

Potential Right of Way Conveyance Parcels

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Prepared by

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Legislative Request

This report is issued to comply with [Minnesota Statutes 2014, section 161.44, subdivision 1a](#) as amended during the 2014 legislative session.

Subd. 1a.

Periodic review.

(a) The commissioner is encouraged to examine all real property owned by the state and under the custodial control of the department to decide whether any real property may be suitable for sale or some other means of disposal.

(b) The commissioner may not sell or otherwise dispose of property under this subdivision unless: (1) an analysis, which must consider any relevant nonmotorized transportation plans or in the absence of such plans, demographic and development factors affecting the region, demonstrates that (i) the property or a portion of it is not reasonably suitable for bicycle or pedestrian facilities, and (ii) there is not a likelihood of bicycle or pedestrian facility development involving the property; or (2) the use of the property for bicycle or pedestrian facilities is protected by deed restriction, easement, agreement, or other means.

(c) The commissioner shall report the findings under paragraph (a) to the house of representatives and senate committees with jurisdiction over transportation policy and finance by March 1 of each odd-numbered year. The report may be submitted electronically [3.195, subdivision 1](#).

The cost of preparing this report is under \$5,000. This does not include the cost of identifying the potential conveyance parcels.

Summary

The Minnesota Department of Transportation historically employed a reactive approach to the disposal of unneeded right of way. Land usually was not sold until a prospective buyer inquired about its availability. The result of this approach is that some available parcels went unsold while time and effort was expended on parcels that ultimately were not available to sell.

To better handle the disposal of unneeded right of way, MnDOT adopted a proactive approach, to identifying potential saleable parcels to actively market to the public. This report includes a list of potential saleable parcels in Appendix A. This list is provided to the Legislature in response to changes in [Minn. Stat. 161.44](#) enacted during the 2013 and 2014 legislative sessions.

The list in Appendix A represents MnDOT's progress to date. Ongoing improvements to the process will add more property to the list. MnDOT's intent is to increase property sales by more actively marketing the identified parcels.

Background

MnDOT's focus is on preserving existing transportation infrastructure while seeking opportunities to expand the transportation infrastructure to meet current and emerging needs. Activities that do not contribute to those goals, either directly or by providing additional resources, tend to receive less emphasis. Such activities are carried out as resources become available. The disposal of property (right of way) no longer needed for the operation or enhancement of the transportation system is one of the activities traditionally dealt with as an opportunity presents itself, rather than in a proactive manner.

Traditional Approach

In the past, the sale of unneeded right of way almost always started with an inquiry to MnDOT from an interested outside party. Once an inquiry was received, MnDOT conducted an internal review to determine if the property would be needed for current or future transportation use. This review included multiple functional areas such as planning, design, traffic and safety, and maintenance. Any legal constraints such as the interested party does not own the fee underlying the easement or there is a right of first refusal, are identified. If the property is available for sale it is appraised to determine fair market value and negotiations take place with the interested party.

The requested property may not be available in some cases because MnDOT needs to retain it for transportation purposes. Even when a parcel is available to sell, a sale does not always occur. The prospective buyer may be unwilling to pay the appraised fair market price or may lose interest during the time it takes for MnDOT to conduct the review and obtain an appraisal.

The table below shows the results of this traditional approach. The number of conveyances listed in the table below represents the actual completed transactions, not the total number of requests received.

Table 1: Past Conveyance Activity

State Fiscal Year	Number of Conveyances
2010	54
2011	43
2012	26
2013	35
2014	31

The Current List

MnDOT is replacing the reactive approach described in the preceding section with a proactive one to promote better management of these public resources. The method described in this section was used to develop the list attached as Appendix A, and is current as of Dec. 31, 2014. This approach is subject to continuous improvement as described in the next section.

New Approach

The new methodology is a proactive approach that identifies and actively markets available properties that can be returned to productive use and the tax rolls. The attached list of potential saleable properties is the result of this new proactive process.

Assumptions

The following assumptions guide the current approach:

- The intent of the legislation is to return property to economic productivity and the tax rolls.
- Only fee-held right of way is considered.
- Properties currently under consideration for possible sale due to an individual request are not included because:
 - a. It may be determined that a parcel is still a necessary asset and therefore not available for sale, or
 - b. It may be determined that the parcel is not needed and therefore will be sold as part of the current negotiation making the parcel unavailable for sale, or
 - c. It may be determined that the parcel is not needed but the current negotiation will not end in a sale, at which time the parcel will be added to the available parcel list.

The Initial List

MnDOT's Right of Way Electronic Acquisition Land Management System, or REALMS, a database of MnDOT's current right of way holdings, was queried for all parcels that were either acquired as excess or that had some prior or existing possible sale activity. The resulting list was examined to remove any properties that were already disposed of or not held in fee. The remaining properties were sent to the districts for final determination as to availability. If the district knew of any additional potential sale properties, they were added to the list.

A contract was let to further examine the right of way in District 8 (Willmar) to identify potential sale properties that did not fall within the selection criteria used to create the REALMS list. This list was sent to the district for review and approval. The consultant also developed an estimate of what resources are necessary to complete this process for the remainder of MnDOT's right of way holdings. The consultant identified six additional potential conveyance parcels in District 8, and estimates there are another 62 parcels outside Metro District that could be identified at a cost of \$791,120. Metro District is already actively engaged in identifying potential saleable parcels and therefore is not included in the proposed consultant analysis.

The result of the REALMS queries, district reviews and the consultant's analysis is the list included as Appendix A to this report.

District Evaluation of Excess Right of Way

It seems obvious that right of way acquired as excess is unneeded and therefore available for sale, but that is not always the case. Changes in a project's design or in the long range plan from one year to the next can result in right of way that was originally considered excess but now is considered as a necessary asset for future plans. The districts were asked to make this determination.

District Evaluation of Prior and Existing Potential Sales

In the case of prior potential sales activity, the districts were asked to determine whether the property was unavailable, or if it was deemed unneeded yet the sale failed to occur. In the latter case, the property is available as a potential sale.

The districts also updated the status of ongoing potential sales, indicating whether they were still in progress, deemed unavailable, or available for potential sale.

Bicycle and Pedestrian Facility Protection

Prior to being offered for sale, each parcel will be examined to determine its suitability for bicycle or pedestrian facilities. If the examination reveals that the property has the potential to support bike or pedestrian use per [Minn. Stat. 161.44 Subd 1a \(b\) \(1\)](#) measures to protect such use will be part of the condition of sale as per Minn. Stat. 161.44 subd 1a (b) (2).

Conveyance Activity for First Half of Fiscal Year 2015

The cutoff date for this report, Dec. 31, 2014, is half way through FY15. Twenty-two parcel conveyances were completed in the first half of FY15. In addition, there are 307 conveyances undergoing review or being negotiated for sale.

Continuing Process Improvement

As mentioned previously, this process is under continuous revision and improvement. The short term goals include:

1. Using the results of the Willmar consultant experience to obtain funding sufficient to do an in-depth analysis of the remainder of MnDOT's right of way holdings, estimated at \$791,120 for the non-Metro districts
2. Identifying unneeded right of way as part of the construction project close out process
3. Adding potential lease properties to the list
4. Creating a graphic display allowing potential purchasers to easily locate the available properties on a web-based map
5. Actively marketing the identified properties

Appendix A: Current List of Potential Sale Properties

The list is current as of Dec. 31, 2014.

County	Trunk Highway	Right Of Way Map	Location	Parcel	District
Anoka	35W	17-10	Ramp from Lake Dr to I-35W S	0280-901-1	M
Beltrami	71	180-26A	AT TWP RD 304	0411-445-258A	2
Beltrami	197	200-149	TH 197 IB BEMIDJI	0416-904-35	2
Blue Earth	169	180-37B	TH 30 & TH 169	0712-383-206B	7
Brown	14	200-75	18th St. N & TH 14	0804-391-243	7
Carlton	33	179-33C	Between English Rd & CR 116	0906-11B-212	1
Carlton	33	6-50	1.25 miles South of North County Line	0906-11B-223	1
Carlton	33	6-50	1.25 miles South of North County Line	0906-11B-223B	1
Chippewa	7	179-6B	Intersection 7 & 29	1206-902-11	8
Chisago	8	200-127	W Intersection of Crescent Rd at US 8	1301-621-330A	M
Chisago	8	200-127	W Intersection of Crescent Rd at US 8	1301-621-330B	M
Chisago	8	200-127	E Intersection of Crescent Rd at US 8	1301-621-441D	M
Chisago	8	212-501	Lincoln Rd at US 8	1301-901-53	M
Clay	10	200-58	1/4 mile north of TH 10 & 1/2 mile west of TH 32	1401-902-314A	4
Clearwater	2	16-26	BAGLEY TRUCK STATION	1503-901-208XA	2
Crow Wing	210	180-29C	At Ash Ave.	1806-304-216G	3
Crow Wing	371	180-41C	Court Street & Estate Drive	1809-901-63	3
Crow wing	371	180-41C	Court Street & Estate Drive	1809-901-63A	3
Dakota	52	29-38	Broderick Blvd S of CSAH 28 and US 52	1928-904-2	M
Dakota	77	179-0A	Ramp from MN 77 to MN 13 S	1925-901-1	M
Dakota	77	179-10D	Ramp from CSAH 38 to MN 77 N	1929-901-20	M
Dakota	494	17-82	NE quad MN13 and I-494	1986-901-409A	M
Dakota	494	179-9C	On Horseshoe Lake and I-494	1985-903-18	M
Dakota	494	179-9C	On Horseshoe Lake and I-494	1985-903-18A	M
Dakota	494	179-9C	Intersection of MN 110 and I-494	1985-903-50A	M
Dakota	494	179-9C	Delaware Ave at I-494	1985-903-9	M
Dakota	35E	180-8D	Kenneth St at 35E	1982-903-45	M
Dodge	14	35-59	CSAH 3 & TH 14	2001-451-205A	6
Dodge	14	35-59	TH 56 & TH 14	2001-451-227A	6

County	Trunk Highway	Right Of Way Map	Location	Parcel	District
Fillmore	43	12-91	TH 43 in Tawny	2306-901-42	6
Goodhue	61	179-25D	TH 61 & 130th Ave.	2514-601-203A	6
Goodhue	61	179-5B	Red Wing	2514-602-331	6
Hennepin	7	179-14B	Ramp from I-494 to MN7 W	2706-81A-367	M
Hennepin	12	34-3	Ferndale Rd at US 12	2713-901-15	M
Hennepin	12	34-3	Ramp from CSAH 101 to US 12 W	2713-901-67	M
Hennepin	94	17-74	40th Ave N at I-94	2781-928-42	M
Hennepin	94	17-76	Ramp from CSAH 81 N to I-94 E	2786-902-19	M
Hennepin	169	200-103	Ramp from I-494 E to US 169 S	2776-903-206A	M
Hennepin	494	200-54	0.2 Mi E of W Bush Lake Rd at I-494	2785-906-424B	M
Houston	76	1-44	3.1 miles south of Houston	2807-901-201A	6
Hubbard	200	35-36	.5 mi S Kabekona Cor	2908-903-10	6
Hubbard	200	35-36	.5 mi S Kabekona Cor	2908-903-7	2
Hubbard	200	35-36	.5 mi S Kabekona Cor	2908-903-8	2
Itasca	2	29-16	1/4 mile West of CR 227	3103-835-215	1
Itasca	38	181-15C	SE Quad at Fern Leaf Lane	3108-903-19	1
Itasca	38	181-15C	SE Quad at Fern Leaf Lane	3108-903-78	1
Itasca	38	181-15C	NW Quad at CR 117	3108-904-7	1
Itasca	38	181-15D	Jet CSAH 19	3108-904-78	1
Itasca	38	200-71	East of Townhall Road	3108-905-7	1
Itasca	65	200-105	Between CR 555 & CSAH 53	3112-902-20	1
Itasca	169	179-18A	1/2 mile North of CR 440	3116-904-214A	1
Jackson	60	180-47A	CSAH 24 & TH 60	3204-31B-201A	2
Kittson	11	13-72	At CSAH 18	3501-901-201	2
Kittson	11	13-72	At CSAH 18	3501-901-203	2
Kittson	11	13-72	At CSAH 18	3501-901-204	2
Kittson	11	13-72	At CSAH 18	3501-901-205	2
Kittson	11	13-72	At CSAH 18	3501-901-209	2
Lake	1	180-33A	between Finland & Murphy City	3803-901-47	1
Lake	1	180-33A	¾ mi (±) SE of Jct TH 1 & Wanless Rd	3803-901-65	1
Lake	61	181-6A	N'ly side TH61 200'± N of Reider Memorial Dr	3807-903-238	1
Lyon	14	1-57	0.5 mi E of Jct TH 91	4201-402-334	8
McLeod	212	3-5	TH 212 & Grove Street	4309-263-201	8
Meeker	12	179-11D	7th St & TH 12	4705-053-228A	8
Mille Lacs	47	6-94	East of TH 47 north of Oak Street	4815-302-15	3
Mille Lacs	47	6-94	East of TH 47 north of Oak Street	4815-302-16	3
Morrison	10	180-4B	Jct T115	4903-901-201K	3
Morrison	10	180-4B	Jct T115	4903-901-205	3
Morrison	10	180-4B	Jct T115	4903-901-211	3

County	Trunk Highway	Right Of Way Map	Location	Parcel	District
Morrison	10	180-4C	NE Quad Front Street & TH 10	4903-213-239B	3
Morrison	10	180-7A	NE Quad CR 202	4903-214-209K	3
Nicollet	14	180-29A	Co Rd 26 & TH 14	5202-28C-204	7
Olmstead	52	200-144A	TH 52 near E1/4 32-108-14, in Rochester	5508-036-426A	6
Olmstead	52	200-144B	West frontage Road, south of 19th St NW	5508-901-3	6
Olmstead	52	200-144B	West frontage Road, south of 19th St NW	5508-901-4	6
Olmstead	52	200-144B	West frontage Road, south of 19th St NW	5508-901-6	6
Olmstead	52	200-144B	Elton Hills Dr. at 15th Ave. NW, in Rochester	5508-901-60	6
Olmstead	52	200-144B	West frontage Road, south of 19th St NW	5508-901-7	6
Olmstead	52	200-144B	TH 52 at 7th St NW in Rochester	5508-901-76	6
Olmstead	52	200-144B	TH 52 at 7th St SW	5508-901-78	6
Olmstead	52	200-144B	West frontage Road, south of 19th St NW	5508-901-8	6
Olmstead	52	200-144B	West frontage Road, south of 19th St NW	5508-901-9	6
Olmstead	52	200-144B	TH 51 at 19th St. NW, in Rochester	5508-902-63	6
Olmstead	63	200-154	Between TH 63, 40th St. S.W. & Enterprise Dr., in Rochester	5509-901-27	6
Pipestone	269	14-69	1st St & TH 269	5908-901-2	8
Ramsey	10	34-69	Edgewood Dr at US 10	6243-901-18	M
Ramsey	10	34-69	Eastwood Dr at CSAH 45	6243-901-2	M
Ramsey	10	34-69	Eastwood Dr at CSAH 45	6243-901-3	M
Ramsey	52	10-35	Ramp from US 52 N to MN156	6245-901-30	M
Ramsey	52	10-35	E Wyoming St at US 52	6245-901-7	M
Ramsey	61	181-4D	Point Douglas Rd at Maxwell Ave at US 61	6220-252-67	M
Ramsey	94	17-70	N Pelham Blvd at W St Anthony Ave	6282-901-29	M
Ramsey	94	17-70	N Pelham Blvd at W St Anthony Ave	6282-901-33	M
Ramsey	94	17-70	N Pelham Blvd at W St Anthony Ave	6282-901-34	M
Ramsey	94	17-70	Gilbert Ave along I-94	6282-902-37	M
Ramsey	94	17-70	Gilbert Ave along I-94	6282-902-38	M
Ramsey	94	17-70	Gilbert Ave along I-94	6282-902-39	M
Ramsey	94	17-70	Gilbert Ave along I-94	6282-902-40	M
Ramsey	94	17-70	Gilbert Ave along I-94	6282-902-41	M
Ramsey	94	17-70	Gilbert Ave along I-94	6282-902-42	M
Ramsey	94	17-70	Gilbert Ave along I-94	6282-902-43	M
Ramsey	94	17-70	Gilbert Ave along I-94	6282-902-44	M
Ramsey	35E	18-42	S Vance St along I-35E	6280-908-40	M
Redwood	14	180-28C	TH 14 & CSAH 5	6401-211-222B	8
Redwood	14	180-28C	TH 14 & CSAH 5	6401-311-222	8
Redwood	14	180-28C	TH 14 & CSAH 5	6401-311-222A	8
Redwood	14	180-28C	CSAH 5 & TH 14	6401-311-223	8
Redwood	19	179-48A	CSAH 2 & TH 19	6404-244-219	8
Renville	212	181-17A	East of Bird Island	6511-341-229	8

County	Trunk Highway	Right-Of-Way Map	Location	Parcel	District
Scott	169	179-26B	Eagle Creek Blvd at US 169	7005-901-66	M
Scott	169	179-26C	CSAH 69 at US 169	7005-901-43	M
Sibley	15	18-17	TH 19 & TH 15	7202-530-224F	8
St. Louis	33	180-19A	Between CSAH 7 & CSAH 8	6911-212-252A	1
St. Louis	33	180-19B	NW Quad CR 894	6911-12B-239	1
St. Louis	33	180-19B	1/2 mile north of CR 894	6911-212-244A	1
St. Louis	33	180-19B	1/2 mile south of CR 874	6911-212-245A	1
St. Louis	33	180-19C	1/4 mile north of Witte Rd	6911-12A-227A	1
St. Louis	33	180-19C	1/2 Mile south of TH 2	6911-12A-228	1
St. Louis	33	180-19C	1/2 Mile south of TH 2	6911-12A-228A	1
St. Louis	33	6-50	1/2 mile south of CSAH 56	6911-12A-201G	1
St. Louis	33	6-50	SW Quad TH 33 & CSAH 56	6911-12A-204	1
St. Louis	33	6-50	SE Quad TH 33 & CSAH 56	6911-12A-206	1
St. Louis	35	16-17, 180-22B	At 21st Ave	6982-912-19	1
St. Louis	35	180-22B	At 21st Ave	6982-912-20	1
St. Louis	35	180-22B	At 21st Ave	6982-912-21	1
St. Louis	35	18-95	Between 73rd and 65th Aves	6982-909-316RR	1
St. Louis	37	14-60	1/4 mile east of CR 62	6947-901-222A	1
St. Louis	37	14-60	1/4 mile east of CR 62	6947-901-223A	1
St. Louis	53	179-38A	NW Quad Piedmont & 12th St	6915-906-20	1
St. Louis	53	181-5D	NE Quad Piedmont & 13th St	6915-906-29	1
St. Louis	53	181-5D	NE Quad Piedmont & 13th St	6915-906-44	1
St. Louis	53	181-5D	SE Quad Piedmont & 24th Ave	6915-906-46	1
St. Louis	53	200-57	1/2 mile south of Trinity Court	6915-902-212	1
St. Louis	53	200-57	NE Quad at Anderson Road	6915-902-244	1
St. Louis	53	200-57	NE Quad at Anderson Road	6915-902-245	1
St. Louis	53	200-57	1/4 mile north of Anderson Road	6915-902-255	1
St. Louis	53	200-57	1/4 mile north of Anderson Road	6915-902-263	1
St. Louis	53	200-57	1/4 mile north of Anderson Road	6915-902-264	1
St. Louis	53	200-57	1/4 mile north of Anderson Road	6915-902-279	1
St. Louis	53	200-57	1/4 mile north of Anderson Road	6915-902-362	1
St. Louis	53	200-66A	1000 ft. north of CR 652 (Goodell Road)	6920-903-9	1
St. Louis	53	213-101	1/4 mile south of CSAH 87	6920-903-83	1
St. Louis	73	29-95	On Elm St between 6th & 7th Ave	6928-903-4	1
St. Louis	73	29-95	On Elm St between 6th & 7th Ave	6928-903-5	1
St. Louis	73	34-55	Sec 4, T58, R20	6930-903-31	1
Stearns	94	180-2C	NW Quad I-94 & TH 15	7380-909-223A	3

County	Trunk Highway	Right-Of-Way Map	Location	Parcel	District
Steele	35	180-40B	Elm St. at 2nd St. in Clinton Falls	7480-901-245A	6
Todd	10	180-27A	NW of Downer Lake Rd	7702-322-322A	3
Waseca	14	200-140	160th St & TH 14	8104-901-2	7
Washington	10	180-40D	0.3 Mi E of Norell Rd S at US 10	8202-902-28	M
Washington	35	018-74	0.25 Mi N of 220th St N at I-35	8280-901-4	M
Washington	36	212-503	Ramp from I694 N to MN 36 E	8204-903-305B	M
Washington	61	180-9A	Ramp from 80th St S to US 61 N	8205-901-43E	M
Watsonwan	15	29-63	CSAH 9 & TH 15	8304-341-310	7
Wright	12	179-12D	SE Ebersole Ave	8602-901-56	3
Wright	12	179-29C	S Third St W Oliver Ave SW	8601-901-81	3