

Lessard-Sams Outdoor Heritage Council

Fiscal Year 2017 / ML 2016 Request for Funding



Date: June 04, 2015

Program or Project Title: Forest Habitat Protection Revolving Account

Funds Requested: \$2,633,000

Manager's Name: Richard F. Peterson

Organization: MN DNR Forestry

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County Locations: Hubbard, Itasca, and St. Louis.

Regions in which work will take place:

- Northern Forest

Activity types:

- Protect in Easement

Priority resources addressed by activity:

- Forest

Abstract:

This proposal would acquire forest lands of significant natural resource and strategic location values and then resell those same lands previously acquired with this grant, subject to a Conservation Easement. Process would be repeated with land sale proceeds.

Design and scope of work:

Discussion of the Problem: There are many privately owned, forested parcels across the state that contain important habitat and other conservation values that make them desirable for either fee or conservation easement protection. Their value as conservation lands are many: These lands provide: 1) Access to state lands for resource management and for the recreating public; 2) Critical habitat for species of concern; 3) Connecting corridors between habitat blocks; 4) Key in holdings in larger blocks of forestland; or 5) Productive working forest that support local timber jobs. For some parcels, full fee ownership may be the most desirable option but for others, an easement interest may be sufficient to address our conservation goals and generally result in more efficient, cost-effective protection for selected parcels. These parcels may become available for sale by the owners who may only consider a sale in fee, but not an easement sale. In those cases, we either have to buy in fee or pass on the parcel.

This proposal is an attempt to expand the toolbox for those parcels where fee sales are the only option. Under this proposal the state would:

1. Identify lands of interest and interested sellers. Year 1. Several potential parcels of interest have been identified in the parcel list. Other parcels will be considered for the final selection.
2. Acquire the forest land in fee. Year 1 and 2. Up to 16 parcels will be targeted.
3. Develop the conservation easement appropriate to the parcel. Year 1 and 2.
4. Resell the lands subject to the conservation easement. Year 2 and 3. Estimated cost to sell parcels is approximately \$13,600/parcel.
5. Dedicate funds for conservation stewardship. Year 2 and 3.
6. Repeat the process with the sale proceeds as time allows or return the remaining funds. Year 2 and 3. We estimate that parcels will resell for between 40-60% of initial purchase price depending on final easement terms.

Easements secured under this program would be perpetual and would be drafted to protect the essential habitat, access, and other conservation values of the individual tracts. Forests would be protected from conversion to non-forest uses. Depending on the site,

limited public access through the property to other public lands may be secured, but for most parcels public access for hunting and fishing would not be provided. The conservation easement would limit those developments and activities that negatively impact habitat values and would require forest stewardship plans that guide the landowners' use of the property. Hunting camps and possibly cabins, appropriately located, may be allowed to encourage those traditional forest uses such as hunting and fishing.

Outcomes for this project include: 1. Increased management access and public access to public lands; 2. Habitat protection; 3. Connectivity of habitats and the prevention of forest fragmentation; 4. Stewardship planning provides opportunities to involve private landowners in habitat protection; 5. Lands remain in private ownership and provide local property taxes; 6. Encourages traditional forest uses.

Crops:

Will there be planting of corn or any crop on OHF land purchased or restored in this program - **No**

How does the request address MN habitats that have: historical value to fish and wildlife, wildlife species of greatest conservation need, MN County Biological Survey data, and/or rare, threatened and endangered species inventories:

This proposal's central goal is to protect critical habitat parcels strategically located within, adjacent to, or as connecting corridors between existing public ownerships or other protected lands. Information regarding fish and wildlife habitat, wildlife species in greatest conservation need, MN County Biological Survey data, threatened and endangered species inventories would be incorporated in the selection criteria for parcel selection. Easement terms and forest stewardship plans would address species and habitat elements specific to the property.

What is the nature of urgency and why it is necessary to spend public money for this work as soon as possible:

There may be only limited opportunities to protect certain properties. For example, some large industrial landowners currently divesting in the state will only consider fee sales and not easement sales. This proposal provides another option for protection and access while still keeping the property under private ownership.

Describe the science based planning and evaluation model used:

The science based planning comes from DNR's strategic land asset management planning process. Parcels selected will have habitat benefits, provide management and recreational access, be key inholdings in DNR ownerships and/or connect state ownership parcels.

Which sections of the Minnesota Statewide Conservation and Preservation Plan are applicable to this project:

- H3 Improve connectivity and access to recreation
- LU8 Protect large blocks of forest land

Which other plans are addressed in this proposal:

- Minnesota DNR Strategic Conservation Agenda
- Outdoor Heritage Fund: A 25 Year Framework

Which LSOHC section priorities are addressed in this proposal:

Northern Forest:

- Provide access to manage habitat on landlocked public properties or protect forest land from parcelization and fragmentation through fee acquisition, conservation or access easement

Relationship to other funds:

- Not Listed

How does this proposal accelerate or supplement your current efforts in this area:

Current efforts to employ conservation easements are sometimes hampered by the landowner's unwillingness to consider easement sales. This proposal adds a new way to protect by easement in what is a two-step process where we first secure the fee title and then

resell the parcel with a state held conservation easement on the property. Although this process adds time and cost to the process, the land ultimately is protected by the appropriate protection tool and remains in private ownership.

Describe the source and amount of non-OHF money spent for this work in the past:

Not Listed

How will you sustain and/or maintain this work after the Outdoor Heritage Funds are expended:

All lands protected through permanent conservation easements will be sustained through standards and practices for conservation easement stewardship that have been developed and implemented in the forest easement program over the past 15 years. Our easement stewardship program incorporates annual landowner meetings, annual on-site monitoring of all properties, records management, responding to landowner inquiries, tracking ownership changes and addressing and resolving easement violations. Funding for the easement stewardship is included in the current proposal. Stewardship funds will be transferred to the easement stewardship account and interest earned from the account will fund the annual stewardship and monitoring work for the easement. All easements will have baseline property reports, forest stewardship plans and easement monitoring plans prepared prior to closing of the project.

Explain the things you will do in the future to maintain project outcomes:

Year	Source of Funds	Step 1	Step 2	Step 3
June 30, 2019 or at completion of conservation easements.	OHF	Transfer funds to dedicated stewardship account per OHF appropriation and accomplishment plan.	Develop Easement Monitoring Plans and Baseline Property Reports prior to closing.	Develop Forest Stewardship Plans prior to closing.
Perpetually, annually	OHF funded Dedicated Stewardship Account	Monitor easements annually and enforce easement terms.	Annual landowner meetings and on-site visits to easement properties.	Review forest management activities annually and update Forest Stewardship Plans periodically.

Activity Details:

If funded, this proposal will meet all applicable criteria set forth in MS 97A.056 - **Yes**

Will the eased land be open for public use - **No**

Is the land you plan to acquire free of any other permanent protection - **Yes**

Accomplishment Timeline:

Activity	Approximate Date Completed
Identify landowners.	June 30, 2018
Acquire parcels in fee.	June 30, 2018
Complete easements for individual parcels.	June 30, 2019
Resell acquired parcels subject to easements.	June 30, 2019
Dedicate easement funds for easement monitoring and stewardship.	June 30, 2019
Roll over funding, identify additional landowners and begin a new round of fee acquisitions, establish easements and resell properties.	June 30, 2019

Federal Funding:

Do you anticipate federal funds as a match for this program - **No**

Outcomes:

Programs in the northern forest region:

- Forestlands are protected from development and fragmentation *Forestlands are protected from development and fragmentation. This project will permanently protect approximately 1,000 acres of private forestland with conservation easements that will prevent fragmentation and conversion of forestlands and protect habitat from destructive uses.*

Budget Spreadsheet

Total Amount of Request: \$2,633,000

Budget and Cash Leverage

Budget Name	LSOHC Request	Anticipated Leverage	Leverage Source	Total
Personnel	\$40,000	\$0		\$40,000
Contracts	\$40,000	\$0		\$40,000
Fee Acquisition w/ PILT	\$0	\$0		\$0
Fee Acquisition w/o PILT	\$0	\$0		\$0
Easement Acquisition	\$2,000,000	\$0		\$2,000,000
Easement Stewardship	\$150,000	\$0		\$150,000
Travel	\$5,000	\$0		\$5,000
Professional Services	\$375,000	\$0		\$375,000
Direct Support Services	\$21,500	\$0		\$21,500
DNR Land Acquisition Costs	\$0	\$0		\$0
Capital Equipment	\$0	\$0		\$0
Other Equipment/Tools	\$0	\$0		\$0
Supplies/Materials	\$1,500	\$0		\$1,500
DNR IDP	\$0	\$0		\$0
Total	\$2,633,000	\$0	-	\$2,633,000

Personnel

Position	FTE	Over # of years	LSOHC Request	Anticipated Leverage	Leverage Source	Total
Project manager	0.15	3.00	\$40,000	\$0		\$40,000
Total	0.15	3.00	\$40,000	\$0	-	\$40,000

Amount of Request: \$2,633,000

Amount of Leverage: \$0

Leverage as a percent of the Request: 0.00%

Output Tables

Table 1a. Acres by Resource Type

Type	Wetlands	Prairies	Forest	Habitats	Total
Restore	0	0	0	0	0
Protect in Fee with State PILT Liability	0	0	0	0	0
Protect in Fee W/O State PILT Liability	0	0	0	0	0
Protect in Easement	0	0	1,000	0	1,000
Enhance	0	0	0	0	0
Total	0	0	1,000	0	1,000

Table 2. Total Requested Funding by Resource Type

Type	Wetlands	Prairies	Forest	Habitats	Total
Restore	\$0	\$0	\$0	\$0	\$0
Protect in Fee with State PILT Liability	\$0	\$0	\$0	\$0	\$0
Protect in Fee W/O State PILT Liability	\$0	\$0	\$0	\$0	\$0
Protect in Easement	\$0	\$0	\$2,633,000	\$0	\$2,633,000
Enhance	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$2,633,000	\$0	\$2,633,000

Table 3. Acres within each Ecological Section

Type	Metro/Urban	Forest/Prairie	SE Forest	Prairie	Northern Forest	Total
Restore	0	0	0	0	0	0
Protect in Fee with State PILT Liability	0	0	0	0	0	0
Protect in Fee W/O State PILT Liability	0	0	0	0	0	0
Protect in Easement	0	0	0	0	1,000	1,000
Enhance	0	0	0	0	0	0
Total	0	0	0	0	1,000	1,000

Table 4. Total Requested Funding within each Ecological Section

Type	Metro/Urban	Forest/Prairie	SE Forest	Prairie	Northern Forest	Total
Restore	\$0	\$0	\$0	\$0	\$0	\$0
Protect in Fee with State PILT Liability	\$0	\$0	\$0	\$0	\$0	\$0
Protect in Fee W/O State PILT Liability	\$0	\$0	\$0	\$0	\$0	\$0
Protect in Easement	\$0	\$0	\$0	\$0	\$2,633,000	\$2,633,000
Enhance	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$2,633,000	\$2,633,000

Table 5. Average Cost per Acre by Resource Type

Type	Wetlands	Prairies	Forest	Habitats
Restore	\$0	\$0	\$0	\$0
Protect in Fee with State PILT Liability	\$0	\$0	\$0	\$0
Protect in Fee W/O State PILT Liability	\$0	\$0	\$0	\$0
Protect in Easement	\$0	\$0	\$2,633	\$0
Enhance	\$0	\$0	\$0	\$0

Table 6. Average Cost per Acre by Ecological Section

Type	Metro/Urban	Forest/Prairie	SE Forest	Prairie	Northern Forest
Restore	\$0	\$0	\$0	\$0	\$0
Protect in Fee with State PILT Liability	\$0	\$0	\$0	\$0	\$0
Protect in Fee W/O State PILT Liability	\$0	\$0	\$0	\$0	\$0
Protect in Easement	\$0	\$0	\$0	\$0	\$2,633
Enhance	\$0	\$0	\$0	\$0	\$0

Target Lake/Stream/River Feet or Miles

0

Parcel List

Section 1 - Restore / Enhance Parcel List

No parcels with an activity type restore or enhance.

Section 2 - Protect Parcel List

Hubbard

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
Revolving Account Habitat	14033226	80	\$0	No	No	No

Itasca

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
Revolving Account Habitat	06223221	205	\$0	No	No	No
Revolving Account Habitat	15025215	320	\$0	No	No	No
Revolving Account Habitat	15025224	120	\$0	No	No	No

St. Louis

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
Revolving Account Habitat	06119229	200	\$0	No	No	No
Revolving Account Habitat	06120221	157	\$0	No	No	No

Section 2a - Protect Parcel with Bldgs

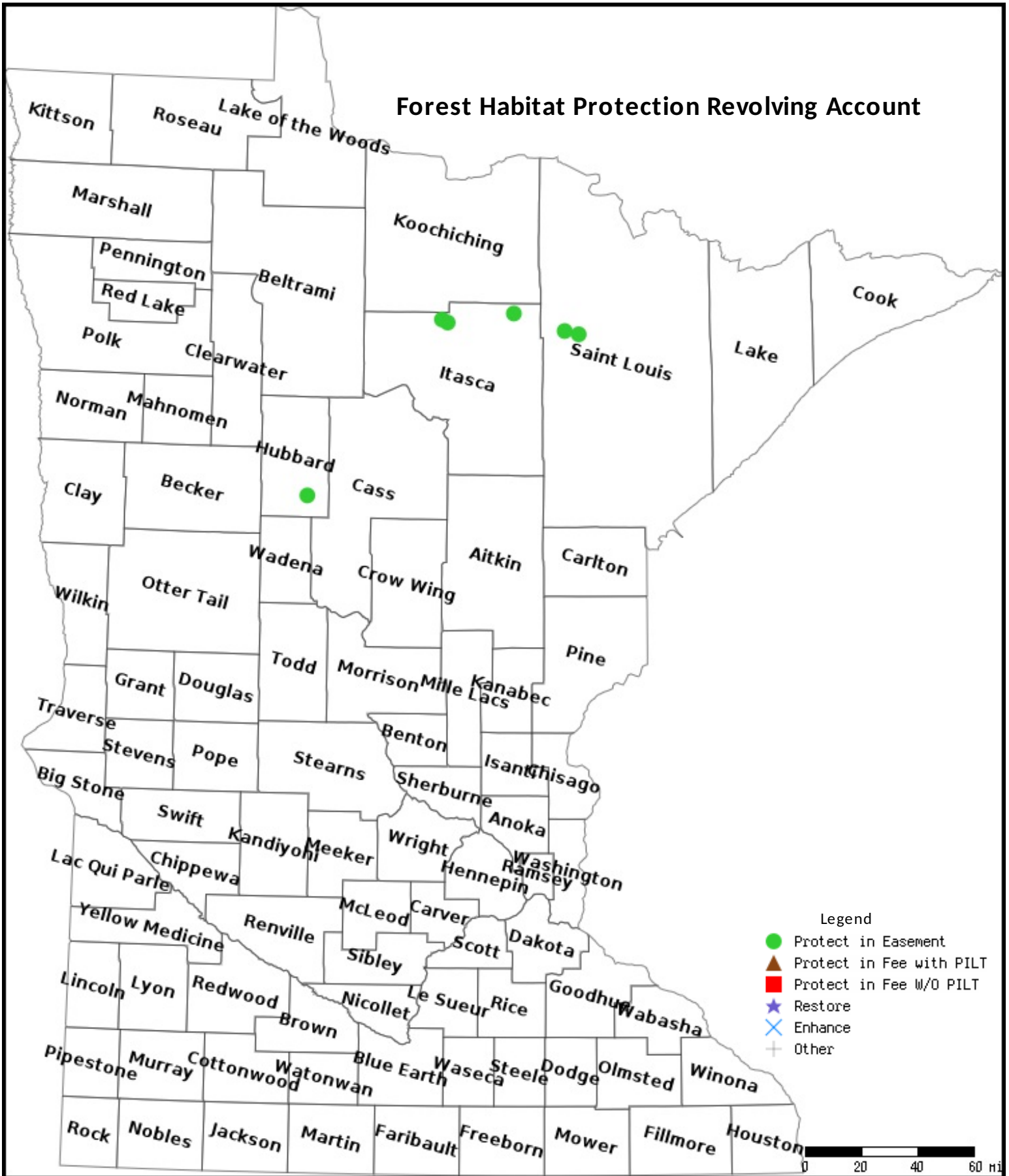
No parcels with an activity type protect and has buildings.

Section 3 - Other Parcel Activity

No parcels with an other activity type.

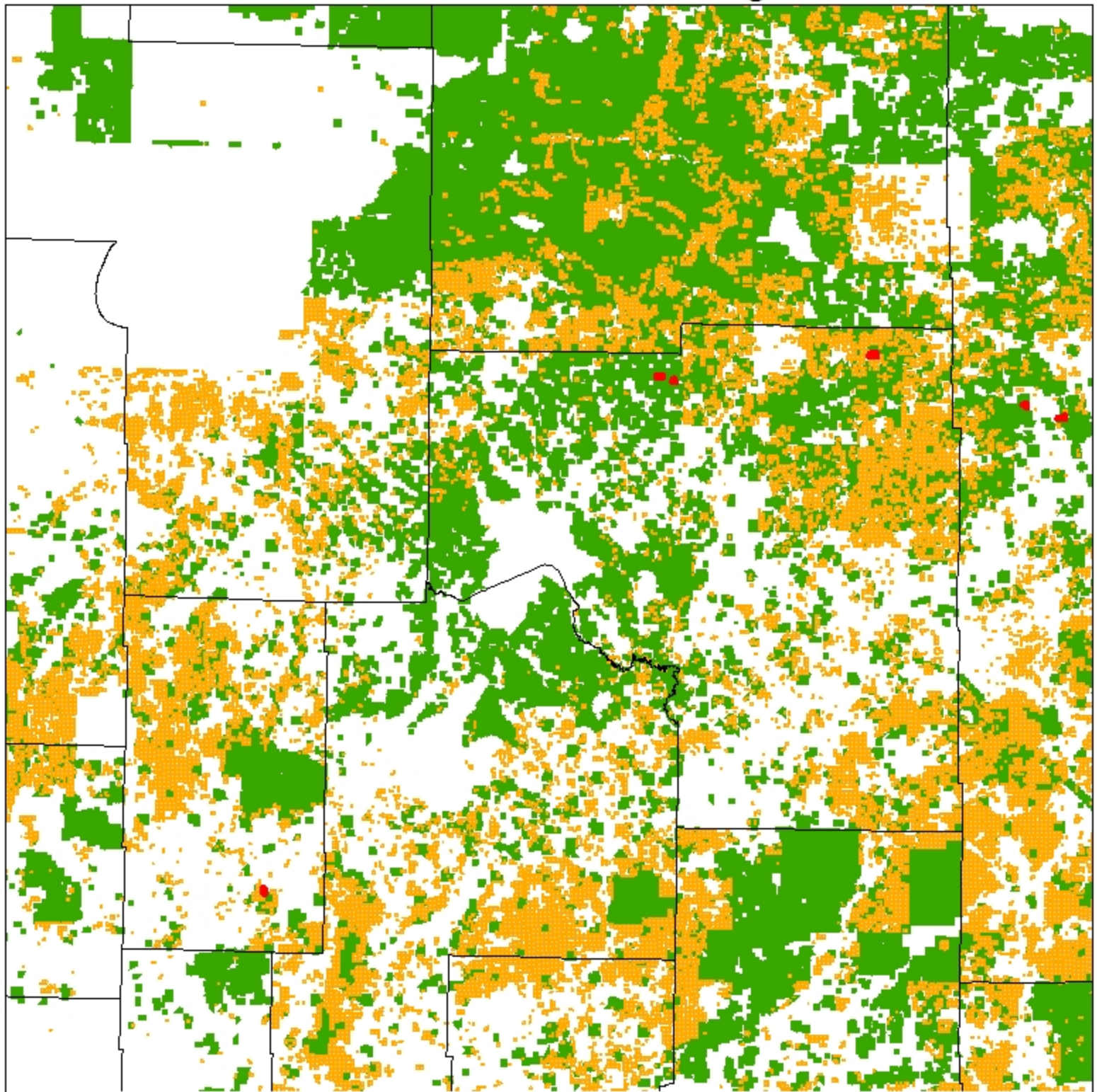
Parcel Map

Forest Habitat Protection Revolving Account







Data Generated From Parcel List

Forest Habitat Protection Revolving Account



Legend

-  Parcels of Interest examples
-  County Boundary
-  County
-  Forestry

0 5 10 20 Miles

