



United States Department of the Interior

NATIONAL PARK SERVICE
NORTHEAST REGION
15 State Street
Boston, Massachusetts 02109-3572

IN REPLY REFER TO:

July 13, 2010

C. Edwin Meadows, Section Chief
Real Estate Services
Office of Land and Facilities
Department of Natural Resources and Environment
PO Box 30473
Lansing, MI 48909-7973

Dear Mr. Meadows:

Reference: Mineral lease on a portion of Waterloo State Recreation Area

I apologize for not responding to your April 27, 2010 letter sooner. As you know, I sought additional guidance from our solicitor about your proposal. While your proposal to add a large inholding to the park in return for a temporary lease for the purpose of gravel mining is potentially attractive for the reasons you cite in your letter, it is not in accordance with the federal Recreation Demonstration Area (RDA) deed restriction for the property which states the property must be used exclusively for public park, recreational and conservation purposes. It puzzles me that your letter states that Michigan Department of Natural Resources and Environment (DNRE) does not require approval by the Department of Interior, and yet your staff has been conferring with me, on and off, about gravel mining at Waterloo State Recreation Area (WSRA) since February 2003.

I have also contacted my colleagues who manage the Land and Water Conservation Fund (LWCF) and found that the state has received 10 LWCF grants to assist in acquiring additional park land and to improve recreational amenities at the WSRA site and, accordingly, the entire recreation area is encumbered by LWCF regulations which would also preclude the gravel mining operation. It appears that the United States, via the RDA program, only deeded 35 acres of the 72.44 acres you wish to lease, however the entire 72.44 acres is encumbered by LWCF regulations.

The only option available to the DNRE, should they want to pursue this mineral lease, is to concurrently process a LWCF section 6(f)(3) conversion and an RDA land exchange. In effect, if approved this would enable releasing National Park Service (NPS) restrictions on the 72 acre parcel in return for placing identical restrictions on replacement property approved by the NPS. The authority to create and transfer RDAs has not been used in over sixty years. Accordingly, when necessary, we administer them in accordance with Federal Lands to Parks (FLP) Guidelines. The criteria for RDA land exchanges are:


1. Properly authenticated documents from the grantee evidencing desire to substitute land of equivalent fair market and recreation value.
2. Appraisal reports from an accredited appraiser showing the fair market value of the parcel or parcels proposed for substitution and of the land to be released from use restrictions.
3. A Level I Environmental Assessment of the property to be acquired, prepared by an independent analyst.
4. An analysis of the public park and recreation potentials of the proposed alternative site or sites by State, city or county planning officials.
5. A copy of a State, city or county recreation map or plan showing the present park land in relationship to the proposed substitute land.
6. A copy of a legal description, the Program of Utilization, and a development schedule for each property proposed for substitution.
7. An official acknowledgement of willingness to apply, in perpetuity, to the new property, all restrictions contained in the deed of conveyance of the surplus property.
8. Title information on the replacement property.
9. An environmental analysis and potentially an environmental assessment, including a public comment period, prepared in accordance with the National Environmental Policy Act.

The LWCF section 6(f)(3) procedures are essentially the same and are regularly administered by DNRE staff Deborah Apostol and Christie Bayus, so both programs can be satisfied through one process saving the state time and money.

If DNRE wants to proceed, your office should consult directly with DNRE LWCF coordinators Apostol and Bayus to begin the process. NPS LWCF staff and I will coordinate our reviews so only one set of documentation will be required.

For further LWCF guidance, please contact Jim Krejci of our Omaha Office at (402) 661-1560.

Sincerely,



Elyse R. LaForest
Program Manager
Federal Lands to Parks Program