Division of Forestry
500 Lafayette Road
St. Paul, MN 55155

November 19, 2018

Mark Johnson
Executive Director
Lessard-Sams Outdoor Heritage Council
100 Rev. Dr. Martin Luther King Jr. Blvd.
State Office Building, Room 95
St. Paul, MN 55155

Mark:

Itasca County is proposing a County Road project that will impact lands owned by Blandin Paper Company over which the State holds a conservation easement funded in part by the Outdoor Heritage Fund. The project will result in a conversion of forestland to road right-of-way and a conveyance of a permanent road easement to Itasca County. The State’s easement will remain in effect on the land.

Project Description: The Itasca County Highway Department is proposing a rehabilitation project on County Road 461 during the summer of 2019. The proposed work will include reconstruction of the current road which will require a permanent easement across one parcel located in the Northeast Quarter of the Southeast Quarter (NESE), Section Fourteen (14), Township Fifty-five (55) North, Range Twenty-four (24) West, Itasca County, Minnesota. The permanent easement is approximately 1.51 acres (shown on the attachments). Included within the easement is approximately 1.00 acres of existing easement leaving approximately 0.51 acres of new easements to be acquired.

The estimated values of the easements are:

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent Easement</td>
<td>(0.51 acres) X ($465/acre) = $237.15</td>
</tr>
<tr>
<td>Total Value:</td>
<td>$237.15</td>
</tr>
<tr>
<td>Easement Share:</td>
<td>($237.15) X (0.4082954) = $96.83</td>
</tr>
</tbody>
</table>

**OHF Share:**

\[
(96.83) \times (0.777) = \$75.23
\]

We do not anticipate that the affected lands will be replaced by other conservation lands and propose that approximately $75.23 be repaid to the outdoor heritage Fund (OHF provided approximately 77.7% of the acquisition costs.)
Sincerely,
Gary Michael
Cooperative Forest Management Supervisor
500 Lafayette Road
St. Paul, MN 55155

CC: Grant Wilson
    Christine Ostern
    Jon Nelson

*Equal Opportunity Employer*
DATE: July 17, 2018
TO: Ryan Sutherland - Assistant County Engineer
FROM: Beau Thunshelle – Engineering Technician
SUBJECT: Minimum Damage Acquisition
Count Road 461 North Road – County Project 2020-02
Fee Owner: Blandin Paper Company, Inc.

Tract #16 (Tax Parcel #40-014-4100):
(Description based on recorded Document #A000257597)
The Northeast Quarter of the Southeast Quarter (NE ¼ of SE ¼), Section Fourteen (14),
Township Fifty-five (55) North, Range Twenty-four (24) West, Itasca County, Minnesota.

History of Ownership: The subject property was acquired by the above referenced owner in 1967.

Purpose of Acquisition: The purpose of the MDA is to estimate the effect on fair market value of the subject parcel
from the acquisition of the highway easement(s) as shown or described on the subject
document(s) and enumerated under the Land Value section. The County Road 461
reconstruction project is scheduled for reconstruction in the summer of 2019. The acquisition is
necessary to reconstruct and pave the segment of roadway.

Zoning Description: Currently zoned “Farm Residential” by Itasca County.

Site Description before Acquisition: The subject parcel contains approximately 39.1 acres. The topography contains mostly
wooded upland acreage.

Highest and Best Use: Its highest and best use would be for residential/recreational and/or light agricultural use.

Acquisition Description: This acquisition is for permanent highway easement and / or temporary construction
easement as shown or described on the subject document(s) and enumerated under the Land Value section.

Site Description (after easement acquisition): The property will essentially remain the same in the after situation as in the before
situation.
Land Value:

Permanent Easement:
Based upon the most recent assessed tax values, the estimated value for this acquisition of new right-of-way is as follows:

\[
\text{Tract #16 (Tax Parcel #40-014-4100)} \\
(0.51 \text{ acres}) \times (\$465.00/\text{acre}) = \$237.15 \\
\text{TOTAL VALUE} = \$237.15 \\
\text{MINIMUM AWARD} = \$500.00
\]

Final Value Conclusion:

The new acquisition will not adversely affect the subject’s present or future value nor will it diminish the value of the remainder.

Approved: ___________________________ Date: 7/17/18
Blandin Paper Company
Attn: Quintin Legler
115 SW 1st Street
Grand Rapids, MN 55744

RE: County Road 461 (CP 2020-02) Easement Acquisition:
   - Tract #16 (Tax Parcel #40-014-4100)

Enclosed with a return envelope are the documents necessary to facilitate acquisition of the easement(s) shown on the attached sketch for the upcoming project referenced above.

The first document is a copy of the Minimum Damage Acquisition Form used by our office to establish value. This is for your information only and does not need to be returned.

Second, are 2 identical copies of the Permanent and/or Temporary Highway Easement(s) that we wish to acquire from you. Either of the copies may be used as official originals for signature and the other may be kept for your records. Please review and verify the information on these documents, especially the name(s) of the owner(s) and the names/titles of those authorized to execute conveyances for this property. Permanent Easements must be signed before a notary for recording purposes but Temporary Easements require only a dated signature. All signed original easement document pages must be returned to us prior to payment but, I intend to return copies of the signed original easements subsequent to any necessary recordation and/or payment processing.

Third, are 2 signed copies of the Offer Letter. The second copy is for your records. Please review the document carefully and designate a payee (yourself or another owner) according to the instructions at the end of the letter. If everything is acceptable to you, please sign, date, and return it with the rest of the necessary documents.

The fourth document is a Federal IRS W9 form that must be completed and returned by anyone designated to receive payment for this purchase.

Thank you for your time and help addressing this matter. If you have any questions, feel free to call me at 218-327-2833.

Regards,

Ryan Sutherland, PE
Assistant County Engineer
Itasca County Transportation Department
Direct: 218-327-2833 / Email: Ryan.Sutherland@co.itasca.mn.us
APPROMIMATE SKETCH
(See Official Easements for Defined Locations)
Tract #16 (Tax Parcel #40-014-4100)
HIGHWAY EASEMENT

THIS INDENTURE is made and entered into this _____ day of ________, 20___, between Blandin Paper Company, hereinafter referred to as "Grantor," and the COUNTY OF ITASCA, State of Minnesota, Municipal Corporation, and road authority, hereinafter referred to as "Grantee."

WITNESSETH:

WHEREAS, said Grantor is the owner of real property situated in Itasca County, Minnesota, described as follows, to-wit:

Tract #16 (Tax Parcel #40-014-4100)
(Description based on recorded Document #A000257597)
The Northeast Quarter of the Southeast Quarter (NE ¼ of SE ¼ ), Section Fourteen (14), Township Fifty-five (55) North, Range Twenty-four (24) West, Itasca County, Minnesota.

AND WHEREAS, Grantor has agreed to grant Grantee an easement for Highway purposes across said property.

AND WHEREAS, Grantor has received permission pursuant to the Conservation Easement in favor of the State of Minnesota dated July 8, 2010 to enter into this easement.

NOW, THEREFORE, said Grantor, for other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, does hereby grant and convey unto the COUNTY OF ITASCA, as Grantee, for highway purposes, free and clear of all encumbrances, the below described real estate in the COUNTY OF ITASCA, State of Minnesota, and the said Grantor for (himself) (his) (themselves) (their) heirs executors and assigns, do hereby release the COUNTY OF ITASCA, State of Minnesota, its successors and assigns, from all claims for any and all damages resulting to the lands through and across which the parcel of land hereby conveyed is located by reason of the location, grading, construction, maintenance, and use of a Public Highway over and upon and the removal of materials from the premises hereby conveyed and from the uses incident thereto, and the COUNTY OF ITASCA, State of Minnesota, shall have the right to use and remove all earth and materials lying within the parcel of land hereby conveyed and the right to allow utilities over, under, and across said parcel as allowed by State law, all within the easement more particularly defined by the attached "EXHIBIT A".

IN WITNESS WHEREOF, said Grantor has caused this instrument to be executed on the day and year first above written.
- EXHIBIT A -
ITASCA COUNTY, MINNESOTA
PERMANENT EASEMENT
FOR HIGHWAY PURPOSES

NO. 16
NEW EASEMENT = 0.51 AC
TOTAL EASEMENT = 1.51 AC

OWNER: BLANDIN PAPER COMPANY
TAX PARCEL: #40-014-4100

17.00

50.00

NE 1/4-SE 1/4
SECTION 14
T55N-R24W

WEST LINE,
EAST 1/3 OF
NE 1/4-SE 1/4

SOUTH LINE,
NE 1/4-SE 1/4

EAST LINE,
NE 1/4-SE 1/4

NW 1/4-SW 1/4
SECTION 13
T55N-R24W

NOTES:
ALL UN-DIMENSIONED SECTION SUBDIVISION
LINES AND PARCEL LINES WERE COPIED
FROM THE ITASCA COUNTY GIS ON
2018-04-30. ITASCA COUNTY GIS
INFORMATION IS A COMPILATION OF DATA
FROM DIFFERENT SOURCES WITH VARYING
DEGREES OF ACCURACY AND REQUIRES A
QUALIFIED FIELD SURVEY TO VERIFY.
Date: July 17, 2018

Blandin Paper Company
Attn: Quintin Legler
115 SW 1st Street
Grand Rapids, MN 55744

Offer Letter

RE: County Road 461 (CP 2020-02) Easement Acquisition:
   - Tract #16 (Tax Parcel #40-014-4100)

The County of Itasca hereby submits to you an offer of $500.00, which is based on the amount of the assessed value of the above referenced property and/or certain rights therein, as contained in the easement(s) attached hereto, disregarding any change in the before value of the property caused by the proposed project.

This purchase offer does not prohibit you from donating the land necessary to complete this project.

You will have a reasonable length of time to consider the offer (approximately 30 days). To aid in your decision you may want to secure your own appraisal. The County of Itasca will reimburse you a reasonable amount for that appraisal fee, limited by the amount and terms set by law.

Minnesota Law also provides that the owners/occupants of the property being acquired will be reimbursed for the actual cost of moving personal property. Certain incidental costs incurred in transferring the title will be paid by the County.

If you decide to accept the County’s offer you will be paid upon your providing the County with the properly executed easement documents and Federal IRS W9 form(s) for income tax reporting purposes. If the County cannot be vested with good title to the property, or if the offer is unacceptable, the County may acquire said easements through eminent domain proceedings.

This is not a purchase of fee title ownership, but of easement rights. The underlying land remains under current ownership, but the County will reduce the
assessed land value to reflect the easement.

This letter is furnished to inform you of procedures and your rights in this acquisition. If the terms are acceptable to you, please complete, sign, and date this document below and return it with the rest of the required documents.

Please contact me with any questions or concerns.

Sincerely,

Ryan Sutherland, PE
Assistant County Engineer
Itasca County Transportation Department
218-327-2833

(Date)

To acknowledge your acceptance of this offer, please sign, date and include your title with Blandin Paper Company. Also include your Federal Tax ID number.

Blandin Paper Company, Inc.

By: ____________________________(Name), ____________________________(Title)

X
Federal Tax ID#