2012.

Purpose: To include this 3,810 acre property in the dual certified state forest system which currently supports the timber industry and forest products industry; to secure 2.5 miles of snowmobile trail #8 connecting Grand Marais to Paradise which is a heavily used route and beneficial to the local economies; and to provide protection of, and public access to 12,200 feet of Lake Superior Shoreline and public access to the 83 acre Brown's Lake.

Comments: The Crisp Point tract contains over 3,600 forested acres that contain more than 96,000 cords of timber equal to roughly six million board feet with an estimated market value of over \$3.8 million. There are more than 10,400 Michigan jobs in forest product industries and more than 340 businesses involved in forestry and logging. Wages for the forestry and logging, wood products, and paper manufacturing sectors totals more than \$210 million in Michigan.

Snowmobile trail #8 is a 400 mile long route that crosses the Upper Peninsula and is a major route in the 6,200 mile snowmobile trail network in Michigan. The Upper Peninsula is an important destination for snowmobiling and helps support the \$1 billion dollar snowmobile industry in Michigan.

Acquisition of this parcel will also contribute to the Department's goals of consolidating state ownership, securing wildlife habitat, enhancing forest management, and increasing public outdoor recreation opportunities for hunting, fishing, trapping, hiking, bird watching. State and federal listed species documented on this property include the bald eagle and piping plover. The property is adjacent to the Kamehameha Conservation Easement and acquisition will allow for more efficient forest management and DNR monitoring of the easement. This parcel is also adjacent to the county owned and operated Crisp Point Lighthouse.

The USDA Forest Legacy Program funding for this parcel totals \$4,477,500 and the matching donation from the J.A. Woollham Foundation totals \$1,492,500. In addition, the J.A. Woollham Foundation will donate \$300,000 to the DNR for assistance with the future PILT payments. There are no state fund that will be utilized for this purchase.

The sellers will convey any mineral rights they own in this transaction.

Recommendation: That the acquisition be approved, with payment of \$4,477,500 to be made from the USDA Forest Legacy Program and \$1,492,500 to be gifted from J.A. Woollam Foundation.

That the donation of \$1,492,500 and the \$300,000 gift from the J.A. Woollam Foundation to assist with the State's PILT obligation be accepted with appreciation.

Russ Mason, Ph.D., Chief
Wildlife Division

William O'Neill, Chief
Forest Resources Division

James L. Dexter, Chief
Fisheries Division

Ronald A. Olson, Chief
Parks and Recreation Division

William E. Moritz, Ph.D.
Natural Resources Deputy

Mark H. Hoffman
Chief Administrative Officer

I approve the staff recommendations

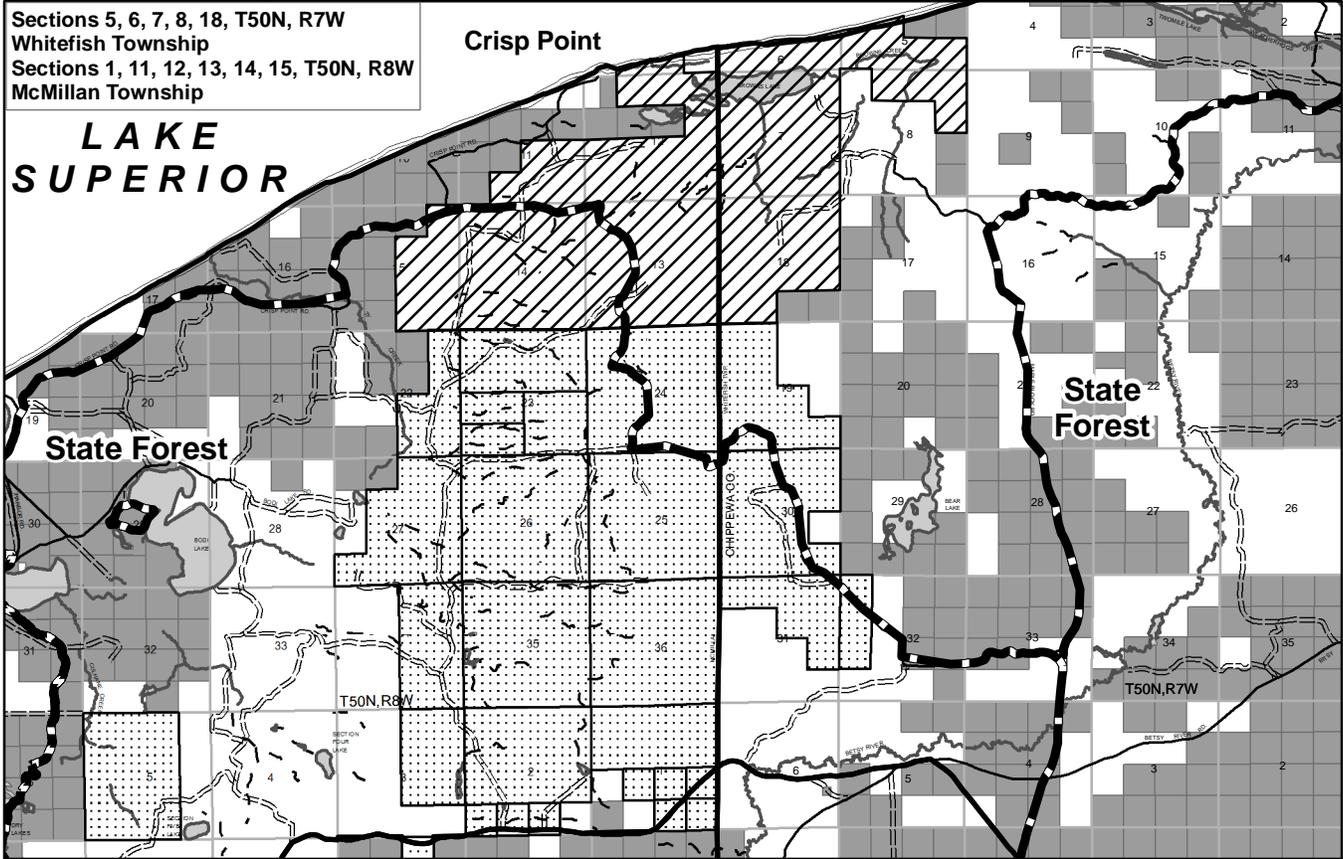
Keith Creagh
Director

Date Approved

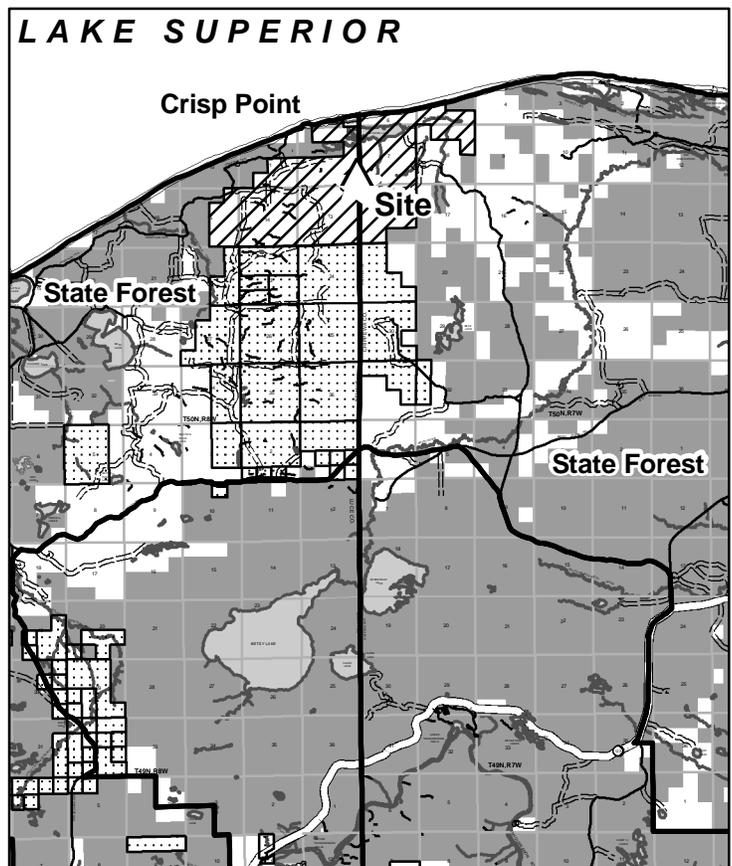
STATE FOREST LAND ACQUISITION

Newberry Management Unit -- Chippewa & Luce Counties

The Crisp Point Tract -- Land Transaction Case #20110208



-  State Forest Boundary
-  Land Offered to DNR (3,810 acres)
-  Kamehameha Conservation Easement
-  State Land
-  Private Land
-  Designated Trails



Regional Location

