RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
LANSING

KEITH CREAGH
DIRECTOR

August 31, 2012
Sent by fax to 906-932-5089

Ms. Jyl Renee Olson
Ironwood Township Treasurer
N10892 Lake Road
Ironwood, MI 49938-9563

Dear Treasurer:

Subject: Notice of Estimated Payments in Lieu of Taxes
DNR Land Transaction #19970202

In accordance with Public Act Numbers 240 and 294 of 2012, this notice is being provided to you as the Treasurer of the local taxing unit where the Department of Natural Resources is acquiring new public land. These Public Acts require the Department to estimate the amount of annual payments in lieu of taxes (PILT) on public lands that it is acquiring, and to provide that information to you at least 30 days before the acquisition. Please note that these are only estimates. The Department does not have the authority to determine the valuation of real property for the purposes of the annual PILT payments. Per MCL 324.2153 this authority lies with the State Tax Commission.

The following is a breakdown of the Department's estimate of annual PILT payments for public lands where Act 451 of 1994, Part 21, Subpart 14 directs the State to make these payments and for those lands where Subpart 13 directs the payment of taxes on tax reverted, recreation, and forest lands that are not covered under Subpart 14.

Subpart 13 – Estimated tax on tax reverted, recreation, and forest lands: $0.00.

Subpart 14 - Estimated Annual PILT Payments: $160.00.

Also, for your information I have attached a copy of a memo that summarizes this acquisition of public land within your jurisdiction.

Should you have questions, please feel free to contact me at Real Estate Services Section, Acquisitions and Exchanges, P.O. Box 30448, Lansing, Michigan 48909-7948.

Sincerely,

Paul Johnson
Real Estate Services Section
Johnsonp1@michigan.gov
(517) 373-1096 voice
(517) 335-1880 fax

PJ/mh

Enclosures

STATE OF MICHIGAN

DEPARTMENT OF NATURAL RESOURCES

LANSING

RICK SNYDER
GOVERNOR

RODNEY A. STOKES
DIRECTOR

May 21, 2012

TO:	Rodney A. Stokes, Director
INFORMATION:	Natural Resources Commission
Transaction:	State Trail Acquisition Ironwood to Bessemer Railroad Corridor and State Line Trail – Gogebic County Land Transaction Case #19970202
Purchase:	96.75 acres (7.4 linear miles) - $625,522.00
Description:	Gogebic County, Ironwood Township, T47N, R47W, Sections 13, 14, 21, 22, and 23, Gogebic County, Bessemer Township, T47N, R46W, Sections 16, 17, and 18; Gogebic County, Bessemer Township, T47N, R45N, Section 25: as more completely described in Exhibits A, B, and C in the project file.
Seller(s):	Wisconsin Central Ltd. (WC), Homewood, Illinois. Keweenaw Land Association Ltd. (KLA), Ironwood, Michigan. White Spruce Rentals, Inc. (WSR), Ironwood, Michigan
Authority:	Act 451, Public Acts of 1994, as amended
Notice:	This item will appear on the Department of Natural Resources (Department) June 4, 2012, calendar, and is eligible for approval on June 11, 2012.
Comments:	Working collaboratively with the Gogebic Range Next Generation Initiative (GRNGI), the segments of inactive railroad corridor now being offered the Department have been stitched together from three separate sellers, and 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, Michigan, and Eastern Iron County, 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 will 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;
- three steel bridges, one of which is on the National Register of Historic Places;
- a 3.34 acre parcel of adjacent land that the corridor purchase will render inaccessible to the owner (KLA) for timber management. The owner has agreed to remove the parcel from the Commercial Forest Program prior to conveying the land to the State.

Also offered is a 0.7 acre parcel with a garage the seller has agreed to remove prior to conveying the land to the State. This parcel is next to the old railroad depot property acquired by 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.

When completed, the trail between Ironwood and Bessemer, and the State Line Trail, will provide additional recreational opportunities in the Western Upper Peninsula of Michigan, as well as support to the local economy.

Recommendation:

1) That the acquisition be approved, with payment to be made from the Michigan Natural Resources Trust Fund, State Trailways Acquisition Initiative, as contained in Act 59, Public Acts of 2007, and in Act 278, Public Acts of 2008.

2) That the property be dedicated for public use and administered by the Parks and Recreation Division as part of the rail trail system.

3) That the lands described above be acquired for use as a Michigan Trailway and designated as such when the legislated requirements are met.

Russ Mason, Ph.D., Chief
Wildlife Division

William O'Neill, Acting 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

Rodney A. Stokes
Director

June 14, 2012
Date Approved

STATE TRAIL ACQUISITION
Ironwood to Bessemer Railroad Corridor and State Line Trail -- Gogebic County
Land Transaction Case #19970202
(Bessemer and Ironwood Townships)

- Land Offered to DNR from Wisconsin Central (46.08 acres, 3.60 miles – $282,280.00)
- Land Offered to DNR from KLA (49.97 acres, 3.97 miles – $324,855.00)
- Land Offered to DNR from White Spruce Rentals, Inc. (0.70 acres, 524.59 feet – $18,387.00)
- City of Ironwood Depot Recreation Park & Trailhead
- City of Ironwood Trail Connector
- Proposed City of Bessemer Ethnic Commons Park
- State Line Trail Route

Ironwood (T47N, R47W)

Bessemer (T47N, R46W)

WISCONSIN

Gogebic County

Sites

Garage to be removed.

Land Offered to DNR from White Spruce Rentals, Inc.

Section 25, T47N, R45W, Bessemer Township

DNR – Finance and Operations Division
Real Estate Services
05/08/2012

1 0.5 0 1 2 3 Miles

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