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MICHIGAN NATURAL RESOURCES TRUST FUND BOARD



POLICIES AND PROCEDURES

**Michigan Department of Natural Resources
Grants Management**

IC 1917 (Rev. 12/05/2006))

MICHIGAN DEPARTMENT OF NATURAL RESOURCES MISSION STATEMENT

"The Michigan Department of Natural Resources is committed to the conservation, protection, management, use and enjoyment of the State's natural resources for current and future generations."

NATURAL RESOURCES COMMISSION STATEMENT

The Natural Resources Commission, as the governing body for the Michigan Department of Natural Resources, provides a strategic framework for the DNR to effectively manage your resources. The NRC holds monthly, public meetings throughout Michigan, working closely with its constituencies in establishing and improving natural resources management policy.

The Michigan Department of Natural Resources provides equal opportunities for employment and access to Michigan's natural resources. Both State and Federal laws prohibit discrimination on the basis of race, color, national origin, religion, disability, age, sex, height, weight or marital status under the U.S. Civil Rights Acts of 1964 as amended, 1976 MI PA 453, 1976 MI PA 220, Title V of the Rehabilitation Act of 1973 as amended, and the 1990 Americans with Disabilities Act, as amended.

If you believe that you have been discriminated against in any program, activity, or facility, or if you desire additional information, please write: Human Resources, Michigan Department of Natural Resources, PO Box 30028, Lansing MI 48909-7528, *or* Michigan Department of Civil Rights, Cadillac Place, 3054 West Grand Blvd, Suite 3-600, Detroit, MI 48202, *or* Division of Federal Assistance, U.S. Fish and Wildlife Service, 4401 North Fairfax Drive, Mail Stop MBSP-4020, Arlington, VA 22203.

For information or assistance on this publication, contact Grants Management, Michigan Department of Natural Resources, PO Box 30425, Lansing MI 48909-7925

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MICHIGAN NATURAL RESOURCES TRUST FUND

BOARD POLICIES AND PROCEDURES

The Michigan Natural Resources Trust Fund (MNRTF) Board of Trustees has adopted [policies](#) and [procedures](#) for a number of issues pertaining to MNRTF applications and funded projects.

This document includes the current list of MNRTF Board policies as of February 2006. For the Board policies that have detailed implementation procedures, associated procedures are provided as well.

All Board policies and procedures are subject to review and update. The MNRTF is administered by Grants Management, Department of Natural Resources.

For additional guidance regarding MNRTF application and grant requirements, please also refer to the following Grants Management publications:

- Recreation Grants Selection Process (updated annually)
- Development Project Procedures
- Acquisition Project Procedures

Questions about these policies and procedures should be directed to Grants Management at 517-373-9125.

CURRENT BOARD POLICIES

90.1 ACQUISITION OF LAND IN PUBLIC OWNERSHIP

The Michigan Natural Resources Trust Fund Board will not assist in the acquisition of any land that is already owned by a unit of government, including school district or any special district established by a local unit of government, except where State or federal law requires that disposal of land be done by way of sale at Fair Market Value. (1-10-90)

Note: This policy was reviewed and confirmed as written by the MNRTF Board on April 25, 2001. No implementation procedures have been adopted. The policy is reflected in the MNRTF application materials/instructions.

91.1 LAND DONATION AS MATCH

The Michigan Natural Resources Trust Fund Board will allow the difference between the Fair Market Value (FMV) of a property and the amount of cash compensation provided at closing (i.e., a donation of land value by the landowner(s)) to meet all or a portion of the grant recipient's (grantee) match requirement when:

- a. The fair market value is based on a Department of Natural Resources (DNR)-approved appraisal conducted according to MNRTF/DNR standards.
- b. The amount of cash compensation is less than the DNR-approved FMV.
- c. The amount of cash compensation has been approved in writing by the grantee and the landowner(s) prior to the closing.
- d. The use of land donation as all or part of the landowner's match is properly documented in a grant application.

The Board shall adopt [procedures](#) that further define and delineate the implementation of this policy. (4-17-91, amended 12/13/00)

~~91.2 The Michigan Natural Resources Trust Fund Board will allow up to \$3,000 in MNRTF funds per project to be used to cost share the expense of Preliminary Environmental Assessments on those land acquisition projects where the appraisal, with history of land use and visual inspection, suggests the site may be contaminated and require any amount greater than \$3,000 be authorized only with approval of the Trust Fund Board. (4-17-91)~~

Note: The MNRTF Board revoked this policy on December 13, 2000 and replaced it with [procedures that have been adopted in support of Board Policy 93.1](#)

~~92.1 The Michigan Natural Resources Trust Fund Board will not do business with land conservancies that are unwilling to be open with the State. (6-17-92)~~

Note: The MNRTF Board revoked this policy on September 20, 2000.

92.2 ENTRY SIGNS, MNRTF PLAQUES AND RECOGNITION REQUIREMENTS

The Michigan Natural Resources Trust Fund Board requires all MNRTF-assisted sites to have a clearly visible and appropriately placed entry sign that indicates the site is open to the general public. The MNRTF plaque is to be placed on this sign. If a park entry sign does not exist, the recipient shall construct an entry sign. In the limited number of situations where there is no identifiable entry point to the project area, such as additions to large natural areas, game areas, and State Forests, the recipient may request Board approval to modify the entry sign and plaque requirement and implement alternative recognition measures approved by the Department of Natural Resources and the Board. MNRTF recipients are also encouraged to use other methods to acknowledge the role and importance of the MNRTF to our public lands and recreation legacy. The Board shall adopt [procedures](#) that further define and delineate the implementation of this policy. (10/14/92, amended 4/25/01)

CURRENT BOARD POLICIES

92.3 SITE NAMES

The Michigan Natural Resources Trust Fund Board will not assist in any acquisition or development project where the site will be named in honor of a person either living or deceased. Funding recipients may ask the MNRTF Board for a waiver to this policy when they propose to name the site after an individual or organization that has made a significant financial contribution (including donation of land value) toward completion of the MNRTF project. The Board shall adopt [procedures](#) that further define and delineate the implementation of this policy. (12/16/92, [amended 4/25/01](#))

93.1 CONTAMINATED PROPERTIES

The Michigan Natural Resources Trust Fund Board will not assist in the purchase or development of any property which is found to contain a level of contamination that, upon determination of the Department of Natural Resources (DNR), would render the property unacceptable for its planned development and use or that would have a measurably negative impact on the overall public recreation and/or resource protection values of the site. In making its determination, the DNR will take into consideration documentation provided by the applicant regarding the response activities that will be undertaken prior to completion of the acquisition or development. The Board shall adopt [procedures](#) that further define and delineate the implementation of this policy. (2/10/93; [amended 12/13/00](#))

94.1 USE AND CONVERSIONS OF MNRTF PROJECT AREAS

Property acquired or developed with Michigan Natural Resources Trust Fund (MNRTF) assistance, including both State and local projects, shall be retained and preserved in its natural state including development needed to provide for outdoor public recreation use as set forth in the MNRTF application. Property acquired or developed with MNRTF assistance shall not be wholly or partially converted to other than public outdoor recreation use without the approval of the Department of Natural Resources (DNR) and MNRTF Board and the implementation of mitigation measures approved by the DNR and the Board. The Board shall adopt [procedures](#) that further define and delineate the implementation of this policy. (10-19-94; [amended 11/12/97, 5/24/00 and 2/22/06](#))

95.1 APPLICANT'S STEWARDSHIP OF THEIR EXISTING SYSTEM

Evaluation of Michigan Natural Resources Trust Fund applications will include an assessment of the applicant's commitment to parks and recreation, and stewardship of their existing parks and recreation system. Applicants are required to include information in their grant application on major changes made to their parks and recreation system in the last five years. Based on information in the grant application and otherwise available to the Department of Natural Resources and/or the MNRTF Board, the MNRTF Board may elect to deny funding to an applicant with a poor stewardship history. The Board shall adopt [procedures](#) that further define and delineate the implementation of this policy. (4-19-95, [amended 10/3/01](#))

97.1 BOARD SUPPORT FOR HUNTING

The Michigan Natural Resources Trust Fund Board supports hunting, and gives priority through its criteria to projects that support properly regulated and managed hunting such as the acquisition of land and/or the development of recreation facilities. The Board believes strongly that hunting should not be an excluded use on property that is legally and practically suitable for hunting. For those proposed projects in locations where it is not clear whether hunting will be practical or legal, staff will provide the Board a report for each project, prior to the Board's funding support of a project. (2/19/97)

[Note: This policy was reviewed and confirmed as written by the MNRTF Board on April 25, 2001. No implementation procedures have been adopted. The policy is reflected in the MNRTF evaluation criteria.](#)

CURRENT BOARD POLICIES

00.1 PROJECT CHANGES

Changes to Michigan Natural Resources Trust Fund (MNRTF)-assisted projects, including both State and local grants, both during and after project completion, require prior approval of the Department of Natural Resources and, as appropriate, the MNRTF Board. The Board shall adopt [procedures](#) that further define and delineate the implementation of this policy. (5/24/00)

00.2 PROJECT AGREEMENTS

Local units of government approved to receive a Michigan Natural Resources Trust Fund grant must enter into a Project Agreement with the Department of Natural Resources (DNR) to be eligible for grant funds. Project Agreements should include provisions determined appropriate by the Board and the DNR, including the corrective actions the DNR and the Board may take upon violation of the Agreement by the grantee. The Board shall adopt [procedures](#) that further define and delineate the implementation of this policy. (5/24/00)

00.3 ACQUISITION THROUGH EMINENT DOMAIN

The Michigan Natural Resources Trust Fund (MNRTF) will not participate in the acquisition of land through eminent domain or any other method whereby all aspects of the sale are not voluntary on the part of the landowner(s). The MNRTF is based on the principle of "willing seller/willing buyer." The Board shall adopt [procedures](#) that further delineate the implementation of this policy. (7/19/00)

MICHIGAN NATURAL RESOURCES TRUST FUND

POLICY IMPLEMENTATION PROCEDURES

For some MNRTF Board Policies, detailed procedures have been compiled and adopted by the Board which further define and delineate the implementation of the policy.

These procedures do not represent all of the MNRTF Board and Michigan DNR procedures that govern MNRTF applications and grant projects.

POLICY IMPLEMENTATION PROCEDURES FOR BOARD POLICY 91.1

PROCEDURES FOR BOARD POLICY 91.1 LAND DONATION AS MATCH

- 91.1 The Michigan Natural Resources Trust Fund Board will allow the difference between the Fair Market Value (FMV) of a property and the amount of cash compensation provided at closing (i.e., a donation of land value by the landowner(s)) to meet all or a portion of the grant recipient's (grantee) match requirement when:
- a. The fair market value is based on a Department of Natural Resources (DNR)-approved appraisal conducted according to MNRTF/DNR standards.
 - b. The amount of cash compensation is less than the DNR-approved FMV.
 - c. The amount of cash compensation has been approved in writing by the grantee and the landowner(s) prior to the closing.
 - d. The use of land donation as all or part of the landowner's match is properly documented in a grant application.

The Board shall adopt procedures that further define and delineate the implementation of this policy. (4-17-91, amended 12/13/00)

Application Requirements

DNR's Grants Management shall include the following guidance in grant application instructions and project completion procedures:

1. Any applicant intending to include land donation as all or part of their required 25 percent match commitment must clearly indicate so in their Michigan Natural Resources Trust Fund (MNRTF) grant application.
2. Grants Management shall indicate on the application information provided to the Board if an application includes land donation as all or a portion of the match commitment.
3. If the applicant intends for the land value donation to comprise all of their 25 percent match commitment, the application must include a written commitment from the landowner that clearly states that if purchase of the property is agreed to by both parties, the landowner will agree to cash compensation of 25 percent less than the Fair Market Value (FMV) based on Department of Natural Resources (DNR)-approval of one or more appraisals. If the applicant intends for the land donation to be a portion of their 25 percent match commitment, the landowner's written commitment should reflect the appropriate percentage.
4. An applicant may include a land donation that exceeds the 25 percent match commitment, however in the MNRTF scoring process, additional points are not given for match over 25 percent that consists of land donation.
5. The certainty and security of the land donation commitment, as evidenced by the landowner's written commitment and the presence of any limitations or restrictions the landowner has placed on his or her commitment, will be considered by DNR staff in their evaluation of the application.

Appraisal Requirements

6. All MNRTF land acquisition grantees must have an appraisal of the property conducted prior to the acquisition (two for lands valued at over \$500,000). The appraisal must be completed in accordance with written DNR standards and must be conducted by a State Certified Appraiser.¹

¹ In the past the DNR has allowed the use of State Licensed (but not Certified) appraisers, but starting in 2001 the DNR will require the higher standard for ALL MNRTF appraisals.

POLICY IMPLEMENTATION PROCEDURES FOR BOARD POLICY 91.1

7. Appraisals must be approved by Grants Management and the DNR's Office of Land and Facilities (OLAF) before the community may proceed with the acquisition. The DNR's approval of the appraisal establishes the FMV of the property for the purposes of the MNRTF grant.
8. MNRTF application instructions encourage applicants have an appraisal conducted prior to making a grant application to establish a better foundation for the grant request amount. However, DNR review of appraisals cannot be performed until grant funds for a project have been appropriated. MNRTF applicants that had an appraisal conducted prior to submitting an application should not assume the appraisal will be acceptable to the DNR. Therefore, all applicants are encouraged to include the costs of a new appraisal or appraisal update as part of the estimated land acquisition costs in their MNRTF grant application. If a new appraisal or update is required, the costs would be eligible for reimbursement in accordance with the standard grant reimbursement procedures.
9. While appraisals may be conducted prior to a grant award being made and a Project Agreement being executed, appraisals submitted to the DNR for review and approval must be current. In most cases an appraisal conducted or updated within six to twelve months prior to the planned purchase date would be considered current; however, the determination of what constitutes a current appraisal is done on a case-by-case basis depending on the volatility of land values in the geographic area.

Project Completion Requirements

DNR's Grants Management shall include the following guidance in grant project completion procedures.

10. Land donation may be used as a portion of grant match, only to the degree set forth in the grant application and to the degree that the cash compensation amount agreed to by the landowner and grantee is less than the DNR-approved FMV of the property.
11. If, after a grant has been recommended by the MNRTF Board, a unique opportunity arises for a grantee to replace a portion of the cash match committed in the application with donated land value, the grantee may request that replacement be considered by Grants Management. Replacements of over five percent of the cash match with donated land value must also be reviewed and approved by the MNRTF Board. Approval to replace cash match with donated land value is entirely within the discretion of the DNR and MNRTF Board and will only be considered if there is an overall benefit to the MNRTF program. If the amount of cash match committed to the project contributed to the application score and/or the decision by staff or the MNRTF Board to recommend a grant award for the project, replacement with land donation will not be approved.
12. In completion of a MNRTF acquisition that includes donated land value, grantees must follow written instructions provided by Grants Management, including the completion and signature of specific forms by both the grantee and the landowner, to document the donation.

POLICY IMPLEMENTATION PROCEDURES FOR BOARD POLICY 92.2

PROCEDURES FOR BOARD POLICY 92.2 ENTRY SIGNS, MNRTF PLAQUES AND RECOGNITION REQUIREMENTS

92.2 The Michigan Natural Resources Trust Fund Board requires all MNRTF-assisted sites to have a clearly visible and appropriately placed entry sign that indicates the site is open to the general public. The MNRTF plaque is to be placed on this sign. If a park entry sign does not exist, the recipient shall construct an entry sign. In the limited number of situations where there is no identifiable entry point to the project area, such as additions to large natural areas, game areas, and State Forests, the recipient may request Board approval to modify the entry sign and plaque requirement and implement alternative recognition measures approved by the Department of Natural Resources and the Board. MNRTF recipients are also encouraged to use other methods to acknowledge the role and importance of the MNRTF to our public lands and recreation legacy. The Board shall adopt procedures that further define and delineate the implementation of this policy. (10/14/92, amended 4/25/01)

Entry Sign and Plaque Requirements

1. All Michigan Natural Resources Trust Fund (MNRTF)-assisted sites are to have a clearly visible and appropriately placed entry sign that indicates the site is open to the general public. The MNRTF plaque is to be posted on the entrance sign at the most prominent entry point to project area.
2. Acquisition funding recipients may request a waiver to place an entry sign and MNRTF plaque when there is no specific entry point to the acquired land. This situation would be most likely in the case of additions to State Forest and State Game Areas. If a waiver is granted, the recipient must agree to one of the following alternative acknowledge methods, listed in the order of preference:
 - a. The entry sign and MNRTF plaque are to be placed at the entry point to the park or area to which the Trust Fund-acquired property is contained or adjacent (i.e., the entry point is not at the MNRTF-assisted property, but to the overall area of which the assisted property is part). If there are more than five entry points, the plaque is to be placed at the most prominent or commonly used entry point.
 - b. If there are more than five entry points to the overall park or area and it is not possible to define the most prominent or commonly used entry point, the MNRTF plaque shall be placed at another location within the area as approved by the Board and the Department of Natural Resources (DNR), such as the park office or a common public gathering point (such as a shelter, trail head or information kiosk).
 - c. When there is no appropriate site-specific placement where the MNRTF plaque will be readily noticed by the public, alternative methods of acknowledgement can be approved by the Board and the DNR, such as acknowledgement of the MNRTF in printed materials, including site maps or brochures.
3. Waivers will not be provided for development projects.
4. A photo of the installed plaque is required before final payment on a local grant is made. This photo should show the plaque in context with the entry sign and entrance area.
5. Regardless of the presence of an entry sign and MNRTF plaque, funding recipients are expected to take appropriate measures to ensure the site has appropriate public access locations and is maintained in a way that makes it clear the property is open to the general public. Residents only and no trespassing signage are not allowed. In addition, fencing of the site should not discourage appropriate public use or give the impression the property is closed to the public. Funding recipients should also have methods in place to ensure residents, future local officials and future parks and recreation personnel are aware of the sites within their jurisdiction that have permanent MNRTF obligations.
6. The plaque requirement shall be included in the local government Project Agreements and the Memorandums of Understanding between Grants Management and the DNR Resource Bureaus/Divisions.

POLICY IMPLEMENTATION PROCEDURES FOR BOARD POLICY 92.2

7. MNRTF plaque requirements for DNR sites will also be included in the DNR Sign Manual and other appropriate DNR policies and procedures regarding land management and maintenance.
8. As time and resources permit, Grants Management should explore opportunities for development of larger plaques that can be used in lieu of or in addition to the traditional plaque. The larger plaque could be project or program-specific, include more narrative information about the MNRTF and note that MNRTF-assisted sites are to remain open to the public (assisting in long-term compliance with MNRTF obligations). Any proposal for the use of larger plaques must be brought to the Board for review and approval before it is implemented. Grants Management may explore the use of larger plaques to be used in the following ways:
 - a. Project-specific plaques may be used on a case-by-case basis to acknowledge a MNRTF project of State or regional significance or prominence.
 - b. Program-specific plaques might acknowledge the overall contributions of the MNRTF to a region of the State, single community or an overall DNR program (such as State Parks) and would be placed at a central DNR office or local government office.

Printed Materials

9. The MNRTF Board encourages funding recipients to acknowledge MNRTF support in written materials, when feasible.
10. Funding recipients are encouraged to include the MNRTF logo and, when possible, MNRTF acknowledgement language (see example below) as routinely published materials that pertain to the project site or the recipient's overall park and recreation system are revised and reprinted, such as: brochures, maps, posters, annual reports, interpretative signs and displays, etc. MNRTF acknowledgement language should also be included in press releases and grand opening announcements.
11. Within the DNR, department-wide and Bureau/Division specific procedures governing document printing should be amended to provide for inclusion of MNRTF acknowledgement language or the MNRTF logo when appropriate.

EXAMPLE LANGUAGE FOR PRINTED MATERIALS

This project (site, program) has received assistance from the Michigan Natural Resources Trust Fund (MNRTF). The MNRTF was established in 1976 and provides financial assistance to State and local governments to purchase land and develop facilities for the protection of natural resources and public outdoor recreation. It is supported by revenues from the development of State-owned oil, gas and mineral resources.

It is the goal of the MNRTF to make assisted sites available to the public for outdoor recreation in perpetuity for the benefit of current and future generations. Questions regarding the MNRTF and use of Trust Fund-assisted sites can be directed to the Department of Natural Resources.

The example language can be abbreviated and customized as appropriate and needed for the publication. For example, when the project/site has received funding from other sources, this language can be combined with other acknowledgement language to reflect that the MNRTF is just one of a number of funding sources. If the publication is particularly short and/or multiple funding sources must be acknowledged, the language can be significantly abbreviated² or the MNRTF logo used in lieu of the narrative.

² Example of abbreviated/customized language: A portion of the funding for this project (site, program) has received assistance from the Michigan Natural Resources Trust Fund (MNRTF), which assists in the acquisition of land and the development of public facilities for outdoor recreation and resource protection. The MNRTF is supported by revenues from the development of State-owned oil, gas and mineral resources.

POLICY IMPLEMENTATION PROCEDURES FOR BOARD POLICY 92.3

PROCEDURES FOR BOARD POLICY 92.3 SITE NAMES

92.3 The Michigan Natural Resources Trust Fund Board will not assist in any acquisition or development project where the site will be named in honor of a person either living or deceased. Funding recipients may ask the MNRTF Board for a waiver to this policy when they propose to name the site after an individual or organization that has made a significant financial contribution (including donation of land value) toward completion of the MNRTF project. The Board shall adopt procedures that further define and delineate the implementation of this policy. (12/16/92, amended 4/25/01)

Scope of Policy

1. This policy pertains only to Michigan Natural Resources Trust Fund (MNRTF) projects for sites that have no formally adopted name at the time the application is submitted to the Department of Natural Resources (DNR) for consideration. MNRTF assistance may be provided to develop or add land to sites that, at the time the application is submitted, are already named in honor of a person or organization.

Waiver Requests

2. Funding recipients may request a waiver to the policy only under the following conditions:
 - a. The waiver must be requested after the Board has recommended a grant but before the project has been completed.
 - b. The funding recipient must demonstrate that the person or organization for which the property is to be named will make a significant financial contribution toward completion of the MNRTF project as it is defined in the grant application. The financial contribution may not include any conditions or limitations that are contrary to the MNRTF requirements, such as a deed restriction or a requirement that the contributor retain any property rights or be given special use of the property.
 - In most situations, the MNRTF Board will only consider financial contributions that are at least equal to the contribution of the MNRTF to be significant.
 - Waiver requests that include financial contributions that are less than the contribution of the MNRTF must include special circumstances and compelling rationale for the waiver to be considered.
 - c. Donations of land or land value are considered to be a financial contribution when:
 - i. For a MNRTF acquisition project:
 - Donations of land value for lands within the MNRTF project areas are considered to be financial contributions. The value of the contribution is determined by the difference between the DNR-approved fair market value and the agreed to cash compensation amount.
 - Donations of land that are outside the MNRTF project area can be considered a financial contribution if all of the following conditions are met:
 - ✓ The donation is being made by a landowner that is also selling land to the funding recipient as part of the MNRTF project;
 - ✓ The donation is made at the same time as the MNRTF acquisition;

POLICY IMPLEMENTATION PROCEDURES FOR BOARD POLICY 92.3

- ✓ The land being donated is adjacent to the MNRTF project area and part of the overall park or recreation area;
 - ✓ The funding recipient can demonstrate to the Board's satisfaction that the donation substantially increases the overall resource protection and/or recreation value of the MNRTF acquired land;
 - ✓ The value of the donation can be documented by current appraisals conducted according to DNR standards;
 - ✓ The funding recipient provides documentation of the completed donation to the DNR; and
 - ✓ The donation does not include restrictions or limitations that are inconsistent with MNRTF requirements.
- ii. For a MNRTF development project, donations of land will be considered a financial contribution³ only when all of the following conditions are met:
- The land is part of the project area to be development with MNRTF assistance;
 - A commitment of the donation is included in the grant application and the donation is made after a grant is recommended and before a Project Agreement is issued;
 - The value of the donation can be documented by one or more current appraisals conducted according to DNR standards;
 - The funding recipient provides documentation of the completed donation to the DNR; and
 - The donation does not include restrictions or limitations that are inconsistent with MNRTF requirements.
- d. Donations of land made prior to a grant being recommended and donations of materials, labor or services are not considered financial contributions.
3. Waivers must be requested in writing and submitted to the DNR's Grants Management. Grants Management will determine if the request meets the Board's conditions as described above and will submit the request to the Board with a staff recommendation. The funding recipient must attend the Board meeting at which the waiver will be presented by Grants Management staff and be available to answer questions.

In their waiver request, the funding recipient must:

- a. Demonstrate that there is local support for naming the project area after the person or organization. At a minimum, the funding recipient must include with their waiver request a resolution of support from their governing body and documentation that the proposal to name the site after the person or the organization has been discussed at a public meeting with adequate advanced notice.
- b. Describe in detail the extra efforts they will take to make their residents, users and visitors of the project area, as well as future local officials and park and recreation personnel, aware of the role of the MNRTF assistance in completion of the project and the long-term obligations associated with MNRTF assistance.
- c. Provide compelling rationale on the special circumstances that justify a waiver when the financial contribution is less than the contribution being made by the MNRTF.

³ Land donations are not an eligible cost and may not be used as match for a development grant.

POLICY IMPLEMENTATION PROCEDURES FOR BOARD POLICY 92.3

4. Approval of a waiver request can only be made by the Board. Upon Board approval of the waiver, the funding recipient must commit to taking specific additional efforts to acknowledge the MNRTF as described in their request, or take other measures required by the Board as part of their approval.
5. Waivers approved by the Board are for naming of the project area after the specific person or organization identified in the funding recipient's request and does not allow the funding recipient to change the name of the area to honor another individual or organization.

Other Forms of Recognition

6. This policy does not prevent naming of facilities (such as picnic shelters, pavilions or small trail systems within a park) located in MNRTF-assisted areas. However, if the facility was constructed with MNRTF-assistance, the facility itself should be designated as MNRTF-assisted, either through placement of the MNRTF plaque on the facility (in addition to the required plaque at the entrance to the park as required under Board Policy 92.2) or appropriate narrative regarding the MNRTF should be included with any signage that notes the contributions of the person or organization. Funding recipients should seek guidance from Grants Management staff before naming a facility that has received MNRTF assistance after a person or organization.
7. This policy does not prevent MNRTF funding recipients from including language on entrance signs, information kiosks or interpretative signage within the MNRTF-assisted area or language in printed materials that acknowledges the contributions, financial or otherwise, of persons or organizations toward the project or project site. The MNRTF Board recognizes the importance of partnerships in park and recreation projects and encourages funding recipients to take appropriate efforts to acknowledge partners.

POLICY IMPLEMENTATION PROCEDURES FOR BOARD POLICY 93.1

PROCEDURES FOR BOARD POLICY 93.1 CONTAMINATED PROPERTIES

93.1 The Michigan Natural Resources Trust Fund Board will not assist in the purchase or development of any property which is found to contain a level of contamination that, upon determination of the Department of Natural Resources (DNR), would render the property unacceptable for its planned development and use or that would have a measurably negative impact on the overall public recreation and/or resource protection values of the site. In making its determination, the DNR will take into consideration documentation provided by the applicant regarding the response activities that will be undertaken prior to completion of the acquisition or development. The Board shall adopt procedures that further define and delineate the implementation of this policy. (2/10/93; amended 12/13/00)

Application Requirements

A. Property Checklist

Starting with the 2001 Michigan Natural Resources Trust Fund (MNRTF) applications, Grants Management will require that all acquisition applicants complete and submit a "property checklist," a new form developed by Grants Management, with assistance from the Department of Environmental Quality (DEQ). The checklist will require the applicant to identify past land use practices that may indicate a contamination problem. Applications for development projects that are on property that has been used for purposes other than parks and recreation (such as property recently acquired by the applicant or that has been or will be donated by an individual or company) must also include the completed checklist.

B. Additional Application Information

If information in the checklist or if information available to the applicant indicates there may be a contamination at the project site (acquisition or development), the application must include the following additional information. It is recommended, but not required, that an environmental consultant prepare this information.

- 1) A concise summary of current site conditions including any potential for contamination.
- 2) A concise summary of the results of any environmental assessments available at the time of application.
- 3) Information available on the assessment activities that may be needed to delineate the contamination and an initial determination of the cleanup actions that may be needed to make the site safe for recreational use and meet the applicant's due care obligations under the State cleanup law, Part 201 of the Natural Resources and Environmental Protection Act, 451 PA 1994 (Act 451), as amended.
- 4) An initial estimate of the costs of assessment and cleanup actions.
- 5) An indication of whom will conduct and fund assessment and cleanup actions. If they will be conducted or funded by someone other than the applicant (such as the liable party), the application should include written commitment from this entity.
- 6) A tentative schedule for completion of assessment and cleanup actions and a discussion of how these actions will impact development and long-term recreational use of the site. The application information should indicate that completion of assessment cleanup actions will not delay completion of the project during the DNR-approved project period or interfere with the requirement that the entirety of a grant-assisted site be committed to public recreational use in perpetuity.

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- 7) A written statement signed by the applicant confirming that they understand the following:
- *If grant funding is recommended by the MNRTF Board, the applicant will be required to submit detailed information to the DNR regarding property conditions and if this information indicates the property may be contaminated, the applicant must have DNR approval before acquiring or developing the property.*
 - *The grant is subject to cancellation by the DNR and MNRTF Board, if:*
 - * *The additional information indicates the site will not or cannot be made safe for its intended use within the grant project period; or*
 - * *If the presence of contamination, even with the implementation of due care actions, will have a measurable negative impact on the overall recreational or resource protection values of the site.*

Grant Requirements

Within 90 to 120 days of recommendation of an acquisition by the MNRTF Board, the applicant must provide the information listed below to the DNR. If, based on this information, the DNR determines that the project includes the development or acquisition of potentially contaminated property, or if it is determined at any time during completion of a MNRTF project that the project area is a facility as defined under Part 201 of Act 451, the grantee must seek and secure written approval of the DNR to proceed with the project. Grants Management may also require this information from development grantees if based on information in the application it appears the project area may be contaminated.

A. Information Required of Recommended Applicants

All Acquisition Projects

Acquisition applicants recommended by the Board must submit documentation that they have performed due diligence and that an environmental consultant has made one of the following determinations:

- 1) Based on the due diligence, it is reasonable to conclude that the property is not a facility as defined in Part 201.
- 2) Based on the due diligence, the potential for contamination exists. **If the potential for contamination exists, the additional information described under (1) – (6) below must also be submitted.**

Acquisition and Development Projects that Involve Known or Potentially Contaminated Property

If the project includes the acquisition or development of known or potentially contaminated property, the recommended applicant must submit the following information to the Department of Natural Resources (DNR) as prepared by an environmental consultant. Some of the information listed below may have been included in the grant application; however, if the information in the application was limited, out-dated, and/or prepared by the applicant, upon recommendation of a project, the information must be updated, more detailed and prepared by an environmental consultant.

- 1) A concise summary of current site conditions and the reason why the property is known or suspected to be a facility.
- 2) A concise summary of the results of any environmental assessments available at the time of application.

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- 3) A determination by the consultant of the additional assessment activities that will be needed to further delineate the contamination and an initial determination of the cleanup actions needed to make the site safe for recreational use and meet the applicant's due care obligations.
- 4) An estimate of the costs of the needed assessment and cleanup actions.
- 5) An indication of who will conduct and fund the needed assessment and cleanup actions. If they will be conducted or funded by someone other than the applicant (such as the liable party), the information must include written commitment from this entity.
- 6) A draft schedule for completion of the assessment and cleanup actions and a discussion of how these actions will impact development and long-term recreational use of the site. The information must demonstrate that completion of cleanup actions will not delay completion of the project during the DNR-approved project period or interfere with the requirement that the entirety of a grant-assisted site be committed to public recreational use in perpetuity.

B. Final DNR Approval

Prior to the development or acquisition of known or potentially contaminated property, the grantee must have written approval from the DNR. Approval will be based on DNR review and approval of the following documentation submitted by the grantee as prepared by an environmental consultant.

- 1) Based on the results of due diligence and, if needed, environmental assessment, verification that the site is not a facility as defined in State law;
OR
- 2) If the site has been determined to be a facility, documentation of the following:
 - a. For acquisition projects, written affirmation from the DEQ of a Baseline Environmental Assessment (BEA) and Section 7(a) ("due care") compliance analysis. For development projects, if the grantee took ownership or control of the property after June 5, 1995, written affirmation from the DEQ of a BEA and Section 7(a) ("due care") compliance analysis.
 - b. Documentation that information submitted to the DEQ regarding the proposed use of the property is consistent with the preliminary site plan and narrative information submitted with the approved MNRTF grant application.
 - c. Written commitment and timetable for completion of needed due care actions or any additional cleanup actions that will be taken. The grantee must demonstrate that due care actions (as well as the acquisition or development) will be completed within the grant project period as identified in the Project Agreement.
 - d. Documentation that the completion of due care actions or other cleanup actions and/or the presence of contamination at the site (with the implementation of due care actions) will not have a measurable negative impact on the public enjoyment and value of the overall site for recreation and resource protection, in perpetuity.

If the DNR is not satisfied that the property will be made safe for the planned recreational use within the project period or another date acceptable to the DNR, or if the DNR believes that presence of contamination will measurably reduce the overall value of the property for public recreation and resource protection, they may seek Board action to cancel the grant. The DNR will seek assistance from the DEQ in making these determinations as appropriate.

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Environmental Assessment Costs

Applicants and grant recipients are required have the necessary environmental assessments conducted to comply with the MNRTF application and project completion requirements.

A. Acquisition Applications

Environmental assessment is the responsibility of acquisition applicants and grantees with the following exception:

Acquisition applicants may include environmental assessment costs as part of the total project cost identified in their grant application to the degree they meet all of the following conditions:

- 1) Only the environmental assessment costs that will be incurred by the grantee after a project agreement has been executed are eligible to be included in a grant application.
- 2) Only the environmental assessment costs necessary to complete the acquisition in compliance with MNRTF requirements and State cleanup law are eligible to be included in a grant application.
- 3) The total dollar amount for environmental assessment costs included in a grant application may not exceed five percent of the estimated purchase price of the property to be assessed.
- 4) If an application includes assessment costs in excess of \$5,000, the application must include a description of the work to be done and a basis for the estimated costs, preferably prepared by an environmental consultant. The amount of information provided in the application regarding assessment costs will be a factor in evaluating the application.

Environmental assessment costs are eligible for reimbursement only upon award of a grant, execution of a project agreement and completion of the acquisition within the approved project period. If the grantee does not complete the acquisition or is not approved by the DNR to purchase the property, environmental assessment costs will not be reimbursed. Environmental assessment costs included in a reimbursement request may not exceed five percent of the final purchase price of the property.

The cost of cleanup actions needed to make a site acquired with MNRTF-assistance safe for recreational use and to comply with State law are the sole responsibility of the grantee, its agents or others such as potentially responsible parties and cannot be included in an acquisition grant application.

B. Development Applications

Environmental assessment costs are ineligible for inclusion in a development grant application.

The cost of cleanup actions needed to make a site developed with MNRTF-assistance safe for recreational use are the sole responsibility of the grantee, its agents or others such as potentially responsible parties and cannot be included in a development grant application. However, proposed development proposals may include site preparation activities such as grading, filling, seeding, demolition, etc., that are needed to construct the recreation facilities at the site, but that may also assist in meeting the landowner's due care or remediation obligations. These costs may be included in a development grant application only if the work proposed is needed to develop the proposed recreation facilities, regardless of the presence of contamination, and the cost of these activities is not measurably increased because of the contamination.

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Project Agreements

The MNRTF Project Agreements shall include the following requirements. The exact language to be included in the Agreements shall be determined by Grants Management:

- 1) Prior to the initiating of an acquisition/development project, the grantee must provide documentation to the DNR with one of the following:
 - a. It is reasonable for the grantee to conclude, based on the advice of an environmental consultant, as appropriate, that no portion of the project area is a facility as defined in Part 201 of the Michigan Natural Resources and Environmental Protection Act, Act 451 of the Public Acts of 1994, as amended;

OR

 - b. If any portion of the project area is a facility, documentation that DEQ-approved cleanup actions have been or will be taken to make the site safe for its intended use within the project period and that implementation and long-term maintenance of cleanup actions will not measurably hinder public outdoor recreation use and/or the resource protection values of the project area.
- 2) The grantee may proceed with the development or acquisition of contaminated or potentially contaminated property only upon written approval of the DNR.
- 3) If the DNR determines that, based on contamination, the project area will not be made safe for the planned recreation use within the project period, or another date established by the DNR in writing, or if the DNR determines that the presence of contamination will measurably reduce the overall value of the property for public recreation and resource protection, the grant may be cancelled by the MNRTF Board with no reimbursement made to the grantee.

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PROCEDURES FOR BOARD POLICY 94.1 CONVERSIONS OF THE MNRTF PROJECT AREA

94.1 Property acquired or developed with Michigan Natural Resources Trust Fund (MNRTF) assistance, including both State and local projects, shall be retained and preserved in its natural state including development needed to provide for outdoor public recreation use as set forth in the MNRTF application. Property acquired or developed with MNRTF assistance shall not be wholly or partially converted to other than public outdoor recreation use without the approval of the Department of Natural Resources (DNR) and MNRTF Board and the implementation of mitigation measures approved by the DNR and the Board. The Board shall adopt procedures that further define and delineate the implementation of this policy. (10-19-94; amended 11/12/97, 5/24/00 and 2/22/06)

Definition of Conversion

1. Conversions include all of the following:
 - a. The addition of any public or private facilities other than outdoor recreation facilities and facilities to support outdoor recreation within the Michigan Natural Resources Trust Fund (MNRTF) project area. This includes the addition of cellular towers, libraries, community centers, township/village halls, and indoor recreation facilities.
 - b. Making use of an existing structure in the project area for purposes other than public outdoor recreation. Short-term uses (generally less than one year) are not considered a conversion, but are considered a project change requiring prior Department of Natural Resources (DNR) approval pursuant to [Board Policy 00-1](#).
 - c. Leasing or otherwise granting control of all or a portion of the MNRTF-assisted project area to another entity.
 - i. Short-term leases (generally under one year) that have minimal negative impact on the recreational or resource protection values of the project area and facilities are not considered a conversion, but are always considered a project change requiring prior DNR approval pursuant to [Board Policy 00-1](#).
 - ii. Leases of the project area or facilities for the purpose having an entity operate the project area or facilities on behalf of the funding recipient for outdoor recreation purposes are not considered a conversion, however, funding recipients should make the DNR aware of operational leases and provide a copy to DNR Grants Management to be included in the project file.
 - d. The sale or transfer (including trading, giving away or granting permanent easements) to lands or rights in land within the MNRTF-assisted project area to another entity.
 - e. Permanently closing all or a portion of the MNRTF-assisted project area to the public. Non-permanent closures are considered a project change and are covered by [Board Policy 00-1](#).
 - f. Loss of public access to or usefulness of all or a portion of the project area or MNRTF-assisted facilities as a result of mineral exploration or development activities may represent a project change (per [Board Policy 00-1](#)) or a conversion. While the grant recipient may not be able to control mineral activity when mineral rights are owned by someone other than the grant recipient, they are required to mitigate any negative impact on the public outdoor recreation opportunities provided by MNRTF assistance.
 - g. Loss of the property via eminent domain.

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Mitigation Requirements

Conversion of an Acquisition Project Area:

1. Conversions of properties acquired with MNRTF assistance shall be mitigated with the addition of new recreation property that was not in public ownership at the time of the conversion.
 - a. The Board may also, at its discretion and on a case-by-case basis, consider and approve other forms of mitigation, including cash repayment to the MNRTF, when it has been demonstrated to the Board's satisfaction that no viable replacement property can be found.
 - b. Alternative forms of mitigation, including cash repayment, shall be based on the DNR-approved appraised value of the property at the time of conversion or the original award amount, whichever is greater.

Conversion of a Development Project Area:

2. The preferred method of mitigating conversions of properties developed with MNRTF assistance is the addition of new recreation property.
 - a. The replacement property can consist of property that is already in public ownership but is not currently dedicated to recreation.
 - b. The Board may also, at its discretion and on a case-by-case basis, consider and approve other forms of mitigation, the dollar value of which will usually be based on the DNR-approved appraised value of the property at the time of conversion or the original award amount, whichever is greater.
 - c. Conversion of land within the project area that is controlled via lease, easement, or use agreement within the 20-year period following project completion must be mitigated. After the first 20 years, mitigation shall be required at the Board's discretion.

Impact on MNRTF-Assisted Facilities:

3. When conversions of the project area have negative impacts on MNRTF-assisted facilities, any reduction or loss in usefulness in a facility must be mitigated to the Board's satisfaction. Mitigation of facilities may include relocation or replacement with facilities of similar monetary value and recreation usefulness taking into consideration the age of the facilities and their current use. Loss of public access to or usefulness of MNRTF facilities that does not also include a conversion of the project area is considered a project change and is covered by [Board Policy 00-1](#).

Exemptions to Mitigation Requirements

4. The Board may, at its sole discretion, consider and approve exemption requests as part of a conversion proposal, when requested and approved by the Board prior to the conversion. Upon approval of an exemption, the Board may waive the mitigation requirement or approve alternative methods of mitigation. Exemptions may fall within one of the following categories:
 - a. The addition of underground utility easements when it has been demonstrated to the satisfaction of DNR Grants Management that there will be no significant impacts on the recreational or resource protection values of the project area. DNR Grants Management may approve these types of exemptions on the Board's behalf.

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- b. The addition of public facilities, including indoor recreation facilities, when it has been demonstrated to the satisfaction of DNR Grants Management and/or the Board that the addition will result in an overall gain or increased benefit to public recreation or resource protection. DNR Grants Management may approve exemptions for the placement of indoor recreation facilities on the Board's behalf if the placement of these facilities does not impact the existing uses of the site. The Board must approve exemptions for the placement of other public facilities.
- c. Sale or transfer of a small percentage of the project area to another unit of government for public purposes when it can be demonstrated to the Board's satisfaction that the impact on the recreational and/or resource protection values of the project area is negligible and when any proceeds will be dedicated to maintenance or development of the project area.
- d. Sale or transfer of a portion of the project area that only received MNRTF development assistance, for older projects (generally over 20 years) and/or smaller projects (generally under \$50,000), when it can be demonstrated to the Board's satisfaction that the impact on the current recreational and/or resource protection values of the project area is minimal and when any proceeds will be dedicated to maintenance or development of the project area.
- e. Easements granted for the purpose of crossing MNRTF-assisted trails, when the funding recipient has written guidelines in place for evaluating requests for trail crossings and minimizing their impacts on trail use.
- f. Lease agreements that can be demonstrated to the Board's satisfaction to have minimal impact on the recreation and/or resource protection values of the project area and when any proceeds will be dedicated to maintenance or development of the project area.
- g. Sale or transfer of the project area to another eligible MNRTF grant recipient that will assume all of the current grant agreement obligations.

Requirements for Replacement Property

5. To be approved, a replacement property must generally be:
 - a. of reasonably equivalent or superior location and offer reasonably equivalent or superior recreation and/or natural resources value;
 - b. within the grant recipient's service area;
 - c. consistent with MNRTF goals and meet all current application requirements for new MNRTF acquisition applications;
 - d. provide for or be part of a viable recreation area; and
 - e. meet all current environmental standards and be demonstrated as safe for recreational use.
6. The value of the replacement property must be of equal or greater to the fair market value (FMV) of the property to be converted, based on the DNR-approved appraisal(s) of the converted and substituted parcels completed at the time of conversion. If the current FMV of the property to be converted is less than the FMV at the time MNRTF assistance was provided, the substitute parcel must have a dollar value at least equal to the original FMV.
7. If only a portion of the project area is proposed for conversion, it is within the Board's discretion to determine the size of the parcel that will be converted, based on the impact of the conversion on overall project area and the land remaining in public outdoor recreation. If MNRTF-assistance was used to acquire property that was an addition to an existing park or recreation area, the Board may also consider the impact of the conversion on the overall park or recreation area in determining the acreage that will be converted.

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8. Approved replacement parcels shall be encumbered by the same obligations and conditions as specified in the Project Agreement for the converted parcel, as amended.

Unapproved/Unresolved Conversions:

Recipients of MNRTF assistance that convert any portion of the project area without approval of the Board are in violation of their Project Agreement. The DNR and the Board may take corrective actions called for in the Agreement. Upon discovery of an unapproved conversion, if a grant recipient does not implement Board-approved mitigation measures within a time frame established by the Board, the recipient may, at the Board's discretion, be considered ineligible for MNRTF assistance for a period determined by the Board.

Additional Requirements

9. It is the responsibility of the grant recipient to address issues of local concern prior to forwarding a conversion to DNR Grants Management.
10. For project areas that have also received grant assistance under other programs, such as the Land and Water Conservation Fund, the 1988 Recreation Bond Fund or the CMI-Recreation Bond Fund, the most stringent of the program requirements will govern any proposed conversion.
11. It is the responsibility of local grantees and the DNR land managing divisions to know the boundaries of MNRTF-assisted areas and to ensure these areas remain dedicated to public outdoor recreation.

Steps to Request and Review Conversion Proposals

12. Prior to initiating a request to convert property acquired or developed with MNRTF assistance, grant recipients are encouraged to contact DNR Grants Management to discuss their situation and receive assistance on how to proceed.
13. Prior to submitting a conversion request to DNR Grants Management, a grant recipient must provide the public a well-publicized opportunity of at least 30 days to review the proposed site conversion and mitigation proposals. Publication of the opportunity for public review must include all of the channels normally used by the community to publicize its official actions, including publication in a newspaper of general circulation. A Notice of Intent for both the conversion and the proposed mitigation must be submitted to the Regional Planning Agency.
14. If the encumbered site or facilities are regional in nature and/or is supported by multiple jurisdictions, for example, a linear park, the public comment opportunity must be publicized to all residents of all of the affected communities.
15. The grant recipient's governing body must hold a well-publicized public meeting to discuss the proposed conversion and mitigation and pass a resolution supporting the request to convert an MNRTF-assisted site. The notice for this meeting should include the same channels as the notice for the public review period, including publication in a newspaper of general circulation in the affected areas at least 7 days prior to the meeting. The notice must also clearly state that the conversion issue is on the agenda and formal action is expected to be taken at this meeting. The meeting must be held and the resolution dated after the public's opportunity to review the proposal.
16. Conversion requests must be submitted in writing to DNR Grants Management prior to the conversion taking place. Requests will be considered for mitigation of a conversion that has taken place; however, undertaking a conversion without prior approval represents a violation of this policy and subjects the grant recipient to corrective action. Initial requests should include the following information, subject to minor modification on a case-by case basis by DNR Grants Management staff:

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- a. Brief history of the project and site (grant number, approval and completion dates, grant amount, local match amount, historic and current uses of the project area and facilities, current map and site plan of the project area).
 - b. A description of the proposed conversion and mitigation sites, including location and size of parcel to be converted, entity to which parcel will be sold or transferred to, and proposed uses of the converted parcel.
 - c. Reasons for the proposed conversion and a demonstration that the grant recipient has reviewed and exhausted all reasonable alternatives before proposing a conversion.
 - d. A description of the process used to gather public input on the proposed conversion and mitigation sites, including the evidence of the public notice and a certified copy of the minutes of the public meeting used to gather public comment. The description must include the steps the grant recipient has taken to address the issues raised by the public regarding both the conversion and the proposed mitigation. DNR Grants Management may request additional information regarding the steps taken to address local concerns before submitting any conversion proposal to the MNRTF Board.
 - e. A certified copy of a resolution from the grant recipient's governing body supporting the proposed conversion and committing to providing the required mitigation.
 - f. Similar supporting documentation regarding public comment and/or review from or the regional planning agency or other agencies as appropriate.
 - g. If less than the entire project area will be converted, a description of the impact of the conversion on the land within the project area that will remain in public outdoor recreation use.
 - h. Description of the proposed replacement parcel, including: (1) current ownership, (2) property uses and site conditions, proposed uses once acquired by the grant recipient, (4) description of how the parcel is equal or superior in recreational value and/or resource protection values of the parcel to be converted, and (5) estimated FMV of the parcel proposed for conversion and the parcel proposed for substitution.
 - i. If the grant recipient is requesting an alternative form of mitigation, or to be exempted from mitigation:
 - i. Description of the proposed mitigation or a request for all mitigation to be waived.
 - ii. Rationale for the request, including an explanation of why replacement is not feasible.
 - j. A description of the impact on the conversion on facilities constructed with MNRTF assistance and an explanation of how these impacts will be mitigated.
 - k. A commitment to acquire the replacement property within 90 days of the conversion taking place or for conversions that have already taken place, within 90 days of the mitigation being approved.
 - l. Demonstration that the proposed replacement is consistent with the community recreation plan.
 - m. A current copy of the fee schedule for the site and/or facility, and the proposed fees that would be charged if the conversion is approved.
17. Initial requests will be reviewed and evaluated by DNR Grants Management. Based on this review, Grants Management staff may request additional information, conduct a site visit, deny the request (in writing) with reasons why, or instruct the grant recipient to submit a final request for Board review.
18. Grant recipients may request Board review of denials by DNR Grants Management staff.

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19. Final requests must include all the information in Section 16 above in addition to one or more current appraisals of the property to be converted and the replacement property, and any additional information requested by DNR Grants Management staff.
20. Final requests will be submitted by DNR Grants Management staff to the Board in writing with a staff recommendation. Grant recipients will be provided a copy of the staff write-up and recommendation prior to the request being considered by the Board and will be notified of the date, time and place of the meeting at which the Board will consider the request.
21. The Board may deny or accept the request as proposed or request modifications.
22. Project Agreement amendments will be executed to finalize all approved conversions and to incorporate any conditions imposed by the MNRTF Board as part of the mitigation approval.
23. The grant recipient will be required to provide documentation of compliance with the required mitigation to DNR Grants Management within the timeframes established at the time of the final conversion approval.

DNR-Managed Lands

24. For DNR-managed lands acquired with MNRTF assistance, the Board acknowledges the following:
 - a. Individuals, local governments and businesses routinely approach the DNR to acquire, trade or seek easements across State property and the DNR is obligated to consider these requests.
 - b. State law authorizes the DNR to exchange or sell land for parcels of greater natural resource, recreation or other public benefit and to grant easements or leases where appropriate.
 - c. Any conveyance of land is approved by the DNR only after a substantial series of steps to ensure the transaction is in the overall public interest. The DNR has a formal process to review requests to exchange or sell land and grant easements, include review by the DNR's Land Exchange Review Committee (LERC), public comment opportunity, and Director's approval.
 - d. To be recommended for approval, proposed sales or exchanges cannot reduce or impair the resource protection or recreational values of adjacent or nearby State land, as determined by LERC or the Director.
 - e. All such transactions which involve lands acquired with MNRTF assistance, requires prior approval of the Board before being taken to the Director, unless otherwise provided for in these procedures.
25. The sale, trade, easement or lease of DNR-managed property assisted by the MNRTF requires prior review and approval by the MNRTF Board with the following exceptions:
 - a. Sale or exchange of parcels under ten acres or less than five percent of the property acquired (whichever is less) with MNRTF assistance.
 - b. Sale of parcels less than 20 acres or ten percent of the property (whichever is less) acquired with MNRTF assistance when the MNRTF provided 50 percent or less of the purchase price.
 - c. Easements or sale of crossing rights to be conveyed within adopted DNR procedures over or along rail corridors.
 - d. Short-term lease agreements (ten years or less) that do not significantly impair public use and benefit of the property.

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- e. Any transaction requests that are denied by the DNR's LERC.
- 26. A transaction that would otherwise be exempted from Board review and approval will be taken to the Board for approval if recommended by DNR Grants Management staff.
- 27. All transactions, including those exempted from Board review and approval, must follow standard DNR procedures that include: review and approval by the LERC, opportunity for public comment, and approval by the DNR Director. The DNR shall ensure that the transaction will not reduce or impair the resource protection or recreational values of adjacent or nearby State land, as determined by the LERC or the Director.
- 28. All transactions are to be based on the current FMV and mitigated as appropriate. For the DNR land transactions exempted from prior review and approval of the Board, the only required mitigation is forwarding proceeds from transaction to the MNRTF or in cases where the MNRTF provided matching funds, that portion of the sale price pertaining to the matching funds provided by the MNRTF. In the case of trades, the land acquired in exchange is subject to MNRTF requirements.
- 29. All transactions not exempted will be presented to the MNRTF Board for consideration after LERC approval and prior to appraisal of the property. Once approved by the MNRTF Board, the property will be appraised and the transaction will be completed based on FMV.
 - a. For transactions requiring Board approval, the land managing division of the DNR will submit a written request to DNR Grants Management following the directions provided for local grants. In addition, the division's request shall include a commitment that the transaction will be completed based on FMV and all proceeds will be returned to the MNRTF (or, in cases where the MNRTF provided matching funds, that portion of the sale price pertaining to the matching funds provided by the MNRTF) or that land received in exchange will be managed as MNRTF-assisted land.
 - b. Final requests will be submitted by DNR Grants Management to the Board in writing with a staff recommendation. Divisions will be provided a copy of the staff recommendation prior to the request being considered by the Board. Divisions may request Board review of denials by DNR Grants Management.
 - c. The Board may deny or accept the request as proposed or request modifications.
 - d. Project files will reflect all approved conversions and conditions placed on the conversion action by the MNRTF Board.

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PROCEDURES FOR BOARD POLICY 95.1 APPLICANT'S STEWARDSHIP OF THEIR EXISTING SYSTEM

95.1 Evaluation of Michigan Natural Resources Trust Fund applications will include an assessment of the applicant's commitment to parks and recreation, and stewardship of their existing parks and recreation system. Applicants are required to include information in their grant application on major changes made to their parks and recreation system in the last five years. Based on information in the grant application and otherwise available to the Department of Natural Resources and/or the MNRTF Board, the MNRTF Board may elect to deny funding to an applicant with a poor stewardship history. The Board shall adopt procedures that further define and delineate the implementation of this policy. (4-19-95, as amended 10/3/01)

Scope of Policy

1. This policy pertains to all park and recreation land and facilities under the applicant's jurisdiction and control, regardless of whether the land or facilities were acquired or developed with Michigan Natural Resources Trust Fund (MNRTF) assistance. In addition, if the applicant has land or facilities that were acquired or developed with MNRTF assistance, the funding recipient must comply with their project agreement and all Board policies governing MNRTF-assisted sites. Failure to properly maintain and manage a MNRTF site may be a violation of the project agreement and subject the grant recipient to enforcement action.

Application Requirements and Evaluation

2. As part of the MNRTF application, all MNRTF local grant applicants will be required to provide information on those parks and recreation areas that have had major changes in the past five years and provide the following information for each major change:
 - a. Approximate size and location of the area.
 - b. Primary use(s) of the area and the types of facilities within the area.
 - c. The year and a very brief description of the change.
 - d. Rationale for the change.
 - e. Explanation of how the applicant is responding to the change, including any mitigation efforts implemented.
 - f. Overall impact of the change to the area and the applicant's overall park system.
 - g. Any public notice or input processes taken by the applicant regarding the change.
 - h. Fate of any proceeds from the sale or trade of park or recreation land.

The following are examples of possible changes that may need to be reported. Applicants should only report on those changes that would be considered a significant loss or reduction or to have a significant negative impact on a park or recreation services. Only those decisions and action that would be considered outside of the normal, routine decisions that are taken to manage and operate their parks and recreation needs to be reported. In determining if a change was significant, the applicant should take into consideration the change in context of the applicant's overall parks and recreation system and known or possible resident response to the change.

- Addition of public or private facilities or structures other than public recreation (indoor or outdoor) facilities or facilities that directly support public recreation.
- Long-term (more than one year) use of an existing structure in the area for purposes other than public recreation.

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- Long-term leases (more than one year) or otherwise granting control of all or a portion of the land to another entity.
 - Sale or transfer (including trading, giving away or granting permanent easements) to the land or any rights in the land to another entity.
 - Loss of a portion of the property via eminent domain or mineral exploration or development.
 - Significant changes in type of recreational use or level of development of the area such as change from mostly passive recreation to mostly active recreation or the addition of revenue-generating facilities (such as a golf course or water park).
 - Dismantling or removing (without replacement) or discontinuing use or maintenance of any of the primary recreation facilities within the area.
 - Significant reductions in the hours of operation from what would generally be considered appropriate and reasonable for the type of site or facility.
 - Closure of any portion of the area, or limiting or reducing appropriate public recreational access to any portion of the area excluding short-term actions for the purposes of annual maintenance (generally less than 30 days) or renovation (generally less than 90 days).
 - Implementation of “residents only” policies.
 - Discovery of site contamination or completion or initiation of cleanup actions
 - Loss of facilities or natural resource values due to natural forces (flood, tornado, fire, erosion).
3. If information is brought to the Department of Natural Resources’ (DNR) attention that indicates that an applicant failed to report major changes as required under (2), the DNR may consider the application to be ineligible for funding in that application year.
 4. Information included in the application and otherwise available to the DNR will be taken into consideration by DNR/MNRTF staff in scoring new applications. This information will be taken into consideration in scoring the “Applicant’s Capability” criterion. In addition, information in the application that relates to the site for which new funding is being sought, will also be taken into consideration in scoring the “Site and Project Quality” criterion.
 - a) Applicants that have sold, converted, closed or abandoned park or recreation land or facilities in the past five years will be scored no higher than a “FAIR” rating, unless the application provides compelling rationale and/or the applicant has implemented appropriate mitigation, as determined by the DNR/MNRTF staff.
 - b) An applicant that has sold park or recreation land in the five years prior to making a MNRTF acquisition or development grant application will be considered to have mitigated the loss if they have replaced the land with land of comparable recreation, natural resources and monetary value.
 - c) An applicant that has sold park or recreation land in the five years prior to making a MNRTF acquisition or development grant application may propose to mitigate the loss by committing the proceeds from the sale as additional match for the grant application. However, this form of mitigation is subject to DNR and MNRTF Board review and any additional match committed to the application will not receive additional match points when the application is scored.
 5. DNR/MNRTF staff will report to the MNRTF Board if any applications included in the staff recommendations to the Board are from applicants that have received a “FAIR” or “POOR” rating under the “Applicant Capability” criterion and the reasons for this rating. The MNRTF Board may, at its discretion, deny funding for these applications regardless of the overall score of the applications and the other merits of the project proposals.

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PROCEDURES FOR BOARD POLICY 00.1 PROJECT CHANGES

00.1 Changes to Michigan Natural Resources Trust Fund (MNRTF)-assisted projects, including both State and local grants, both during and after project completion, require prior approval of the Department of Natural Resources and, as appropriate, the MNRTF Board. The Board shall adopt procedures that further define and delineate the implementation of this policy. (5/24/00)

Definition of Project Change

1. A project change is a change to the project as it was proposed in the approved MNRTF application.
2. Changes require approval by the Department of Natural Resources' (DNR) Grants Management. In addition, significant changes require prior approval of the MNRTF Board.
3. Grants Management will determine when a proposed change falls within the requirements of this policy and its procedures. Examples of project changes and significant changes that require prior Board approval are provided in the attachment.
4. Changes must be reviewed and approved prior to implementation.

Requirements of a Project Change Request

5. Change requests shall be submitted in writing to Grants Management and should include the following information, subject to minor modification by Grants Management staff:
 - a. A description of the proposed change including maps, drawings, revised site plans, etc.
 - b. Reasons for the proposed change.
 - c. For changes proposed during the project period that involve a reduction, a demonstration that the funding recipient has reviewed and exhausted all reasonable alternatives before proposing a reduction.
 - d. A description of the positive and negative impacts of the change on the project area and project facilities, including the impact of the change on project viability and quality and the funding recipient's ability to meet the public outdoor recreation and/or resource protection goals outlined in the approved MNRTF application.
 - e. For acreage and/or scope changes being proposed during the project period, the anticipated impact of the change on the total project costs and any resulting reduction in the MNRTF award amount.
 - f. If appropriate, whether the change is permanent or short-term and, if short-term, the anticipated time period.
 - g. For changes proposed after a project has been completed (post-completion), a brief history of the MNRTF project and site (project number, approval and completion dates, award amount, local match amount, purpose of project, historic and current uses of the project area and facilities, and current map and site plan of the project area).

DNR and Board Review of Project Changes

6. Requests will be reviewed and evaluated by Grants Management. Based on this review, Grants Management staff may request additional information, approve or deny the request (in writing) with reasons why or, as required, seek Board review and approval of the change.
7. Funding recipients may request Board review of denials by Grants Management staff.
8. For changes requiring prior Board review (see attached chart), the change proposal will be submitted by Grants Management staff to the Board in writing with a staff recommendation.

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Funding recipients will be provided a copy of Grants Management staff's write-up and recommendation prior to the request being considered by the Board.

9. The Board may deny or accept the request as proposed or request modifications.
10. When a project change significantly alters the project from the way it was presented to the Legislature in an appropriations request (based on the Program Statement), the change may also require approval by the Legislature's Joint Capital Outlay Subcommittee (JCOS). A change in the location of the project from one county to another is an example of a change that may require JCOS approval.
11. For local grants, Project Agreement amendments will be executed to finalize all approved changes. For DNR projects, project files will reflect approved changes.

EXAMPLES OF PROJECT CHANGES AND CHANGES REQUIRING MNRTF BOARD APPROVAL

The following changes generally take place during the project completion period:

REDUCTIONS	
Examples:	<ol style="list-style-type: none"> 1. Reductions in the project scope for a development project, such as the elimination of a scope item. 2. Reductions in the total acreage to be acquired for an acquisition project, such as elimination of one or more parcels.
Changes that Require Board Review:	<ol style="list-style-type: none"> 1. Changes that result in a reduction of over 50 percent of the project as presented to the Board for approval. <i>(For acquisitions, the percentage reduction is determined by acreage. For development projects, the percentage reduction is both a factor of the dollar value of the scope items and the number of scope items).</i> 2. Changes that result in reductions over 30 percent in acreage or scope with <u>no</u> reduction in the grant amount. 3. For reductions over 30 percent where the reduction of the award amount is not commensurate with the project reduction, Grants Management staff may choose to seek prior approval by the Board. <i>(Factors Grants Management staff may consider include the amount of the award, the percentage reduction, the disparity between project reduction and award amount reduction, reasons for the reduction and reasons for the disparity, Statewide significance of the project, or significance of the change).</i> 4. All reductions in acreage or scope, regardless of percentage reduction, when it is determined by Grants Management staff that: <ul style="list-style-type: none"> ✓ The reduction may impact the project's overall viability or quality. ✓ The reduction may hinder the project's ability to meet its primary goals or objectives. ✓ The reduction includes the elimination of acreage or scope items that substantially contributed to the application score, the application's overall competitiveness, and/or the Board's decision to recommend the project for funding.

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EXAMPLES OF PROJECT CHANGES AND CHANGES REQUIRING MNRTF BOARD APPROVAL

ADDITIONS	
Examples:	<ol style="list-style-type: none"> 1. Additions of scope items for a development project. 2. Additions of acreage for an acquisition project.
Changes that Require Board Review:	<ol style="list-style-type: none"> 1. Addition of scope items, that may be a positive addition, but will <u>significantly</u> change the project's character from what was presented to the Board in the grant application as determined by Grants Management staff. 2. All additions of new acreage.
FACILITY MODIFICATIONS	
Examples:	Substantial modifications in the specifications, materials or layout of scope items or the overall site plan, as determined by Grants Management staff (development projects only).
Changes that Require Board Review:	Modification in specifications/layout that <u>significantly</u> change a component of the project that was instrumental to the Board's decision to recommend the project, as determined by Grants Management staff.
The following changes may take place during OR after the project has been completed (post-completion):	
USE OR DEVELOPMENT OF THE PROJECT AREA	
Examples:	<u>Significant</u> changes in type of recreational use or level of development of the project area that are potentially inconsistent with the project as described in the approved MNRTF application, as determined by Grants Management staff (e.g., change from passive to active recreation or the addition of revenue-generating facilities).
Changes that Require Board Review:	<u>Significant</u> changes in type of recreational use or level of development of the project area when Grants Management staff determines it is <u>inconsistent</u> with the project as approved by the Board.
FACILITY USE	
Examples:	<ol style="list-style-type: none"> 1. Within the normal lifespan of a MNRTF-assisted facility, any of the following, <u>excluding</u> short-term actions for the purposes of annual maintenance (generally less than 30 days) or renovation (generally less than 90 days): <ul style="list-style-type: none"> ✓ Discontinuing facility use. ✓ Discontinuing facility maintenance. ✓ Limiting public recreation use or access to the facility. ✓ Dismantling or removing the facility from the project area. 2. Short-term use (generally less than one year) of an existing structure in the project area, whether MNRTF-assisted or not, for purposes other than public outdoor recreation, with the exception of pre-existing uses approved at the time funding was awarded. All permanent nonrecreational uses and uses longer than one year may be considered a conversion and require mitigation pursuant to Board Policy 94.1. Addition of structures/facilities other than those needed for public outdoor recreation is also a conversion covered in Policy 94.1. 3. <u>Significant</u> changes in the hours of operation from what would generally be considered appropriate and reasonable for the type of site or facility.
Changes that Require Board Review:	Permanently discontinuing use of all or a significant portion (taking into consideration dollar value and importance to the overall project) of any of the MNRTF-assisted facilities within the project area within the first ten years after project completion.

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EXAMPLES OF PROJECT CHANGES AND CHANGES REQUIRING MNRTF BOARD APPROVAL

PROJECT AREA CLOSURES	
Examples:	<p>Short-term closures of the project area, or limiting or reducing appropriate public recreational access to any portion of the MNRTF-assisted project area, <u>excluding</u> short-term actions for the purposes of annual maintenance (generally less than 30 days) or renovation (generally less than 90 days).</p> <p>Changes that result in a portion of the MNRTF-assisted project area being closed to the public on a <u>permanent</u> basis are considered a conversion and is covered under Board Policy 94.1.</p>
Changes that Require Board Review:	<p>Long-term closures (generally over two years) of all or a portion of the project area. Non-permanent, long-term closures may be considered a project change <u>or</u> a conversion, as determined by Grants Management.</p>
LEASES OF THE PROJECT AREA OR FACILITIES	
Examples:	<p>Leases or other methods of conveying control over any portion of the MNRTF-assisted project area or MNRTF-funded facilities to another entity. Short-term leases (generally under one year) can be reviewed and approved by Grants Management staff.</p> <p>Short- or long-term leases of the project area or facilities for the <u>sole</u> purpose of having an entity operate the project area or facilities on behalf of the funding recipient for outdoor recreation purposes are not considered a project change. However funding recipients should make the DNR aware of the operational lease and provide a copy to Grants Management to be included in the project file.</p>
Changes that Require Board Review:	<p>Long-term leases or a lease that has measurable impact on the resource protection or recreational values of the project area or facilities (may be reviewed by the Board as a project change or a conversion requiring mitigation under Board Policy 94.1), as determined by Grants Management staff. Sale or transfer of any of the project area to another entity is also a conversion, requiring review and approval under Policy 94.1.</p>
MINERAL ACTIVITIES	
Examples:	<p>For local project areas where the grantee or the State does not own the mineral rights, loss of public access to or usefulness of all or a portion of the project area or MNRTF-assisted facilities as a result of mineral exploration or development activities represents a project change. While the grantee may not be able to control the mineral activity, they are required to seek Grants Management staff approval of mitigation measures to minimize impact on the public outdoor recreation opportunities provided by MNRTF assistance.</p>
Changes that Require Board Review:	<p>Determined on a case-by-case basis by Grants Management staff depending on the magnitude and duration of the impact.</p>

POLICY IMPLEMENTATION PROCEDURES FOR BOARD POLICY 00.2

PROCEDURES FOR BOARD POLICY 00.2 (PROJECT AGREEMENTS)

00.2 Local units of government approved to receive a Michigan Natural Resources Trust Fund grant must enter into a Project Agreement with the Department of Natural Resources (DNR) to be eligible for grant funds. Project Agreements should include provisions determined appropriate by the Board and the DNR, including the corrective actions the DNR and the Board may take upon violation of the Agreement by the grantee. The Board shall adopt procedures that further define and delineate the implementation of this policy. (5/24/00)

Scope of the Policy

1. This policy and procedure governs Project Agreements issued after May 2000.

Project Agreement Requirements

2. Local governments approved to receive a Michigan Natural Resources Trust Fund (MNRTF) grant must enter into a Project Agreement with the DNR to receive their grant. The Project Agreement will define the project including a legal description and boundary map of the project area and will require the grantee to complete the project as proposed in the application.
3. Project Agreements should include content determined appropriate by the Department of Natural Resources (DNR). This content shall include, but is not limited to, the following requirements for grant recipients.

Requirements for both Development and Acquisition Project Agreements

4. The grantee commits to:
 - a. Return a completed and signed Project Agreement with all the required attachments, within 90 days of the date of issuance, or the DNR may revoke the grant offer.
 - b. Complete the project within a specified project period (one year for acquisition and two years for development projects). Extensions to the project period shall be within the sole discretion of the DNR.
 - c. Incur project costs within a specified period and submit specific documentation of costs to the DNR to be eligible for reimbursement. The DNR shall make reimbursements at the approved reimbursement rate up to 90 percent of the earned grant award. Final payment will be based on an audit of the project file and, for development projects, DNR inspection of the completed project.
 - d. Obtain prior DNR approval of project changes pursuant to DNR Board policy and procedures.
 - e. Properly maintain, operate and provide appropriate public access to the project area in perpetuity.
 - f. Keep the project area and all facilities thereon, as well as the land and water access ways thereto, open to the public at all times on equal and reasonable terms, including not denying access to the project area or facilities on the basis of sex, race, color, religion, national origin, residence, age, or disability.
 - g. Not convey interest in any portion of the project area or project facilities to another entity without prior DNR approval, pursuant to DNR and Board policy and procedure.

POLICY IMPLEMENTATION PROCEDURES FOR BOARD POLICY 00.2

- h. Not convert any portion of the project area to a use other than public outdoor recreation, without prior written approval of the DNR and, as needed, the MNRTF Board and implementation of required mitigation, pursuant to DNR and Board policy and procedures.
 - i. Not allow an encumbrance, lien, security interest, mortgage or any other evidence of indebtedness to attach to or be perfected against the project area or project facilities.
 - j. Not to convey interest in the Project Agreement to another party without prior written DNR approval.
 - k. Maintain insurance that will protect the grantee against claims that may arise out of or result from the grantee's operations under the Agreement.
 - l. Provide proper recognition of the role of the MNRTF through placement of the MNRTF plaque at the entrance to the project area and to the degree possible, through other forms of recognition available to the grantee.
 - m. Comply with civil rights requirements and nondiscrimination requirements.
5. Failure of the grantee to comply with any of the provisions of the Project Agreement shall constitute a violation of the Agreement.
6. The Project Agreement shall authorize the DNR to take any of the following corrective actions in the event of a violation:
 - n. Terminate the Agreement and require repayment of grant funds paid to date; and/or
 - o. Withhold and/or cancel future payments to the grantee on any or all current recreation grant projects until the violation is resolved to the satisfaction of the DNR; and/or
 - p. Withhold action on all pending and future grant applications submitted by the grantee under the Clean Michigan Initiative (CMI)–Recreation Bond and the Michigan Natural Resources Trust Fund; and/or
 - q. Require the grantee to pay penalties or perform other acts of mitigation or compensation as directed by the DNR or the Board; and/or
 - r. Require specific performance of the Agreement.
7. Except as provided for under #9 below, the DNR may undertake corrective actions without prior review and approval by the Board, however, a grantee may request Board review of corrective actions taken by the DNR.
8. The DNR shall provide the grantee written notice of the violation and provide the grantee a specified time period, as determined by the DNR, to correct the violation. Advance notice of corrective action will be provided to the grantee when possible, including 30 days prior written notice prior to termination of a Project Agreement.
9. The DNR shall seek Board review and approval prior to undertaking the following corrective actions and shall inform the grantee in writing of its intent to seek Board action:
 - s. Termination of a Project Agreement under the following circumstances.
 - t. Termination during the project completion period that will require repayment of grant funds by the grantee or forfeiture of payment based on costs incurred by the grantee but not yet reimbursed, unless termination and repayment is sought by the grantee or agreed to in advance by the grantee.
 - u. Termination of a Project Agreement after the project has been completed and final payment has been made.
 - v. Revoking a MNRTF grant in response to violation of a Project Agreement for another MNRTF or DNR grant.
10. The DNR shall report to the Board on grants for which the DNR is taking corrective action.

POLICY IMPLEMENTATION PROCEDURES FOR BOARD POLICY 00.2

Additional Requirements for Development Project Agreements

11. The grantee commits to:

- a. Properly maintain, operate and provide for appropriate public access to all MNRTF-assisted facilities for the life of each facility as determined by the DNR.
- b. Correct problems identified by the DNR in the final inspection within 90 days of written notification by DNR.
- c. Comply with specific contracting guidelines and written procedures provided by the DNR in completion of the project.
- d. Complete construction to all applicable local, State and federal codes, including barrier-free requirements.

Additional Requirements for Acquisition Project Agreements

12. The grantee commits to:

- a. Comply with a specific acquisition process outlined in written DNR procedures.
- b. Acquire fee simple title to all lands within the project area unless otherwise approved by the DNR and the Board.
- c. Prior to making an offer to purchase, to have the fair market value of the property determined by an independent appraisal completed according to DNR standards and obtain DNR approval of the appraisal.⁴
- d. For parcels over five acres, to convey a percentage of the acquired mineral rights to the DNR, based on the grant percentage of the total project costs.⁵

⁴ Allowing applicants and grantees to take out purchase options earlier in the process is a change under consideration by the Board. If new procedures are adopted by the Board, this portion of the Agreement will be updated accordingly.

⁵ Updated language is being developed to reflect recent legislation and Natural Resources Commission (NRC) policy which will require the grantee to provide the State with a nonparticipating 1/6th minimum royalty interest in any acquired minerals that are retained by the grant recipient.

POLICY IMPLEMENTATION PROCEDURES FOR BOARD POLICY 00.3

PROCEDURES FOR BOARD POLICY 00.3 (EMINENT DOMAIN)

00.3 The Michigan Natural Resources Trust Fund (MNRTF) will not participate in the acquisition of land through eminent domain or any other method whereby all aspects of the sale are not voluntary on the part of the landowner(s). The MNRTF is based on the principle of "willing seller/willing buyer." The Board shall adopt procedures that further delineate the implementation of this policy. (7/19/00)

1. Local governments and the Department of Natural Resources (DNR) may not apply for Michigan Natural Resources Trust Fund (MNRTF) assistance for land that will be acquired through eminent domain or any other methods whereby the landowner(s) are not willing participants in all aspects of the sale.
2. For acquisition projects approved for MNRTF funding, land that is acquired through eminent domain or any other methods whereby the landowner(s) are not willing participants in all aspects of the sale, will not be eligible for reimbursement. In addition, the Project Agreement may be terminated by the DNR or the MNRTF Board.
3. When new lands are being acquired by a funding recipient to mitigate the conversion of all or a portion of a project area that has received MNRTF acquisition or development assistance, the replacement lands are subject to the same requirements as land directly acquired with the MNRTF. Replacement lands may not be acquired through eminent domain or any other methods whereby the landowner(s) are not willing participants in all aspects of the sale.