RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
LANSING

KEITH CREAGH
DIRECTOR

August 31, 2012
Sent by fax to 906-289-1029

Ms. Karen Karl
Grant Township Treasurer
PO Box 76
Copper Harbor, MI 49918-0076

Dear Treasurer:

Subject: Notice of Estimated Payments in Lieu of Taxes
DNR Land Transaction #20050574

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: $657.50.

Subpart 14 - Estimated Annual PILT Payments: $0.00.

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

RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
LANSING

RODNEY A. STOKES
DIRECTOR

September 19, 2011

TO:	Rodney A. Stokes, Director
INFORMATION:	Natural Resources Commission
Transaction:	State Forest Land Exchange and Boundary Modifications Baraga Management Unit – Keweenaw County Newberry Management Unit – Luce County Gaylord Management Unit – Mackinac County Land Transaction Case #20050574
Applicant:	The Nature Conservancy, Arlington Virginia.

Private Lands Offered In Exchange:	Luce County, McMillan Township, as more completely described in "Attachment C" of the Land Transaction Agreement	400 acres m/l
	Keweenaw County, Grant Township, as more completely described in "Attachment D" of the Land Transaction Agreement	263 acres m/l
	Total	663 acres m/l
Appraised Value:	$864,400.00	

State Lands Desired In Exchange:	Luce County, McMillan Township, as more completely described in "Attachment A" of the Land Transaction Agreement.	1,200 acres m/l
	Mackinac County, Bois Blanc Township, as more completely described in "Attachment B" of the Land Transaction Agreement.	40 acres m/l
	Total	1,240 acres m/l
Appraised Value:	$688,000.00	

Authority:	Part 21 of Act 451, Public Acts of 1994, as amended
Notice:	This item will appear on the Department's October 3, 2011 Calendar, and is eligible for approval on October 11, 2011.
Comments:	This exchange benefits both the State and the applicant by consolidating the respective ownership patterns in the Keweenaw Peninsula, northern Luce County, and in the east end of Bois Blanc Island.

The offered lands are comprised of eight distinct parcels that encompass a total of 623 acres of land in Keweenaw and Luce Counties. These parcels consolidate with the Department's existing land ownership pattern, thereby increasing the efficiency of the Department's land management activities and the value of the Department's land base for conservation and outdoor recreation purposes. The most prominent of these parcels is known as the "High Rock Tract" and is located on the tip of the Keweenaw Peninsula (parcel 'E' on the attached map #4). The High Rock Tract consists of 183.4 acres and 4,500 feet of Lake Superior Shoreline. This parcel was purchased by The Nature Conservancy in part with federal North American Wetlands Conservation Act Fund (NAWCA) funds and is subject to several management restrictions and obligations. The Nature Conservancy is currently working with the U.S. Fish and Wildlife Service to transfer these restrictions and obligations to a nearby property that is not a part of this transaction.

The desired State lands are comprised of five distinct parcels that encompass a total of 1,240 acres of land in Mackinac and Luce Counties. Two of the desired state parcels were designated as "Class 2" in the Land Consolidation Strategy and recommended for disposal to The Nature Conservancy. Class 2 parcels are conveyed with a deed restriction insuring that the property remains in an essentially natural state and open to the general public.

The desired State lands will be added to The Nature Conservancy's Two Hearted River Forest Preserve, an area that is open to the public and managed for sustainable forestry, fisheries, and wildlife objectives. The Nature Conservancy has agreed to keep the desired State-owned lands open to the public in perpetuity for foot access, non-motorized recreation, and hunting and fishing.

The desired State lands were acquired by tax reversion in 1906, 1939, 1982, and 1983; and by exchange in 1984. As a result of this transaction, the private lands that are offered in exchange will assume tax reversion status.

The Mineral and Land Management Section staff of the Department's Forest Management Division has determined that it is appropriate for the State to convey mineral rights to the extent that it receives mineral rights.

The proposed land exchange was reviewed and recommended for approval by the Land Exchange Review Committee on August 23, 2007. Completion of this transaction was delayed due to the effort required of The Nature Conservancy, the U.S. Fish and Wildlife Service and the Department to transfer the NAWCA restrictions and obligations from a portion of the offered lands to another property.

Recommendations:

(1) That the exchange be approved, with the State conveying mineral rights to the extent that it receives mineral rights in exchange.

(2) That parcels A, B, C, and D be dedicated as part of the Newberry Management Unit; and that parcel E be dedicated as part of the Baraga

Management Unit; and that parcel F be dedicated as part of the Fort Wilkins State Park.

(3) That management unit boundaries be modified as shown on the attached maps.

(4) That the offered High Rock Tract be removed from the North American Wetland Conservation Fund program prior to the completion of this exchange.

(5) That closing be subject to the applicant removing those portions of the property that are enrolled in the Commercial Forest Act (CFA) Program from the CFA Program prior to conveyance to the State.

Russ Mason, Ph.D., Chief
Wildlife Division

Lynne M. Boyd, Chief
Forest Management Division

James L. Dexter, Acting Chief
Fisheries Division

Ronald A. Olson, Chief
Parks and Recreation Division

Kelley D. Smith, Ph.D.
Acting Resource Management Deputy

Sharon M. Schafer for
Mark H. Hoffman
Chief Administrative Officer

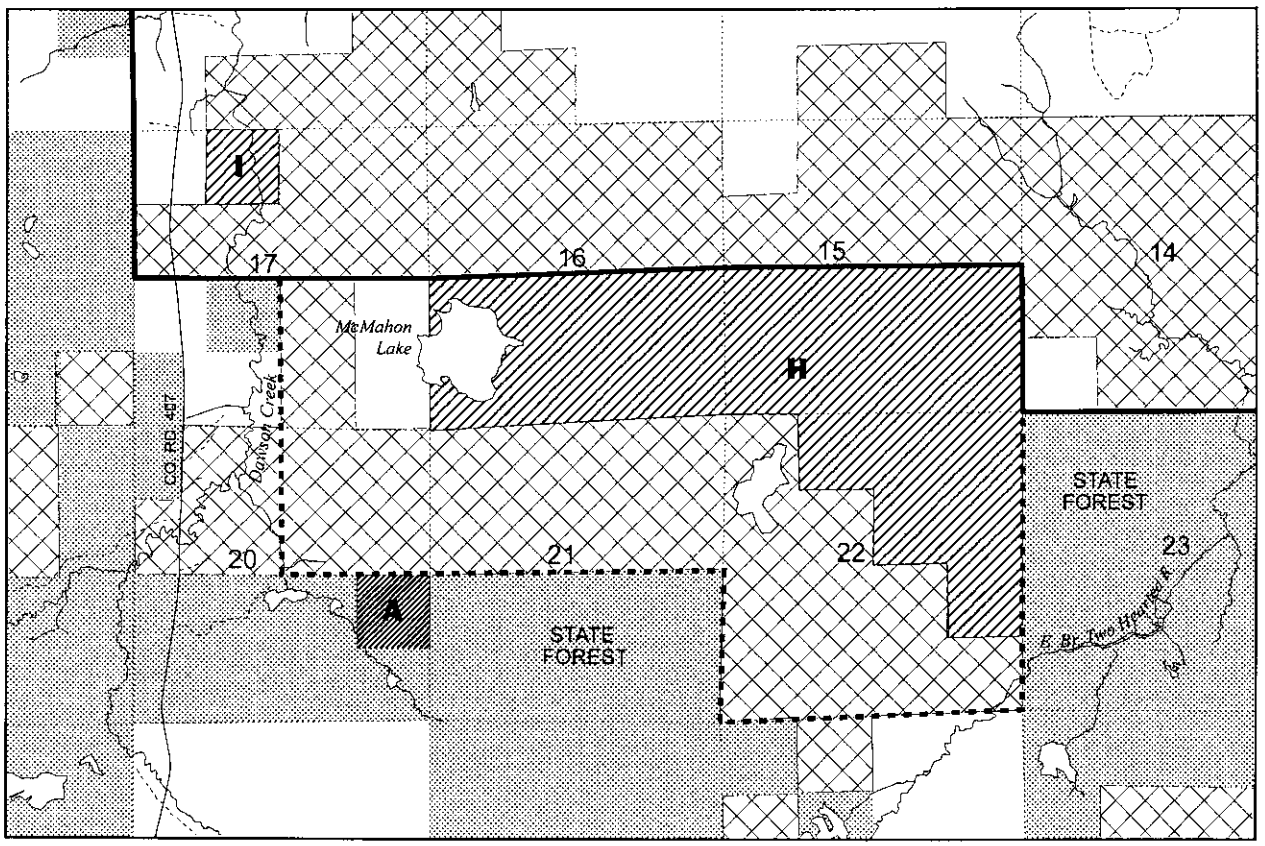
I approve the staff recommendations.

Rodney A. Stokes
Director

Oct. 13, 2011
Date Approved

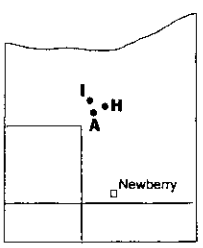
STATE FOREST LAND EXCHANGE AND BOUNDARY MODIFICATIONS

Baraga Management Unit - Keweenaw County
Newberry Management Unit - Luce County
Gaylord Management Unit - Mackinac County
Land Transaction Case #20050574
(Map 1 of 5)



Luce County, McMillan Township, Sections 15, 16, 17, 20 and 22, T48N, R10W

- State Forest boundary
- Propsed boundary modification
- State land desired from DNR in exchange
  - H. 880.00 acres
  - I. 40.00 acres
- A. Private land offered to DNR in exchange (40.00 acres)
- Applicant's land
- State land
- Private land



LUCE COUNTY

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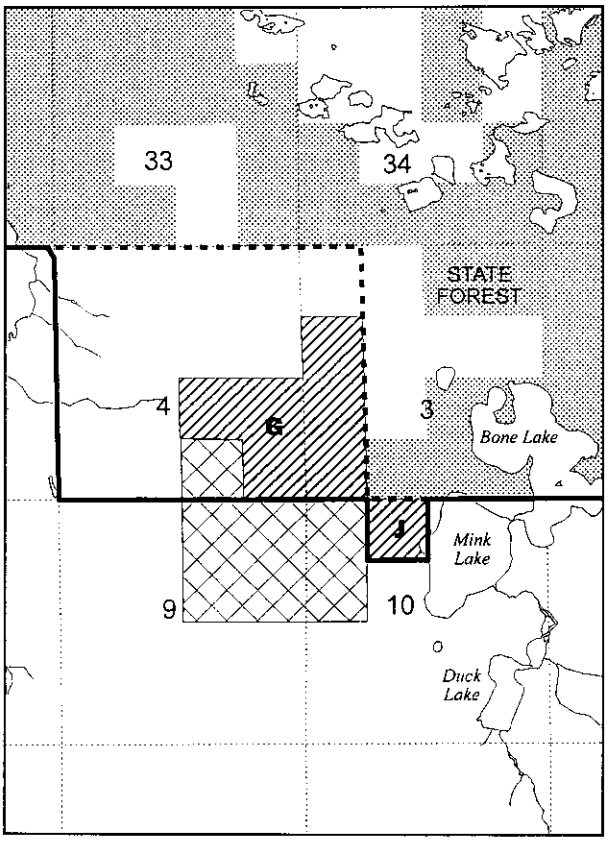
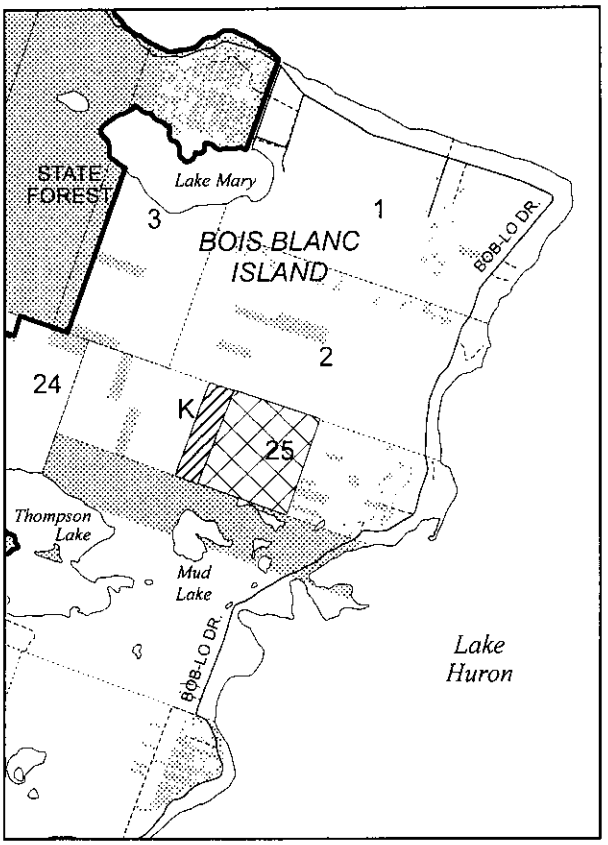
STATE FOREST LAND EXCHANGE AND BOUNDARY MODIFICATIONS

Baraga Management Unit - Keweenaw County
Newberry Management Unit - Luce County
Gaylord Management Unit - Mackinac County
Land Transaction Case #20050574
(Map 2 of 5)



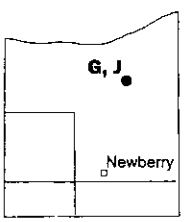
Luce County, McMillan Township
Sections 3, 4 and 10, T48N, R09W



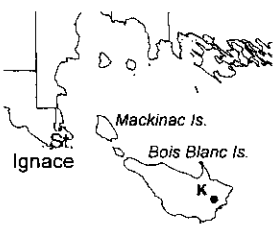
Mackinac County, Bois Blanc Island Township
Section 25

- State Forest boundary
- Proposed boundary modification
- State land desired from DNR in exchange
  - G. 240.00 acres
  - J. 40.00 acres
  - K. 40.00 acres

- Applicant's land
- State land
- Private land



LUCE COUNTY



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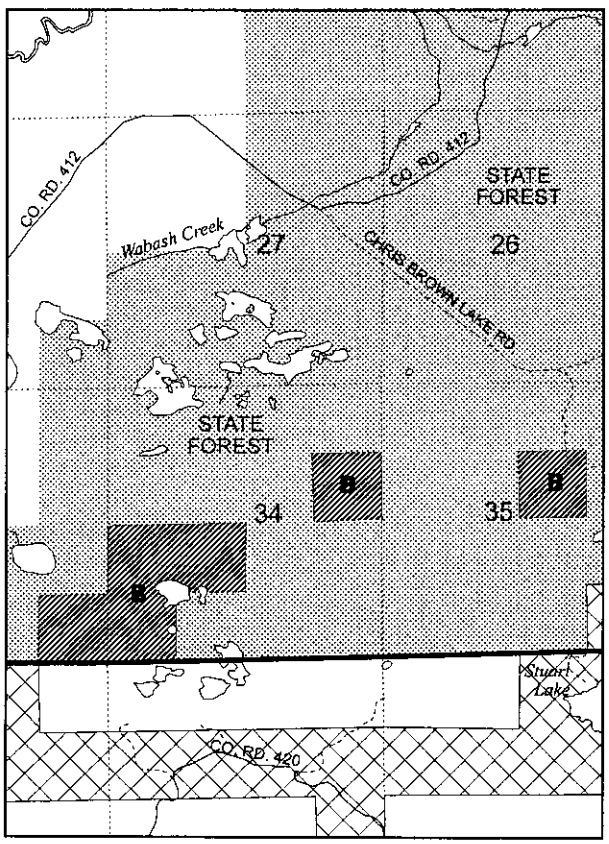
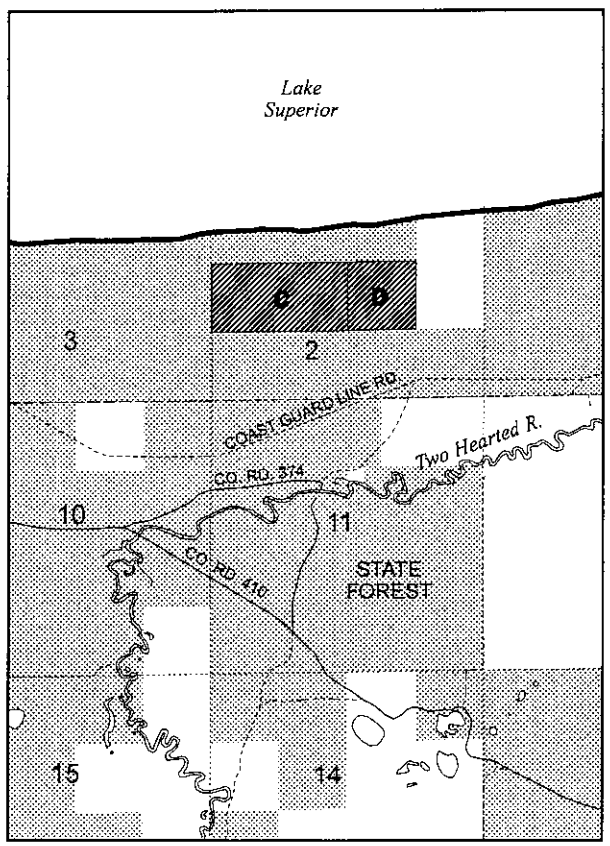
STATE FOREST LAND EXCHANGE AND BOUNDARY MODIFICATIONS

Baraga Management Unit - Keweenaw County
Newberry Management Unit - Luce County
Gaylord Management Unit - Mackinac County
Land Transaction Case #20050574
(Map 3 of 5)



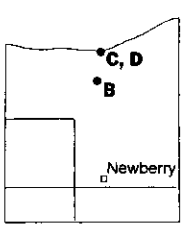
Luce County, McMillan Township
Sections 33, 34 and 35, T49N, R10W



Luce County, McMillan Township
Section 2, T49N, R10W

State Forest boundary
Private land offered to DNR in exchange
B. 240.00 acres total
C. 80.00 acres
D. 40.00 acres

Applicant's land
State land
Private land



LUCE COUNTY

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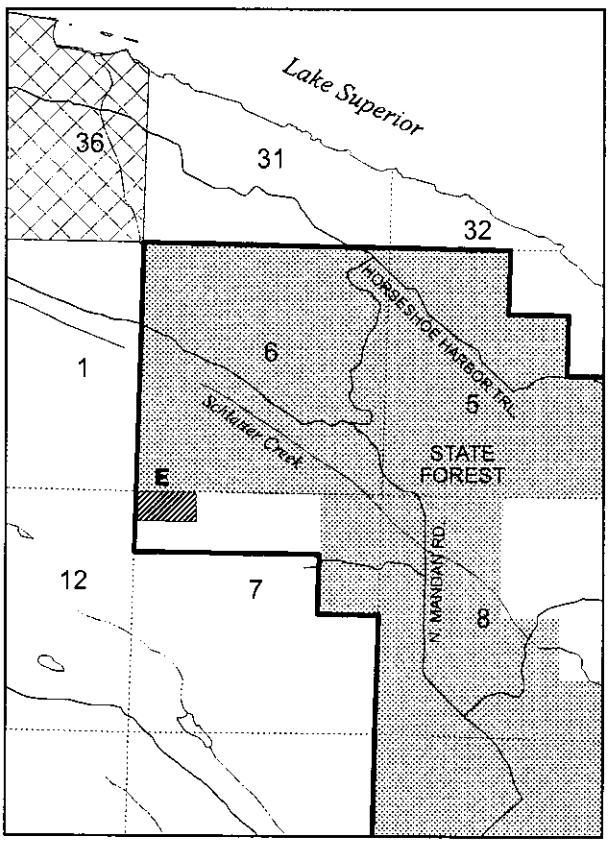
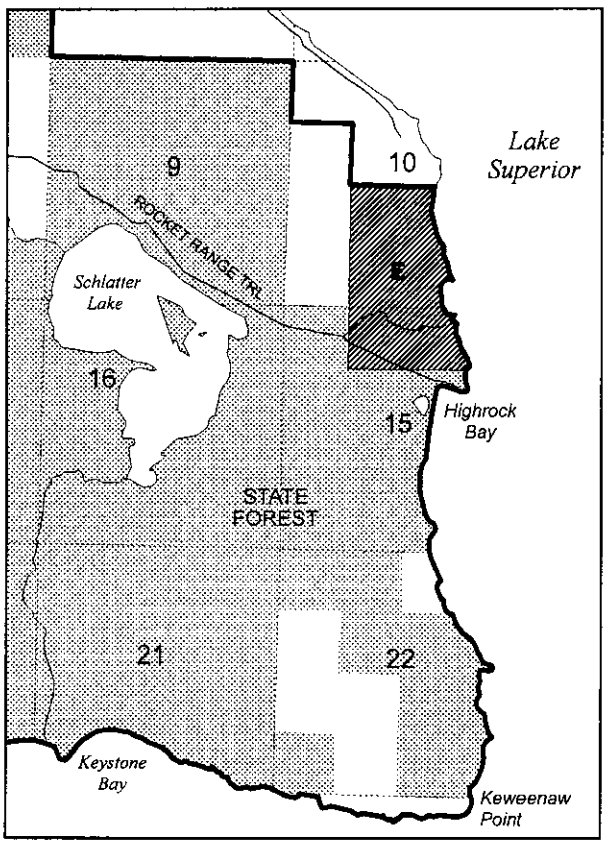
STATE FOREST LAND EXCHANGE AND BOUNDARY MODIFICATIONS

Baraga Management Unit - Keweenaw County
Newberry Management Unit - Luce County
Gaylord Management Unit - Mackinac County
Land Transaction Case #20050574
(Map 4 of 5)

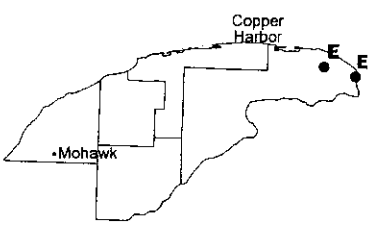


Keweenaw County, Grant Township
Section 7, T58N, R27W



Keweenaw County, Grant Township
Sections 10 and 15, T58N, R27W

State Forest boundary
E. Private land offered to DNR in exchange (203.40 acres total)
State land
Private land



KEWEENAW COUNTY

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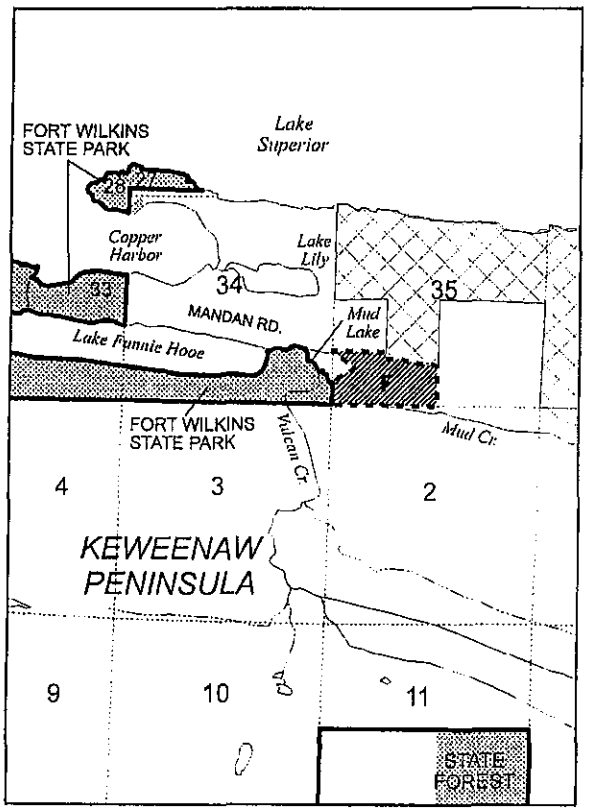
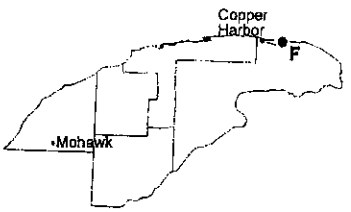
STATE FOREST LAND EXCHANGE AND BOUNDARY MODIFICATIONS

Baraga Management Unit - Keweenaw County
Newberry Management Unit - Luce County
Gaylord Management Unit - Mackinac County
Land Transaction Case #20050574
(Map 5 of 5)



Keweenaw County, Grant Township
Section 35, T59N, R28W

- State Forest and State Park boundaries
- Proposed boundary modification
- F. Private land offered to DNR in exchange (59.66 acres)
- Applicant's land
- State land
- Private land



KEWEENAW COUNTY

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