Lessard-Sams Outdoor Heritage Council Fiscal Year 2017 / ML 2016 Request for Funding

Date: July 13, 2015

Program or Project Title: Grassland Conservation Partnership Phase II

Funds Requested: \$6,848,500

Manager's Name: Steve Hobbs Title: Minnesota State Director Organization: The Conservation Fund Address: 5101 York Ave. S. Address 2: Suite 340 City: Edina, MN 55435 Office Number: 952-456-8975 Email: shobbs@conservationfund.org Website: www.conservationfund.org

County Locations: Big Stone, Lac qui Parle, Pennington, Pope, Renville, Stevens, and Swift.

Regions in which work will take place:

• Prairie

Activity types:

- Protect in Easement
- Protect in Fee

Priority resources addressed by activity:

- Wetlands
- Prairie
- Habitat

Abstract:

This project will protect high priority grassland, prairie and wetland wildlife habitat with 1,090 acres in fee acquisition and 800 acres in conservation easements throughout western Minnesota's core prairie areas. Grasslands represent one of Minnesota's most threatened habitat types.

Design and scope of work:

A Conservation Legacy in Jeopardy

Native grasslands are the most threatened ecosystem in Minnesota and one of the most threatened in the world. The LSOHC defined Prairie Section has suffered the greatest habitat loss of any of the five sections examined by the Council. Furthermore, only a third of the remaining habitat in the Prairie Section is permanently protected. To compound the problem, in the next five years approximately 800,000 acres of Minnesota's conservation lands enrolled in the federal Conservation Reserve Program (CRP) will expire. Unless action is taken to continue protection of these lands by using a combination of conservation programs, many will likely be converted to cropland, eliminating most of the wildlife habitat and associated ecosystem benefits.

Project Scope

This project will combine two land protection strategies in order to protect high-priority grassland wildlife habitat: conservation easements on private lands and fee-title acquisition for public lands. The Grasslands Conservation Partnership project builds upon the success The Conservation Fund (TCF) and the Minnesota Land Trust (MLT) have had in protecting important wildlife habitats in the previous pilot phase of this project using conservation easements that use innovative managed grazing and grassland management as an important conservation tool for Minnesota.



Conservation Easements:

As one of the founding partners in the development of the Prairie Plan, TCF has been working with other non-profits, United States Fish and Wildlife Service (USFWS), Minnesota Board of Water and Soil Resources (BWSR) and the Minnesota Department of Natural Resources (DNR) to protect more than 600 acres of prairie habitat in the past two years. Part of this effort was working with BWSR, MLT, and DNR to develop a strategies for protecting working grasslands that are vital for wildlife in the prairie region. This joint effort enabled MLT to establish the first privately-held working-grassland conservation easement in Minnesota in 2015 protecting nearly 300 acres in Pope County.

Science has proven that proper application of haying and grazing techniques can be used to mimic natural processes necessary for healthy grass natural communities. Our colleagues at The Nature Conservancy and the United States Fish and Wildlife Service have proven these techniques successful in Minnesota over a significant period of time. Working with these partners, as well as the Land Stewardship Project, Ducks Unlimited, Pheasants Forever, local Soil and Water Conservation Districts, the Department of Natural Resources (DNR), the Minnesota State Cattlemen's Association and the McKnight Foundation, we are confident that the time is right to expand our previous efforts to protect even more land. All easements will be held and monitored by MLT. TCF will perform the initial landowner contact and negotiations leading to the establishment of a conservation easement.

Lands targeted for conservation easement protection through this project will meet the following criteria:

1. Lands with significant existing prairie or grassland habitat

2. Lands near or within the Core Areas identified in the Prairie Plan

3. Lands within approximately two miles of permanently protected land (e.g. WMA, WPA, CREP, TNC preserves, etc.)

4. Lands which will help establishing connections to permanently protected land wherever possible and create larger habitat complexes

5. Lands which may also include low production cropland that can be converted back into grasslands, thereby increasing overall grassland habitat

MLT and TCF will use the above criteria to generate a systematic ranking system to vet potential projects and ensure maximum conservation values. We will also screen for producers with a proven ability to successfully implement the best management practices for conservation grazing. Whenever possible, MLT will use the proven "reverse-bid" model to ensure that conservation funds are used as efficiently as possible. This reverse bid model first ranks the projects according to their habitat values and then ranks them according to the landowner's bid on what they are willing to get paid for the conservation easements. Projects that MLT will prioritize are those with the greatest conservation benefits at the lowest cost to the State.

Fee-Title Acquisitions:

In addition to the easement work that MLT will pursue, TCF will also pursue the acquisition of approximately 1,090 acres in fee for donation to the Minnesota DNR as critical additions to existing Wildlife Management Areas. These sites have been designated by DNR as among their highest priorities for protection. These sites have be subject to DNR's WMA site scoring regime. TCF is being asked to assist in the acquisition of these sites as they either don't fit the criteria for other NGOs and/or they need help to accomplish the conservation goals for the state. The sites serve as excellent grassland habitat. These sites will complement existing and ongoing acquisition and restoration work being conducted by DNR, Audubon Minnesota and TNC in and around the Pembina area. Celebrating 30 years of land and water conservation, TCF has quietly conserved more than 7.5 million acres nationally and more than 260,000 acres in Minnesota.

Capacity:

TCF and MLT are two of only four land trusts operating in Minnesota accredited by the Land Trust Accreditation Commission. The Commission awards accreditation to land trusts that meet national standards for excellence, uphold the public trust and ensure that conservation efforts are permanent. Accreditation is not a one-time action and land trusts must maintain their accredited status by applying for renewal every five years.

Crops:

Will there be planting of corn or any crop on OHF land purchased or restored in this program - Yes

Explain

The land purchased in fee will become WMA additions. The primary purposes of WMAs are to develop and manage for the production of wildlife and for compatible outdoor recreation. To fulfill those goals, the DNR may use limited farming specifically to enhance or benefit the management of state lands for wildlife. This proposal may include initial development plans or restoration plans to utilize farming to prepare previously farmed sites for native plant seeding. This is a standard practice across the Midwest to

prepare the seedbed for native seed planting. On a small percentage of WMAs (less than 2.5%), DNR uses farming to provide a winter food source for a variety of wildlife species in agriculture-dominated landscapes largely devoid of winter food sources. There are no immediate plans to use farming for winter food on any of the parcels in this proposal. None of the land to be protected by conservation easement will have crops.

Are any of the crop types planted GMO treated - 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 project will protect hundreds of acres of grassland, wetland and prairie habitat, as identified as a priority in the Outdoor Heritage Fund's 25-Year Framework, and more specifically identified in the Prairie Plan. This project will focus on lands that have been identified by scientists at DNR, USFWS, and our partners as necessary for the conservation of habitat for wildlife and species of concern. TCF and MLT is using MN County Biological Survey data as well as USFWS data to search out sites that are suitable for grassland game birds as well as non-game species such as the Dakota skipper and the Poweshiek skipperling, both recently listed as threatened by USFWS. Because the majority of prairie and grassland habitats are found on private lands, this project will help protect those habitats and establish important connects to other protected lands, thereby creating larger complexes of protected grassland habitats.

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

The price of farmland has now stabilized from the recent boom, market conditions are conducive to an expanded and targeted acquisition effort. The conservation partners recognize the need to expand our efforts to include privately held land managed for grassland habitat. This has been a gap within the existing programs.

Describe the science based planning and evaluation model used:

We will use existing conservation plans, such as the Prairie Plan, along with assessment of conservation professionals from USFWS, DNR, DU, PF, SWCDs and TNC to determine sites that complement their ongoing efforts. We will assess how our selection methods fill important gaps in current protected land and adjust accordingly.

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

- H1 Protect priority land habitats
- H3 Improve connectivity and access to recreation

Which other plans are addressed in this proposal:

- Minnesota DNR Nongame Wildlife Plans
- Minnesota Prairie Conservation Plan

Which LSOHC section priorities are addressed in this proposal:

Prairie:

• Protect, enhance, or restore existing wetland/upland complexes, or convert agricultural lands to new wetland/upland habitat complexes

Relationship to other funds:

• Not Listed

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

Just in the past year, TCF and MLT have been able to protect more than 500 acres in this region working with our partners at USFWS and BWSR through the pilot Grasslands Forever project funded by OHF funds and other efforts. The first phase of this project was largely a pilot project to determine how well received working grassland conservation would be in the region and what tools are necessary to successfully protect them. Now that we have a successful template that has been well-received by local landowners, we are quite confident that we can build upon this past success. We are encouraged to pursue this proposal by all our partner agencies and organizations to help fill an important gap in current protection strategies. We are also encouraged by the landowner interest and feel

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:

MLT is a nationally accredited land trust with a very successful stewardship program that includes 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 conservation easements secured under this program will also require landowners to have robust habitat management plans to guide the ongoing management of the property.

TCF will transfer ownership of fee-acquired lands to the MN DNR for their stewardship.

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

Year	Source of Funds	Step 1	Step 2	Step 3
2017	by OHE funds	Site management as appropriate for fee acquisitions		
2019	MLT internal funds	Completion of conservation easement, baseline documentation, habitat management plans, monitoring plans and other documents necessary for easement stewardship	Annual monitoring for compliance with terms of conservation easements	Defend easements as necessary

Activity Details:

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

Will local government approval be sought prior to acquisition - Yes

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

Is this land currently open for hunting and fishing - No

Will the land be open for hunting and fishing after completion - Yes

Land purchased in fee will be fully open to hunting. Land protected via conservation easement will be open to hunting as the landowner allows. Landowners with easements will be encouraged to open their land to hunting.

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
TCF to complete negotiations and conveyance of fee acquisitions to DNR	June 2019
MLT to complete acquisition of conservation easements	June 2019

Federal Funding:

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

Outcomes:

Programs in prairie region:

• Remnant native prairies are part of large complexes of restored prairies, grasslands, and large and small wetlands DNR has identified key parcels to acquire to enhance the viability of important WMAs within the Prairie Planning area and is requesting the assistance of TCF in acquiring these lands. TCF and MLT will seek lands that are suitable for conservation easements, either existing grasslands or croplands that can be converted to grasslands, which are situated as to complement existing protected areas. TCF will initiate the landowner contact with

producers interested in pursing working grassland easements and provide to MLT viable projects to pursue. MLT will obtain conservation easements ensuring permanent protection of the grasslands with habitat management plans.

Budget Spreadsheet

Total Amount of Request: \$6,848,500

Budget and Cash Leverage

BudgetName	LSOHC Request	Anticipated Leverage	Leverage Source	T o tal
Personnel	\$140,000	\$50,000	Private	\$190,000
Contracts	\$0	\$0		\$0
Fee Acquisition w/ PILT	\$4,050,000	\$100,000	Private	\$4,150,000
Fee Acquisition w/o PILT	\$0	\$0		\$0
Easement Acquisition	\$2,240,000	\$0		\$2,240,000
Easement Stewardship	\$160,000	\$0		\$160,000
Travel	\$10,000	\$0		\$10,000
Pro fessional Services	\$175,000	\$0		\$175,000
Direct Support Services	\$63,500	\$0		\$63,500
DNR Land Acquisition Costs	\$10,000	\$0		\$10,000
Capital Equipment	\$0	\$0		\$0
Other Equipment/Tools	\$0	\$0		\$0
Supplies/Materials	\$0	\$0		\$0
DNR IDP	\$0	\$0		\$0
Total	\$6,848,500	\$150,000	-	\$6,998,500

Personnel

Position	FT E	Over#ofyears	LSOHC Request	Anticipated Leverage	Leverage Source	Total
Conservation Acquisition Associate	0.30	2.00	\$50,000	\$50,000	Private	\$100,000
Conservation Staff, project and Legal staff	0.33	3.00	\$90,000	\$0		\$90,000
Total	0.63	5.00	\$140,000	\$50,000		\$190,000

Budget and Cash Leverage by Partnership

BudgetName	Partnership	LSOHC Request	Anticipated Leverage	Leverage Source	Total
Personnel	Conserv Fund	\$50,000	\$50,000	Private	\$100,000
Contracts	Conserv Fund	\$0	\$0		\$0
Fee Acquisition w/ PILT	Conserv Fund	\$4,050,000	\$100,000	Private	\$4,150,000
Fee Acquisition w/o PILT	Conserv Fund	\$0	\$0		\$0
Easement Acquisitio n	Conserv Fund	\$0	\$0		\$0
Easement Stewardship	Conserv Fund	\$0	\$0		\$0
Travel	Conserv Fund	\$5,000	\$0		\$5,000
Professional Services	Conserv Fund	\$30,000	\$0		\$30,000
Direct Support Services	Conserv Fund	\$40,000	\$0		\$40,000
DNR Land Acquisition Costs	Conserv Fund	\$10,000	\$0		\$10,000
Capital Equipment	Conserv Fund	\$0	\$0		\$0
Other Equipment/Tools	Conserv Fund	\$0	\$0		\$0
Supplies/Materials	Conserv Fund	\$0	\$0		\$0
DNR IDP	Conserv Fund	\$0	\$0		\$0
Total	-	\$4,185,000	\$150,000	-	\$4,335,000

Personnel - Conserv Fund

Po sitio n	FTE	Over#ofyears	LSOHC Request	Anticipated Leverage	Leverage Source	T o tal
Conservation Acquisition Associate	0.30	2.00	\$50,000	\$50,000	Private	\$100,000
Total	0.30	2.00	\$50,000	\$50,000	-	\$100,000

BudgetName	Partnership	LSOHC Request	Anticipated Leverage	Leverage Source	Total
Personnel	Minnesota Land Trust	\$90,000	\$0		\$90,000
Contracts	Minnesota Land Trust	\$0	\$0		\$0
Fee Acquisition w/ PILT	Minnesota Land Trust	\$0	\$0		\$0
Fee Acquisition w/o PILT	Minnesota Land Trust	\$0	\$0		\$0
Easement Acquisition	Minnesota Land Trust	\$2,240,000	\$0		\$2,240,000

Easement Stewardship	Minnesota Land Trust	\$160,000	\$0		\$160,000
Travel	Minnesota Land Trust	\$5,000	\$0		\$5,000
Pro fessional Services	Minnesota Land Trust	\$145,000	\$0		\$145,000
Direct Support Services	Minnesota Land Trust	\$23,500	\$0		\$23,500
DNR Land Acquisition Costs	Minnesota Land Trust	\$0	\$0		\$0
Capital Equipment	Minnesota Land Trust	\$0	\$0		\$0
Other Equipment/Tools	Minnesota Land Trust	\$0	\$0		\$0
Supplies/Materials	Minnesota Land Trust	\$0	\$0		\$0
DNR IDP	Minnesota Land Trust	\$0	\$0		\$0
Total	-	\$2,663,500	\$0	-	\$2,663,500

Personnel - Minnesota Land Trust

Position	FT E	Over#ofyears	LSOHC Request	Anticipated Leverage	Leverage Source	Total
Conservation Staff, project and Legal staff	0.33	3.00	\$90,000	\$0		\$90,000
Total	0.33	3.00	\$90,000	\$0	-	\$90,000

Amount of Request:	\$6,848,500
Amount of Leverage:	\$150,000
Leverage as a percent of the Request:	2.19%

Output Tables

Table 1a. Acres by Resource Type

Туре	Wetlands	Prairies	Forest	Habitats	Total
Restore	0	0	0	0	0
Protect in Fee with State PILT Liability	0	1,090	0	0	1,090
Protect in Fee W/O State PILT Liability	0	0	0	0	0
Protect in Easement	0	800	0	0	800
Enhance	0	0	0	0	0
Total	0	1,890	0	0	1,890

Table 1b. How many of these Prairie acres are Native Prairie?

Туре	Native Prairie
Restore	0
Protect in Fee with State PILT Liability	400
Protect in Fee W/O State PILT Liability	0
Protect in Easement	50
Enhance	0
Total	450

Table 2. Total Requested Funding by Resource Type

Туре	Wetlands	Prairies	Forest	Habitats	T o tal
Restore	\$0	\$0	\$0	\$0	\$0
Protect in Fee with State PILT Liability	\$0	\$4,185,000	\$0	\$0	\$4,185,000
Protect in Fee W/O State PILT Liability	\$0	\$0	\$0	\$0	\$0
Protect in Easement	\$0	\$2,663,500	\$0	\$0	\$2,663,500
Enhance	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$6,848,500	\$0	\$0	\$6,848,500

Table 3. Acres within each Ecological Section

Туре	Metro/Urban	Forest/Prairie	SEForest	Prairie	Northern Forest	Total
Restore	0	0	0	0	0	0
Protect in Fee with State PILT Liability	0	0	0	1,090	0	1,090
Protect in Fee W/O State PILT Liability	0	0	0	0	0	0
Protect in Easement	0	0	0	800	0	800
Enhance	0	0	0	0	0	0
Total	0	0	0	1,890	0	1,890

Table 4. Total Requested Funding within each Ecological Section

Туре	Metro/Urban	Forest/Prairie	SEForest	Prairie	Northern Forest	T o tal
Restore	\$0	\$0	\$0	\$0	\$0	\$0
Protect in Fee with State PILT Liability	\$0	\$0	\$0	\$4,185,000	\$0	\$4,185,000
Protect in Fee W/O State PILT Liability	\$0	\$0	\$0	\$0	\$0	\$0
Protect in Easement	\$0	\$0	\$0	\$2,663,500	\$0	\$2,663,500
Enhance	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$6,848,500	\$0	\$6,848,500

Table 5. Average Cost per Acre by Resource Type

Туре	Wetlands	Prairies	Forest	Habitats
Restore	\$0	\$0	\$0	\$0
Protect in Fee with State PILT Liability	\$0	\$3,839	\$0	\$0
Protect in Fee W/O State PILT Liability	\$0	\$0	\$0	\$0
Protect in Easement	\$0	\$3,329	\$0	\$0
Enhance	\$0	\$0	\$0	\$0

Table 6. Average Cost per Acre by Ecological Section

Туре	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	\$3,839	\$0
Protect in Fee W/O State PILT Liability	\$0	\$0	\$0	\$0	\$0
Protect in Easement	\$0	\$0	\$0	\$3,329	\$0
Enhance	\$0	\$0	\$0	\$0	\$0

Target Lake/Stream/River Feet or Miles

Parcel List

Section 1 - Restore / Enhance Parcel List

No parcels with an activity type restore or enhance.

Section 2 - Protect Parcel List

Big Stone

Name	T RDS	Acres	EstCost	Existing Protection?	Hunting?	Fishing?
Easement Parcel #7	12245209	80	\$224,000	No	No	No

Lac qui Parle

Name	T RDS	Acres	EstCost	Existing Protection?	Hunting?	Fishing?
Easement Parcel #6	11746235	162	\$453,600	No	No	Not Applicable

Pennington

Name	T RDS	Acres	EstCost	Existing Protection?	Hunting?	Fishing?
Fee Parcel #1	15245206	330	\$1,500,000	No	Full	Full
Fee Parcel #2	15245204	760	\$825,000	No	Full	Full

Pope

Name	T RDS	Acres	EstCost	Existing Protection?	Hunting?	Fishing?
Easement Parcel #1	12337231	80	\$224,000	No	No	Not Applicable
Easement Parcel #2	12337226	40	\$112,000	No	No	Not Applicable
Easement Parcel #3	12439223	80	\$224,000	No	No	Not Applicable

Renville

Name	T RDS	Acres	EstCost	Existing Protection?	Hunting?	Fishing?
Easement Parcel #4	11437214	400	\$1,120,000	No	No	Not Applicable
Easement Parcel #5	11437208	147	\$411,600	No	No	Not Applicable

Stevens

Name	T RDS	Acres	EstCost	Existing Protection?	Hunting?	Fishing?
Easement Parcel #8	12643232	0	\$0	No	No	Not Applicable

Swift

Name	T RDS	Acres	EstCost	Existing Protection?	Hunting?	Fishing?
Easement Parcel #9	12237207	0	\$0	No	No	Not Applicable

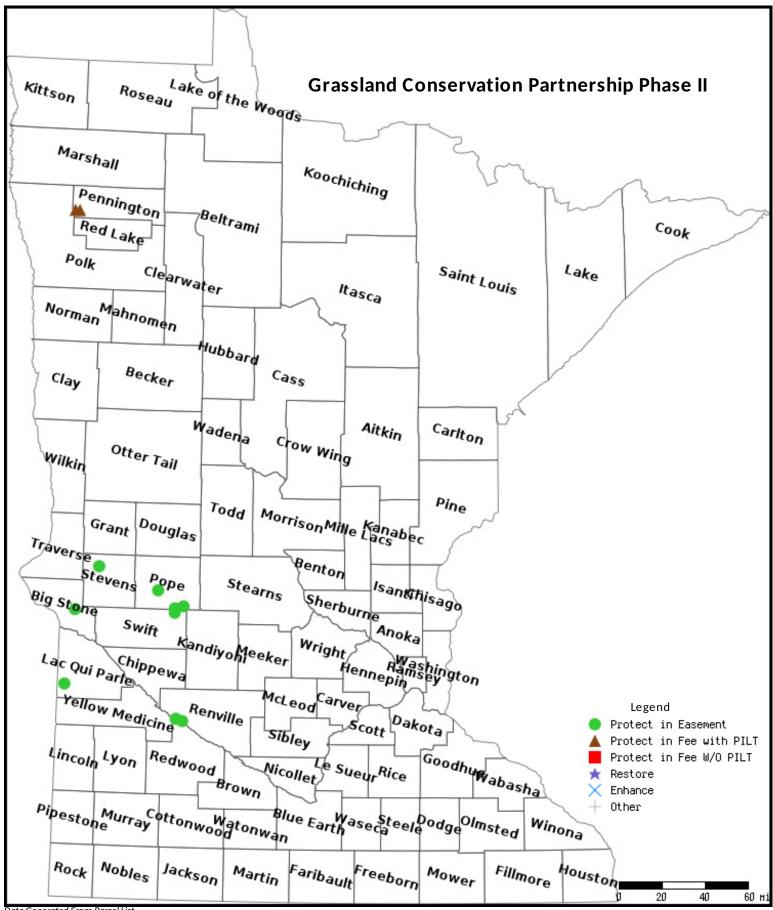
Section 2a - Protect Parcel with Bldgs

No parcels with an activity type protect and has buildings.

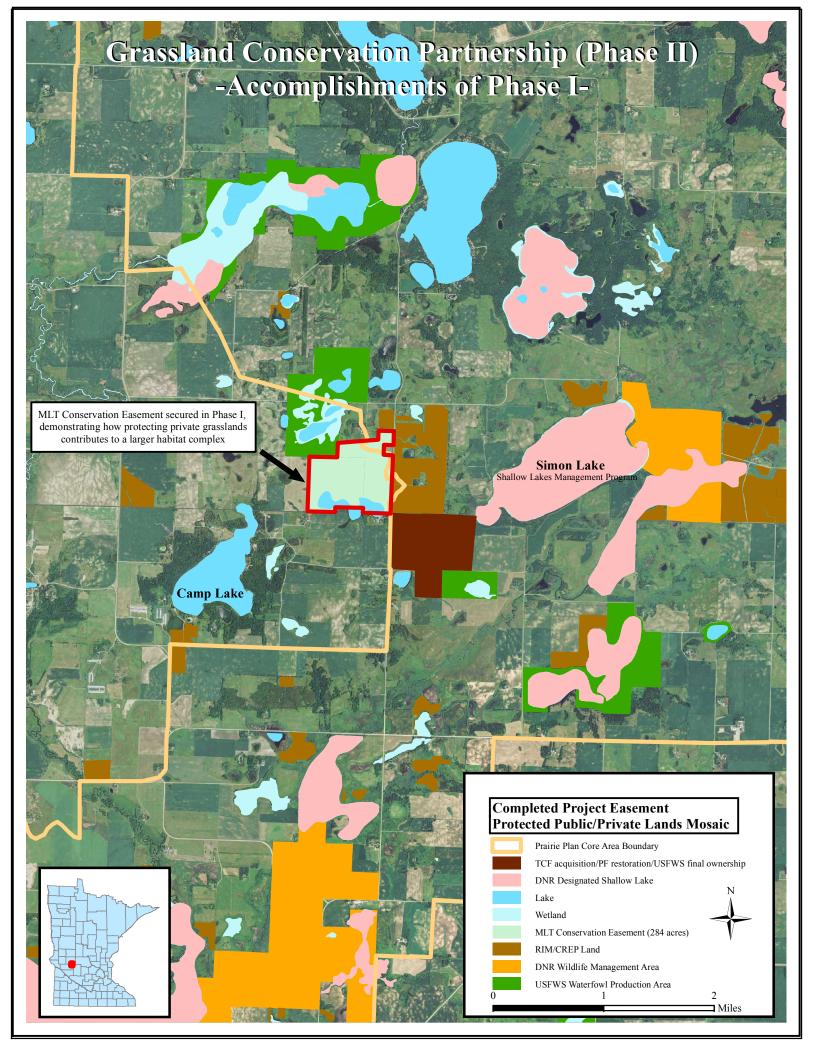
Section 3 - Other Parcel Activity

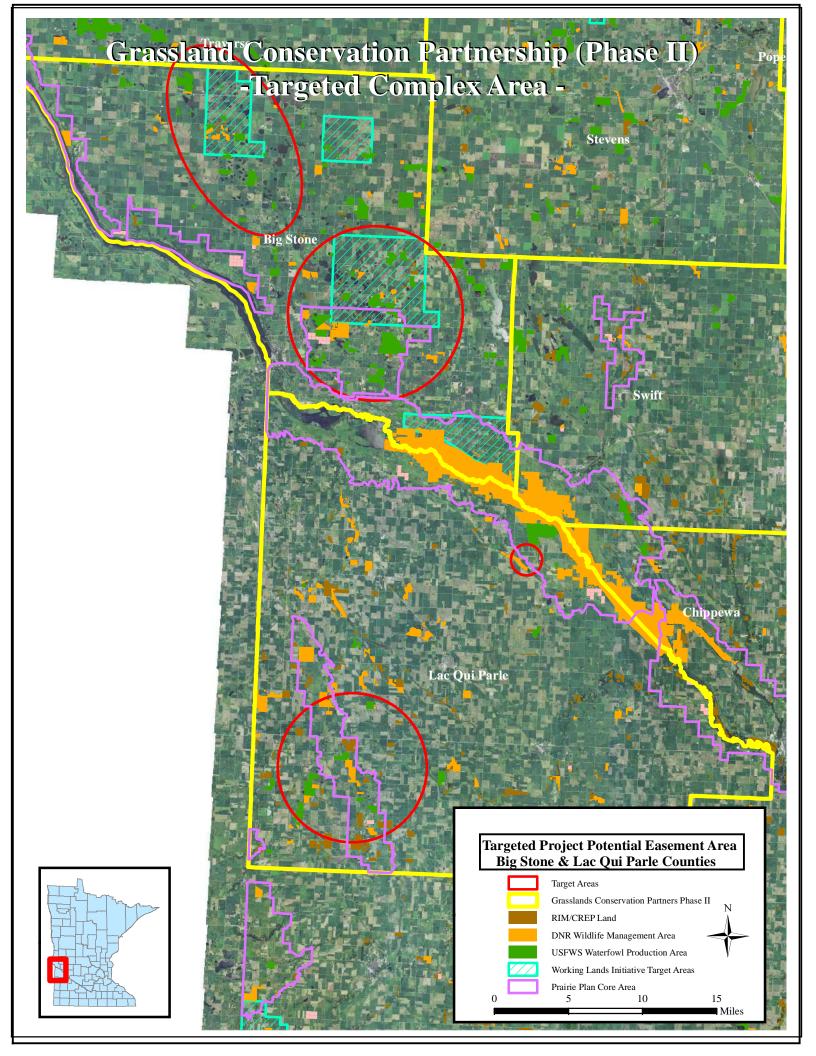
No parcels with an other activity type.

Parcel Map

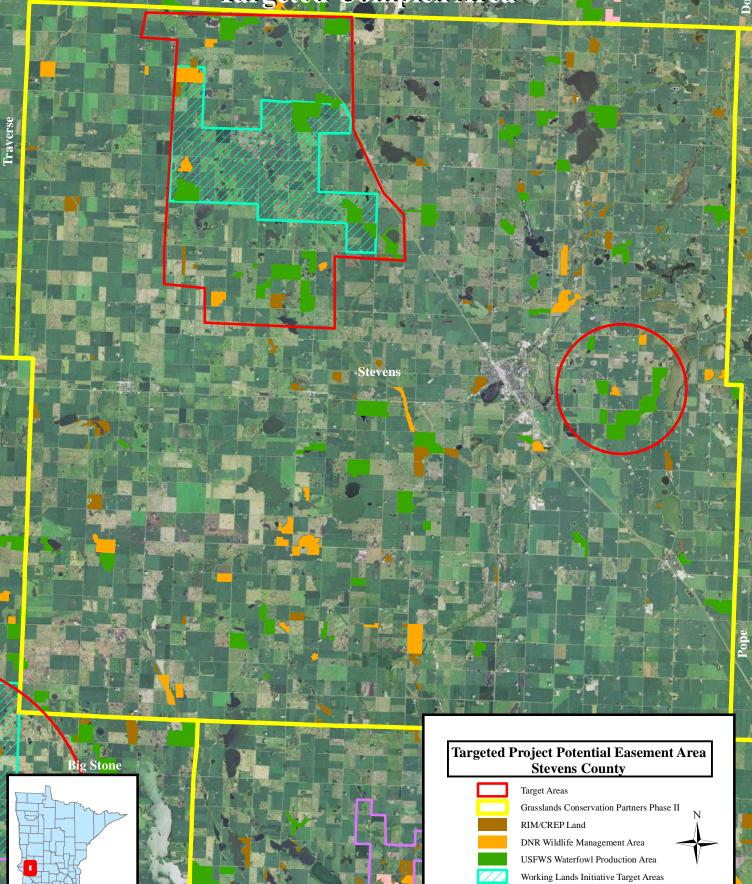


Data Generated From Parcel List





Grassland Conservation Partnership (Phase II) -Targeted Complex Area -



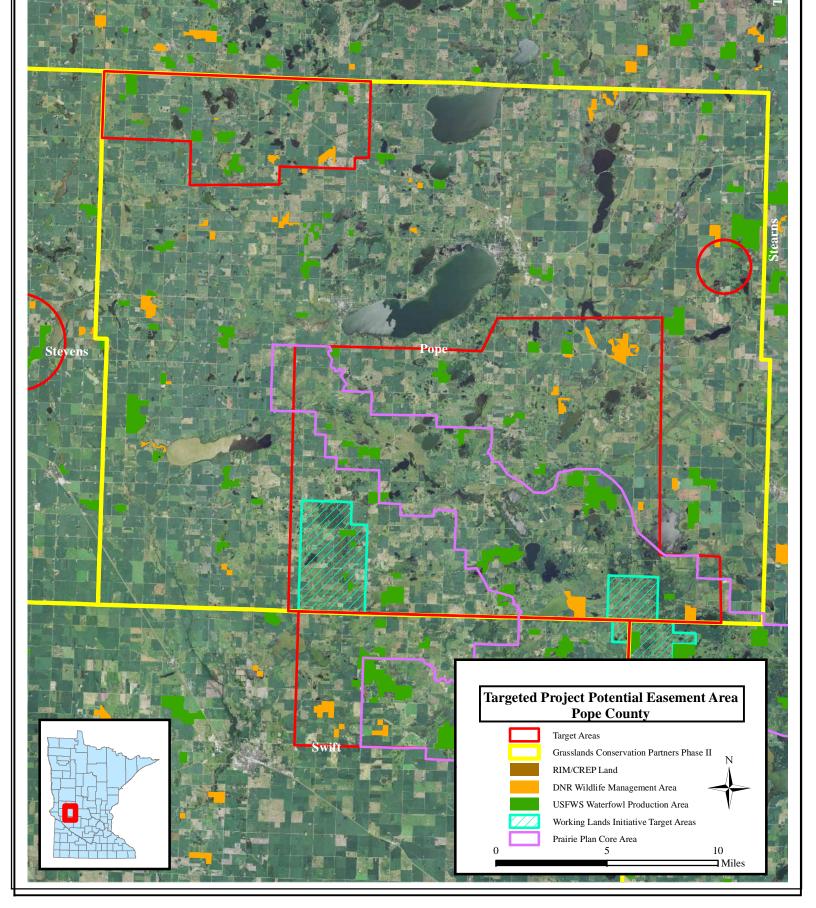
Prairie Plan Core Area

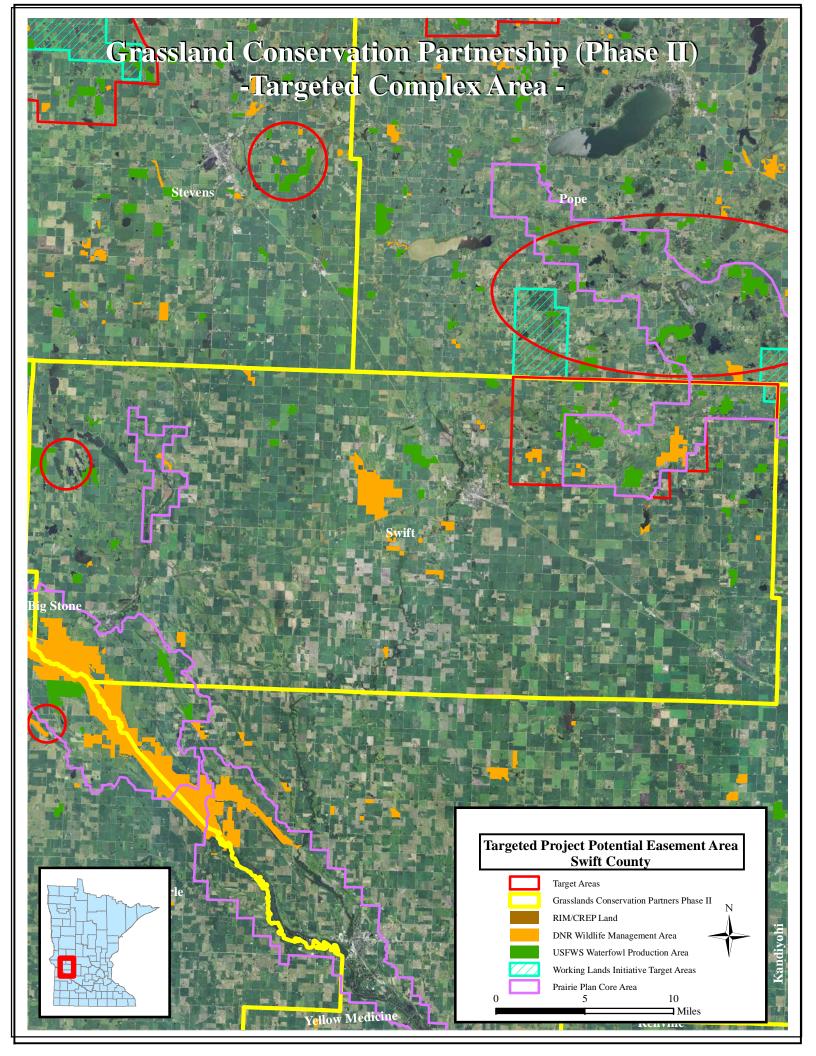
5 Miles

Grassland Conservation Partnership (Phase II) -Targeted Complex Area -

Douglas

Grant



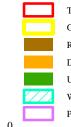


Grassland Conservation Partnership (Phase II) -Targeted Complex Area -

Renville

Redwood

Targeted Project Potential Easement Area Renville & Redwood Counties



Target Areas Grasslands Conservation Partners Phase II RIM/CREP Land DNR Wildlife Management Area USFWS Waterfowl Production Area Working Lands Initiative Target Areas Prairie Plan Core Area