

Program Title: Valley Creek Protection Partnership

**Request for Funding Form
Lessard-Sams Outdoor Heritage Council
Fiscal Year 2011**

Program or Project Title: **#18** Valley Creek Protection Partnership

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| | Council Funding Request | Out-Year Projections of Needs* | | |
|---------------------------------|--|---------------------------------------|----------------|----------------|
| Funds Requested (\$000s) | FY 2011 | FY 2012 | FY 2013 | FY 2014 |
| Outdoor Heritage Fund | \$2,530,000 | 0 | 0 | 0 |

*The Valley Creek protection Partnership is an ongoing program with ongoing needs but at this point in time we do not know if we will be requesting additional funding from the Outdoor Heritage Fund.

A. Summary

The Valley Creek Protection Partnership seeks to permanently protect, restore and enhance priority lands within the watershed of Valley Creek, a coldwater fishery that flows directly into the St. Croix River. We propose to accomplish this protection by acquiring land and conservation easements and restoring the riparian woodlands, prairies, oak savannas, and in-stream areas that provide significant habitat for fish and other wildlife. The Partnership seeks to build upon the collective experience of each of the organizations, working collaboratively and strategically, to permanently protect the most important parcels on this trout stream and restore the oak savannas that were once present.

This proposal addresses the L-SOHC Priority Actions for the Metropolitan Urbanizing Area Section by:

- Protecting and restoring oak savanna;
- Protecting, restoring and enhancing a coldwater fisheries system; and
- Protecting a habitat corridor along the St. Croix River

L-SOHC Request for Funding Form

Program Title: Valley Creek Protection Partnership

This proposal is a collaboration of five conservation entities, and therefore, if funded, we anticipate separate appropriations to each organization. We do believe, however, that the power of the Valley Creek Protection Partnership is in its comprehensive approach and that each of the elements of this proposal is essential.

B. Background Information

What is the problem or opportunity being addressed?

The Valley Creek watershed is located on the eastern edge of the Twin Cities Metropolitan Area and covers approximately 14 square miles. The watershed originally was characterized by savanna, tallgrass prairie and maple-basswood forest, but is now rapidly becoming more urban. The watershed includes portions of several growing communities such as Woodbury, West Lakeland Township, and Afton. Valley Creek itself flows approximately 10 miles through Washington County from its source near Woodbury to Afton, where it empties into the St. Croix River.

The exceptional habitat value of Valley Creek has been identified in Minnesota's State Wildlife Action Plan, which identifies Valley Creek as a "Key River Reach." Valley Creek is one of 13 trout streams within the Twin Cities Metropolitan Area and is one of only a few that has a naturally reproducing population of brook trout, the only trout species native to Minnesota. In addition to brook trout, Valley Creek sustains large populations of brown and rainbow trout. While many of the trout streams in Minnesota depend on stocking to maintain their trout populations, Valley Creek's habitat remains of high enough quality that the trout populations maintain themselves through natural reproduction. Valley Creek is one of the best trout-producing streams in the state of Minnesota, and is believed to be in the top 10% of trout streams in the world in terms of trout production (based on personal communication with Tom Waters and Ray Newman).

The Valley Creek watershed is home to more than 20 endangered, threatened, and special concern species, including the American brook lamprey, the hooded warbler, and Blanding's turtle. The creek also appears to be home to a species of crane fly (genus *Phantolabis*) previously undescribed by science. Scientists from the University of Minnesota are in the process of publishing their findings.

Valley Creek flows into the Wild and Scenic St. Croix River, which provides one of the premier mussel habitats in the world; approximately 38 mussel species live in the St. Croix watershed. The uncommon richness of mussel species in the St. Croix parallels the uncommon richness of the flora and fauna of the watershed as a whole. The watershed is home to many Midwestern species such as the wolf, bald eagle, peregrine falcon, and Karner blue butterfly, all of which are on the Federal list of threatened and endangered species.

Development and siltation are major concerns to the health and quality of the Valley Creek and its watershed. Development can destroy the upland habitat, while siltation destroys trout spawning habitat. A partnership of several organizations has formed to take the needed actions to maintain and improve in-stream habitat that is threatened by degradation. This partnership maximizes the relative strengths of each organization with each serving a vital role in ensuring that the lands can be acquired, protected, restored and maintained for

Program Title: Valley Creek Protection Partnership

future generations. This cooperative project will protect the Valley Creek watershed to ensure its high water quality and habitat by protecting 100-150 acres of land, restoring 50-60 acres of upland habitat, and enhancing the trout habitat in approximately one-half mile of the stream.

In addition to protecting and improving Valley Creek and its watershed, this project will help improve the water quality of lower St. Croix River, which was recently listed as impaired. Finally, this project aims to provide angling access to a top trout stream that is close to the State's population center.

What action will be taken?

This proposal consists of multiple actions:

1. Acquisition of 2-3 perpetual conservation easements to protect 100-150 acres, including approximately 1 mile of trout stream. Potential parcels include:
 - A 60-acre parcel that is one of the few remaining unprotected parcels located at the lower end of Valley Creek. Valley Branch Watershed District recently invested approximately \$250,000 on water quality improvements on this parcel, making this property a prime target for permanent protection and additional habitat restoration. This parcel also is suitable for providing public angling access to Valley Creek.
 - A 50-acre parcel that contains ideal trout spawning habitat. The opportunity to protect this parcel could be lost if funding for a conservation easement is not secured soon.
 - A 32-acre parcel that is adjacent to land already protected or anticipated to be protected. This parcel is one of the few remaining unprotected parcels at the lower end of Valley Creek.
2. Acquisition of the underlying fee on at least one parcel to secure public angling access to Valley Creek.
3. Restoration of the stream, surrounding upland habitat, and key upstream habitat on 50-60 acres. Proposed activities include:
 - Removal of buckthorn, reed canary grass, and other invasive species.
 - Enhancement of in-stream habitat and natural stream function.

Who will take action and when?

This project is a continuation of previous success by the Valley Creek Protection Partnership. The organizations participating in this partnership include the Minnesota Land Trust, Belwin Conservancy, Valley Branch Watershed District, the Washington County Land & Water Legacy Program, and Trout Unlimited.

Program Title: Valley Creek Protection Partnership

Action 1: Acquisition of 2-3 perpetual conservation easements

Conservation easements will be acquired, held and enforced by either the Minnesota Land Trust or Washington County. Both entities currently hold conservation easements in the Valley Creek watershed and have identified and contacted additional landowners who have confirmed their desire to work with the Valley Creek Protection Partnership. It is anticipated that timing of this action will be 2010-2011.

Action 2: Acquisition of underlying fee to secure public access

The underlying fee of at least one parcel will be acquired by Belwin Conservancy in order to secure the first public access to Valley Creek. It is anticipated that timing of this action will be 2010-2011.

Action 3: Restore Valley Creek and surrounding uplands

All in-stream restoration work will be completed by Trout Unlimited. Restoration of oak savanna and other key associated uplands will be completed by Belwin Conservancy and Valley Branch Watershed District. It is anticipated that timing of this action will be 2011-2012.

How will you coordinate this program with the other Constitutional Funding?

The Valley Creek Protection Partnership is concerned with both habitat and water quality in the Valley Creek and larger St. Croix watersheds. This particular proposal focuses on habitat goals and completion of a habitat corridor at the lower end of Valley Creek. We anticipate that the Partnership, and Valley Branch Watershed District in particular, will seek funding from the Clean Water Fund for erosion control and water quality efforts. Therefore, we view these efforts as complimentary to this L-SOHC request but not redundant.

What specific habitat changes will occur if this item is funded?

The conservation easements acquired will prohibit land uses or development that harm or negatively affect important habitat values and will require habitat management plans to ensure that long-term management will maximize habitat quality.

Additionally, this project will protect approximately one mile of Valley Creek, which will then enable Trout Unlimited to enhance habitat for brook trout, brown trout, and rainbow trout. Specific habitat work will include improving spawning access, providing cover from natural predators, and restoring the stream to its natural function.

This in-stream work, along with the restoration of the terrestrial habitat, including the removal of buckthorn and other invasive species and the reestablishment of the native understory, will create and improve habitat for a wide array of songbirds as well as a variety of game and non-game wildlife species.

When do you expect to see these habitat changes?

We intend to complete the acquisition work in FY 2011 and the restoration work in FY 2012.

Will your Outdoor Heritage Fund dollar request complete the planned accomplishments?

Program Title: Valley Creek Protection Partnership

☒ **YES**

☐ **NO**

If not, how will you finance completion?

How will you pay for the maintenance of the accomplishments?

Both the Minnesota Land Trust and Washington County are committed to annually monitoring, and defending if necessary, the integrity of the conservation easements. Funding for easement stewardship for the Minnesota Land Trust is included in the budget outlined below. For restoration accomplishments, Belwin Conservancy has the staff resources and the geographical proximity to take the lead in long-term maintenance in partnership with Valley Branch Watershed District and Trout Unlimited.

How does this action directly restore, enhance, or protect prairies, wetlands, forests or habitat for fish, game, and wildlife?

The main purpose of the proposed acquisition and restoration work is to protect and enhance a key trout stream habitat in the greater metro area. The proposed actions also will result in the restoration of oak savanna prairie, one of the most threatened natural communities in North America.

If you are restoring or enhancing property, is the activity on permanently protected land?

☒ **YES**

☐ **NO**

If yes briefly describe the kind of protection.

The properties targeted for restoration activities all will have perpetual conservation easements in accordance with Minnesota Statute Chapter 84C.01 that will restrict use and development of those properties.

How will you ensure transparency and provide information about your work and use of Outdoor Heritage Fund dollars?

The Minnesota Land Trust will submit regular reports to the L-SOHC showing progress toward the stated goals. Successes also will be well publicized in the local media and on the websites of our individual organizations.

Why will this strategy work?

The Valley Creek Protection Partnership is a unique public-private partnership that capitalizes on the particular strengths of each entity to work efficiently and strategically within the Valley Creek watershed. Our approach also is comprehensive, encompassing both protection and restoration work.

Already, the Partnership has enjoyed success and garnered the support of public and private entities. In the past year, the Partnership has received public funding from the Minnesota Environment and Natural Resources Trust Fund as recommended by the Legislative-Citizen Commission on Minnesota Resources and private funding support from

L-SOHC Request for Funding Form

Program Title: Valley Creek Protection Partnership

the Doris Duke Charitable Foundation through partnership with The Conservation Fund. This funding made it possible to complete two recent land projects, one at the end of 2008 and one in 2009.

The strategy also has been successful because of the strong support and participation from Valley Creek landowners. We have entered into discussions and completed initial appraisals with two landowners who have long expressed a desire to protect the unique habitat of the stream and have invested their own time and funds in its protection and restoration. The Partnership strongly believes this deep landowner engagement is critical to the long-term success of the protection and restoration efforts at Valley Creek.

Who might make decisions that assist or work against achieving the expected impact program?

This project has the support of all the Partners, which include two local governmental units, and the landowners involved.

If this is acquisition of land, has the local government formally approved the acquisition?

 YES

 NO

While this project anticipates acquisition of underlying fee by Belwin Conservancy, no Outdoor Heritage Funds will be expended for this purpose.

If this is fee simple acquisition of land, is the land free of any other permanent protection such as a conservation easement?

 YES

 NO

We do anticipate that Belwin Conservancy will acquire underlying fee title after purchase of a conservation easement is complete. This purchase is will not use Outdoor Heritage Funds but is important because it secures public access.

If this is an easement acquisition, will the eased land be open for public use?

 X YES

 NO

If Yes what kind of use?

It is anticipated that public access will be available on at least one parcel. Other parcels covered by conservation easements will be open at the discretion of the landowner.

If easement acquisition, will the easement be a permanent conservation easement as described in MS 2009, Chapter 84C.01, specifically protecting the natural resource values of real property forever?

 X YES

 NO

L-SOHC Request for Funding Form

Program Title: Valley Creek Protection Partnership

If you are proposing funding for a new or ongoing program how long into the future do you expect this program to operate?

10 Years

We anticipate a 10-year timeline for ongoing acquisition and restoration efforts within the priority portions of the Valley Creek watershed.

1. Which planning sections will you work in? Check all that apply in the list below.

- ☐ Northern Forest
- ☐ Forest/Prairie Transition
- ☐ Southeast Forest
- ☐ Prairie
- ☒ Metropolitan Urbanizing Area

2. Does the request address an urgent conservation opportunity that will be lost if not immediately funded?

☒ YES ☐ NO

If yes, please explain.

All of the parcels identified for protection represent urgent opportunities. Although the landowners are committed to conservation, financial realities of the current economic climate mean that two of the potential parcels likely will be sold for development in the near future if funds to purchase conservation easements cannot be secured in a timely manner. Similarly, timely restoration and enhancement of the in-stream and associated upland habitats also is critical in order to prevent degradation of this important resource.

3. Does the request restore and/or enhance habitat on existing state-owned Wildlife or Aquatic Management Areas or Scientific and Natural Areas?

☐ YES ☒ NO

If Yes, list the names of the AMAs, WMAs and/or SNAs and the acres to be restored and/or enhanced.

4. Is this request based on assessment through a science based strategic planning and evaluation model similar to the United States Fish and Wildlife Service's Strategic Habitat Conservation model?

L-SOHC Request for Funding Form

Program Title: Valley Creek Protection Partnership

 X YES

 NO

If yes explain the model briefly.

The decision to work in the Valley Creek watershed was based upon solid science and a strategic assessment. The importance of Valley Creek as a coldwater trout stream, a habitat corridor, and a component of the St. Croix watershed has been recognized in numerous biological assessments and conservation plans.

The Partnership also has identified focal species that can be monitored and will be indicators of success over time. The target species for Valley Creek has been identified as brook trout. For the adjacent terrestrial community, the focal species are:

- Tussock sedge (*Carex stricta*)
- Angelica (*Angelica atropurpurea*)
- Marsh Marigold (*Caltha palustris*)
- Nannyberry (*Viburnum lentago*)
- Black ash (*Ulmus nigra*)

The target species for the terrestrial community adjacent to the riparian corridor and upslope from the stream are:

- Bur oak (*Quercus macrocarpa*)
- Hazelnut (*Corylus americana*)
- Little bluestem (*Schizachyrium scoparium*)
- Maidenhair fern (*Adiantum pedatum*)

These plant species will serve as excellent indicators of the overall health of both the riparian corridor and associated uplands. These species are also relatively easy to monitor, and Belwin Conservancy is committed to implementing the monitoring strategy on all its lands and well as other lands protected by the Valley Creek Protection Partnership.

5. Explain the scientific foundation for your project, and the benefits it will produce.

The Partnership uses existing conservation plans (State Conservation Plan, Minnesota Comprehensive Wildlife Conservation Strategy, Washington County Biological Survey, and Valley Branch Watershed District Management Plan) to develop the priorities and targets for its work.

6. How do you set priorities?

The Partners have used the data from existing plans as the basis for selecting priority conservation areas within the watershed. Within these areas, priority tracts are selected using the following criteria in this order:

1. Quality of existing habitat
2. Probable success of any needed restoration & long-term maintenance costs
3. Proximity to existing protected land

L-SOHC Request for Funding Form

Program Title: Valley Creek Protection Partnership

4. Level of understanding of ecological processes at site
5. Landowner willingness to participate

C. Relationship to the *Minnesota Conservation and Preservation Plan* and Other Published Resource Management Plans

The conservation of Valley Creek, with its rich assemblage of rare species and its unparalleled quality of aquatic habitat, is important to achieving the goals of the Minnesota State Wildlife Action Plan and the Minnesota Conservation and Preservation Plan as well as the goals of other conservation plans.

The Minnesota State Wildlife Action Plan, 'Tomorrow's Habitat for the Wild and Rare: An Action Plan for Minnesota Wildlife,' classifies the Valley Creek project area as part of the St. Paul Baldwin Plains and Moraines subsection. The Mississippi and St. Croix Rivers traverse this subsection, which originally was characterized by savanna, tallgrass prairie and maple-basswood forest, but is now rapidly becoming more urban. This subsection contains 149 Species of Greatest Conservation Need, the second highest total number in all 25 subsections in Minnesota. Of the 149 Species of Greatest Conservation Need in the Baldwin Plains and Moraines, 74 are species that are federal or state endangered, threatened, or of special concern. Examples of Species of Greatest Conservation Need in this subsection include the northern cricket frog, eastern wood pewee, paddlefish, St. Croix snaketail, and American badger.

Specifically, this proposal furthers the following recommendations of the Statewide Conservation and Preservation Plan:

- Protect priority land habitats
- Protect critical shorelands of streams and lakes
- Restore land, wetlands, and wetland-associated watersheds
- Improve connectivity and access to outdoor recreation

In addition, these plans recognize the use of conservation easements as one of the most established and effective means of permanently protecting the targeted habitats, as many of these areas are located on private lands.

Program Title: Valley Creek Protection Partnership

D. Budget

| Budget Item | Fiscal Year 11* | Fiscal Year 12* | Fiscal Year 13 |
|--|---|--|----------------|
| Personnel Including benefits | \$ 15,000 (MLT) | \$ 10,000 (TU) | |
| Contracts | | | |
| Equipment/Tools/Supplies Restoration: seed, trees, chemical, erosion control materials, etc. | | \$ 144,000 (BC) \$ 100,000 (TU) \$ 12,500 (VBWD) | |
| Fee Acquisition | | | |
| Easement Acquisition Including easement purchase price of easements, appraisals, title work, title insurance, maps, GIS, etc. | \$ 500,000 (WC) \$ 1,710,000 (MLT) | | |
| Easement Stewardship | \$ 24,000 (MLT) | | |
| Professional Services Restoration: install seed, prepare soil for seeding, remove exotic species, mapping, create designs, etc. | | \$ 12,500 (VBWD) \$ 2,000 (TU) | |
| Travel | | | |
| Additional Budget Items | | | |
| TOTAL | \$ 2,249,000 | \$ 281,000 | |

*Budget amounts for each partner organization are provided given that we anticipate separate appropriations will be made if funded.

E. Personnel Details

| Title | Name | Amount |
|--------------------------------------|------|-----------|
| Land Trust Conservation Staff | | \$ 12,500 |
| Land Trust Staff Attorney | | \$ 2,500 |
| Belwin Conservancy Restoration Staff | | \$ 5,000 |
| Twin Cities Trout Unlimited Staff | | \$ 10,000 |

Program Title: Valley Creek Protection Partnership

F. All Leverage

| Source of Non-State Leverage | Fiscal Year 11 | Fiscal Year 12 | Fiscal Year 13 |
|--|--|-----------------------|-----------------------|
| Belwin Conservancy | \$ 507,000 | | |
| Washington County | \$ 500,000 | | |
| Valley Branch Watershed District | \$ 50,000 | \$50,000 | |
| Estimated donated value of conservation easements | We anticipate donated value but it is difficult to estimate at this point in time. | | |
| | | | |
| | | | |
| TOTAL | \$ 1,057,000 | \$50,000 | |

G. Outcomes:

L-SOHC Request for Funding Form

Program Title: Valley Creek Protection Partnership

| Table 1 Accomplish- ments | Wetlands | Prairies | Forests | Habitats for Fish, Game and Wildlife |
|--|-----------------|-------------------------|----------------|--|
| Restore | | 48 acres of oak savanna | | 2-12 acres |
| Protect | | 48 acres of oak savanna | | Balance of 52-102 acres, including approx. 1 mile of trout stream* |
| Enhance | | | | .5 miles trout stream |

**The 52-102 acres will include a mix of wetlands, forest, and habitat for fish, game and wildlife, but we have chosen to allocate it to this latter category due to the emphasis on protection of the trout stream.*

| Table 2 Sections Impacted and Impact Quantifier | Wetlands | Prairies | Forests | Habitats for Fish, Game and Wildlife |
|--|-----------------|------------------|----------------|---|
| Restore | | Metro (48 acres) | | Metro (2-12 acres) |
| Protect | | Metro (48 acres) | | Metro (52-102 acres, including 1 mile trout stream) |
| Enhance | | | | Metro (.5 mile trout stream) |

| Table 3 Recommend Fund Allocation | Wetlands | Prairies | Forests | Habitats for Fish, Game and Wildlife |
|--|-----------------|-----------------|----------------|---|
| Restore | | \$ 144,000 | | \$25,000 |
| Protect | | | | \$2,249,000 |
| Enhance | | | | \$112,000 |

Program Title: Valley Creek Protection Partnership

| Table 4 Leverage \$ | Wetlands | Prairies | Forests | Habitats for Fish, Game and Wildlife |
|------------------------------------|-----------------|-----------------|----------------|---|
| Restore | | | | <i>\$100,000</i> |
| Protect | | | | <i>\$1,007,000</i> |
| Enhance | | | | |

| Table 5 Acquisition Data | Wetlands | Prairies | Forests | Habitats for Fish, Game and Wildlife |
|---|-----------------|-----------------|----------------|--|
| Acquired in Fee with State PILT Liability | | | | |
| Acquired in Fee without State PILT Liability | | | | |
| Permanent Easement | | | | <i>100-150 acres and nearly one mile of trout stream for \$2,249,000</i> |

H. Accomplishment Time Table

| Milestone | Date | Measure |
|--|---------------|--|
| Complete negotiations on 2-3 easements | Dec 31, 2010 | Written landowner commitments obtained |
| Close on 2-3 conservation easements | June 30, 2011 | 100-150 acres under easement |
| Purchase of underlying fee for public access | June 30, 2011 | Deed obtained |
| Complete in-stream restoration | June 30, 2012 | ½ mile of trout stream improved |
| Complete restoration of adjacent uplands | June 30, 2012 | 48 acres of oak savanna plantings in place |
| Complete restoration on key upstream parcels | June 30, 2012 | 2-12 acres restored |

L-SOHC Request for Funding Form

Program Title: Valley Creek Protection Partnership

I. Relationship to Your Current Budget

Although the Valley Creek Protection Partnership has established its success, none of the participating organizations have dedicated or sufficient operating budget or capital to continue to meet the conservation needs at Valley Creek. The majority of financial support to the Minnesota Land Trust, Belwin Conservancy, and Trout Unlimited must be raised on an annual basis. Capital funds are expended only when a priority opportunity becomes available and project-specific funds are obtained to complete the acquisition and/or restoration.

Washington County has budgeted \$10 million for Phase I of their Land and Water Legacy Program to complete projects throughout Washington County. The County Board has expressed a desire to supplement the County's available funding with other state or public dollars to maximize the conservation work that can be completed.

Valley Branch Watershed District has \$165,000 budgeted in 2010 for watershed restoration and stabilization projects. The money requested through this proposal would supplement these funds in order to ensure that work occurs on the most strategic Valley Creek parcels.

J. How Will the Habitat Improvements Be Sustained?

The land protected through conservation easements will be sustained through the best standards and practices for conservation easement stewardship. Again, funding for easement stewardship for the Minnesota Land Trust is included in the budget outlined above. Both the Minnesota Land Trust and Washington County have stewardship programs that include annual property monitoring, effective records management, addressing inquiries and interpretations, tracking changes in ownership, investigating potential violations and defending the easement in case of a true violation.

The Belwin Conservancy has the resources and 40 years of land management and restoration experience to ensure that the integrity of the habitat is maintained through its ongoing monitoring of indicator species. Additionally, Valley Branch Watershed District will continue to annually monitor the benthic invertebrates living in the creek, continuously monitor the water quality of the creek, and routinely monitor the fisheries in Valley Creek.

K. Attach a list of your projects listing their county location and edit the map of Minnesota on the next page to show each project as a symbol.

Potential projects are depicted on the Minnesota map on the following page and the Valley Creek Focus Area map attached to this proposal. Specifically, the priority projects for protection, restoration and enhancement are:

Parcel 1: 60 acres, Washington County
Parcel 2: 50 acres, Washington County
Parcel 3: 32 acres, Washington County

L-SOHC Sections

