

Lessard-Sams Outdoor Heritage Council

Fiscal Year 2019 / ML 2018 Request for Funding



Date: May 30, 2017

Program or Project Title: MN Prairie Recovery Project - Phase VIII

Funds Requested: \$7,000,000

Manager's Name: Neal Feeken

Organization: The Nature Conservancy

Address: 1101 W River Parkway

Address 2: Suite 200

City: Minneapolis, MN 55415

Office Number: 612-331-0738

Email: nfeeken@tnc.org

County Locations: Becker, Big Stone, Chippewa, Clay, Cottonwood, Grant, Kandiyohi, Kittson, Lac qui Parle, Lincoln, Lyon, Mahnomon, Murray, Nobles, Norman, Pennington, Pipestone, Polk, Pope, Red Lake, Rock, Roseau, Stearns, Swift, Traverse, Wilkin, and Yellow Medicine.

Regions in which work will take place:

- Forest / Prairie Transition
- Prairie

Activity types:

- Restore
- Enhance
- Protect in Fee

Priority resources addressed by activity:

- Wetlands
- Prairie

Abstract:

This project will advance the prairie protection, restoration and enhancement goals established in the 2011 MN Prairie Conservation Plan. It builds upon the successful model established in Phases 1 - 7 and seeks to protect 600 acres in fee without PILT obligations to be held by The Nature Conservancy, protect an additional 400 acres with PILT for inclusion in the State's Wildlife Management or Scientific Natural Area systems, enhance 30,000 acres of permanently protected grasslands, and restore 250 acres of prairie and wetland habitat.

Design and scope of work:

Protect - An estimated 1000 acres of prairie, wetlands, grasslands, and savanna will be permanently protected through fee-title acquisition from willing sellers in 5 prairie core/corridor landscapes as identified in the MN Prairie Conservation Plan. Acquired lands will be prioritized using prior approved criteria that include: percentage of native prairie on the parcel, proximity to other permanently protected areas, quality of habitat and species diversity, and suitability for public recreation. Of these protected acres approximately 600 will be held by The Nature Conservancy subject to a recorded notice of funding restrictions pursuant to a grant agreement with MN DNR. The remaining 400 acres will be transferred to the MN DNR as part of the Wildlife Management Area or Scientific Natural Area programs.

Enhance - An estimated 30,000 acres of grassland/wetland complex will be enhanced on permanently protected lands, including lands purchased with OHF funds and held by the Conservancy, MN DNR Management Units, US Fish and Wildlife Service lands, and private lands subject to perpetual conservation easements. The primary objectives of our enhancement activities will be to increase native species diversity and improve critical wildlife habitat. A variety of practices and techniques will be implemented to accomplish our objectives such as: prescribed fire; removal of trees and woody species; invasive species control including mechanical, biological, and chemical control; over-seeding with native seed; and conservation grazing, mowing, or haying. The work will be conducted via contracts with local vendors, Conservation Corps of Minnesota or Student Conservation Association crews and by using Nature Conservancy

seasonal and permanent staff. Prairie Recovery Biologists, stationed in the four primary landscapes are responsible for identifying and prioritizing projects in cooperation with our agency partners, selecting and overseeing contracted work and leading and directing seasonal staff. The Biologists are also responsible for participating in and leading Local Technical Team efforts to increase efficiency and effectiveness of program delivery by multiple partners at the landscape scale.

Restoration - We plan to restore 250 acres of cropland to diverse local-ecotype grassland and grassland/wetland complexes. Practices to be implemented include those listed as enhancements in addition to re-seeding with native species and restoration of original wetland hydrology.

Results to date - Through Phases 1-7 we have protected 6,086 acres of prairies, wetlands, and grasslands and have enhanced nearly 80,000 acres of permanently protected grasslands. The protected acres span our priority geographies. In all cases parcels were purchased that were directly adjacent to, or contributed to, the functional integrity of existing habitat complexes. Average per acre costs for acquired properties has risen over the course of the program and has averaged around \$2,250 per acre. Our enhancement projects have focused on accelerating the implementation of prescribed fire, extensive woody vegetation removal, building the infrastructure for conservation grazing systems and mechanical and chemical treatment of invasive species. Costs for enhancement and restoration work vary depending on the practices being implemented but have averaged around \$100 per acre.

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

- H1 Protect priority land habitats
- H5 Restore land, wetlands and wetland-associated watersheds

Which other plans are addressed in this proposal:

- Minnesota Prairie Conservation Plan
- Minnesota's Wildlife Action Plan 2015-2025

Describe how your program will advance the indicators identified in the plans selected:

By focusing our protection work in core/corridor areas as identified in the Prairie Plan, this project will advance the collaborative indicator of targeting conservation dollars to restore functional grassland landscapes at meaningful scale throughout the Prairie region of MN. The project will also accelerate the indicators for enhancement/restoration outlined in the plan including: increasing native plant diversity condition and cover; stable or decreasing cover of invasive woody vegetation; and supporting diverse populations of native birds and insects. Further, the project will result in decreased coverage of invasive species and increased cover dominated by native plants. Collectively these actions will provide increased acreage and quality of habitat for the prairie obligate species called out in the State Wildlife Action Plan.

Which LSOHC section priorities are addressed in this proposal:

Prairie:

- Protect, enhance, and restore remnant native prairie, Big Woods forests, and oak savanna

Forest / Prairie Transition:

- Protect, enhance, and restore rare native remnant prairie

Describe how your program will produce and demonstrate a significant and permanent conservation legacy and/or outcomes for fish, game, and wildlife as indicated in the LSOHC priorities:

The Nature Conservancy has been actively protecting and managing prairies in Minnesota for more than 50 years. Funds available through this program provide critical resources for protecting the 1% of prairie remaining in the state. Given the continued pressure to convert prairie lands it is imperative that willing sellers of native prairie be given the chance to protect these increasingly rare systems. The Prairie Recovery Project represents one of the best tools the Conservancy has to afford such protection. Further, many of the lands in public ownership are in need of increased management to ensure healthy grassland systems. Investment in removing woody species, controlling invasives and implementing prescribed fire regimes is akin to infrastructure development in that upfront costs are high but ongoing maintenance becomes more sustainable once those investments have been made. This project, and others that support the goals of the MN Prairie Conservation Plan are critical to ensuring the long-term health and viability of Minnesota's prairie landscapes.

Describe how the proposal uses science-based targeting that leverages or expands corridors and complexes, reduces fragmentation or protects areas identified in the MN County Biological Survey:

The project focuses activities on core/corridor complexes as described in the MN Prairie Plan. The plan was developed using the best available information for identifying the highest quality/highest density remaining prairie and grassland complexes in the state. Individual parcels are prioritized using the attached criteria. Important considerations include % of native prairie on tract; adjacency to other native prairie; proximity to other protected lands; and uniqueness and diversity of species present. MN County Biological Survey data and biodiversity rankings are key tools used to measure these criteria.

How does the proposal address habitats that have significant value for wildlife species of greatest conservation need, and/or threatened or endangered species, and list targeted species:

Temperate grasslands are the most endangered and least protected habitat type on earth. Activities identified in this project directly reflect implementation strategies identified in the MN Prairie Conservation Plan. Properties targeted for acquisition are identified and prioritized using MN County Biological Survey Rare Element Occurrences and Biodiversity Significance. The geographies we have chosen to focus on, in addition to being Prairie Plan core areas, reflect areas with the highest density and highest quality remaining prairie systems left in the state. By focusing our work in these particular landscapes we increase the functionality of the overall prairie/grassland systems, including increasing water retention, improving breeding and nesting habitat and augmenting migratory corridors. While our work focuses on increasing and maintaining system functionality a number of individual species and suites of SPGCN will directly benefit from this project including:

Insects - habitat management and protection specifically for the federally-threatened Dakota skipper butterfly, potential restoration of habitat for the endangered Poweshiek skipperling and declining regal fritillary butterflies

Mammals - American badger (an indicator species requiring intact blocks of quality habitat), elk (particularly for herd management and expansion efforts in far NW MN)

Reptiles - hognose snake (primarily in western MN counties of Lac qui Parle, Big Stone and Yellow Medicine), 5-lined skink (rock outcroppings in the upper MN River Valley)

Birds - Grassland dependent birds have experienced precipitous population decline across the Great Plains, largely due to habitat loss on the breeding grounds. This project will provide permanently protected and enhanced habitat for a suite of grassland and wetland nesting birds, most notably the Meadowlark, Bobolink, Dickcissel, Grasshopper sparrow, Henslow's sparrow, upland sandpiper, Black tern, Northern pintail, Greater Prairie-chicken, Sharp tail grouse, and many others.

Identify indicator species and associated quantities this habitat will typically support:

To ensure consistency we are using the five indicator species and metrics identified by MNDNR to represent the prairie/grassland habitats: pheasant, prairie chicken, bobolink, grasshopper sparrow, and monarch butterfly.

Pheasant

By looking at the ratios of CRP acres in Minnesota to pheasant harvest, we can estimate that every three acres of grassland habitat has the potential to produce one harvested pheasant rooster.

Prairie Chickens

According to the literature and personal observations in Minnesota, prairie chickens require a minimum of 320 acres of high quality grasslands with no areas hostile to grassland wildlife (woodlots, farmsteads, etc) near these grasslands. For every 320 acre patch of high quality grassland in the prairie chicken range in the northwest part of the state, we can expect there to be a lek, or booming ground. The average size of booming grounds in Minnesota is roughly 11 males.

Bobolink and Grasshopper Sparrow

The breeding territory size of bobolinks and grasshopper sparrows is 1.7 and 2.1 acres respectively in high quality habitat in Wisconsin. If all of the habitat was occupied, 100 acres of habitat could potentially hold approximately 60 and 48 pairs of bobolinks and grasshopper sparrows respectively.

Monarch Butterfly

Research from the University of Minnesota has shown that it takes approximately 30 milkweed plants to result in one monarch butterfly contributing to the overwintering Mexican population. Grasslands can have between 100-250 milkweed stems per acre. An acre of restored or enhanced grassland could potentially contribute 3 to 8 monarchs to the population.

Outcomes:

Programs in forest-prairie transition region:

- Remnant native prairies are part of large complexes of restored prairies, grasslands, and large and small wetlands *Protection results will be measured against MN Prairie Conservation Plan goals for protected acres of native prairie and associated grassland for each geography. Enhancement results will be measured using protocols developed for the multi-agency Grassland Monitoring Network*

Programs in prairie region:

- Remnant native prairies are part of large complexes of restored prairies, grasslands, and large and small wetlands *Protection results will be measured against MN Prairie Conservation Plan goals for protected acres of native prairie and associated grassland for each geography. Enhancement results will be measured using protocols developed for the multi-agency Grassland Monitoring Network*

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

Protection, restoration, and enhancement are all critical tools for the long-term viability of Minnesota's prairie/wetland systems. The prairie pothole landscape can only be sustained through the regular application of disturbance, including fire, grazing and haying. A primary purpose of this proposal is to continue a highly successful collaborative and coordinated partnership that accelerates the use of these practices across multiple landscapes. In many cases requested funds will develop infrastructure and enable completion of one-time large expenses such as woody species removal and installation of fencing for conservation grazing. Once those activities are complete we expect long-term maintenance costs to moderate. The Nature Conservancy will continue to seek mechanisms that derive revenue from grazing, haying and seed production consistent with our conservation goals. All resulting income will be placed in a dedicated account for future property tax payments and management of properties acquired with Outdoor Heritage Funds. Our past efforts show that revenue generation is insufficient to pay for all associated expenses therefore we plan to seek future funding from the Outdoor Heritage Fund along with private contributions for long-term stewardship needs.

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

Year	Source of Funds	Step 1	Step 2	Step 3
Once every 4-5 years	OHF, Private Contributions	Prescribed Fire		
Annually	OHF, Private Contributions	Invasive species search and treatment		
As needed	OHF, Private contribution, USDA, Lease income	Conservation grazing		

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

Only 248,000 acres of Minnesota's original prairies remain and of these only about half are currently protected. The rest remain at high risk for conversion to other uses such as row-crop production, gravel mining, and urban development. It is imperative that we permanently protect all the remaining native prairie as quickly as we can. The MN Prairie Conservation Plan sets an ambitious goal of protecting all of our remaining native prairies and annually enhancing significant acres of grassland habitat over the next 25 years. This project represents one tool designed to help the conservation community meet these goals. The enhancement component of the project greatly accelerates habitat improvement on public lands by bringing additional resources to bear allowing for the treatment of rapidly expanding invasive species, developing infrastructure for future management using either conservation grazing or prescribed fire, and building a private vendor industry to accomplish enhancement work.

How does this proposal include leverage in funds or other effort to supplement any OHF appropriation:

The Prairie Recovery Project complements other efforts requesting OHF Funds and is a collaborative approach to addressing the State's prairie crisis. Other partners engaged throughout the implementation of this project include MN DNR, MN BWSR, US Fish & Wildlife Service, USDA, Pheasants Forever, MN Land Trust, Ducks Unlimited, MN Prairie Chicken Society, local Soil & Water Conservation Districts, private landowners, cattlemen, and many others. This collaborative approach to landscape scale conservation as called for in the Prairie Plan results in greater efficiency of action, improved targeting of limited funding dollars, and increased attention to the issue of prairie conservation. The Biologists working under this project serve in leadership roles on the Local Technical Teams in the core areas targeted by this proposal and regularly collaborate with partners to ensure the highest level of efficiency and leverage is achieved.

Relationship to other funds:

- Private funding contributions to TNC

Describe the relationship of the funds:

We are leveraging state funds with private funds through a contribution of 50% of our Direct Support Services and by depositing private donations amounting to 20% of the value of fee-title acquisitions in a permanent stewardship account that guarantees our ability to maintain acquired properties over time. Further, we place any revenues generated from the properties in the form of lease or CRP payments in a separate restricted account that is used to pay property taxes or management costs on the acquired parcels. This account generates approximately 50% of our property tax obligation annually with the remaining 50% paid by TNC with private funds.

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

Appropriation Year	Source	Amount
2010	TNC Private Contributions	1,228,100
2011	TNC Private Contributions	1,427,700
2012	TNC Private Contributions	851,300
2013	TNC Private Contributions	864,000
2014	TNC Private Contributions	135,700

Activity Details

Requirements:

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 - **No**

The Nature Conservancy will retain and manage acquired properties without PILT obligation in nongovernmental ownership. We are committed to paying property taxes on all properties that we retain ownership of. We work with local officials to ensure knowledge of our activities but do not ask for local approval.

Local governments are notified of each proposed land acquisition that will be transferred to the state and program staff are available to discuss projects with local government staff and/or elected officials.

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

Will restoration and enhancement work follow best management practices including MS 84.973 Pollinator Habitat Program - **Yes**

Is the activity on permanently protected land per 97A.056, subd 13(f), tribal lands, and/or public waters per MS 103G.005, Subd. 15 - **Yes (WMA, WPA, SNA, Private Land, Refuge Lands)**

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

Land Use:

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

Explain

No food plots will be established on OHF acquired properties. Short-term use of agricultural crops is an accepted Best Practice for preparing a site for prairie restoration. For example short-term use of soybeans or other commercial crops can be used for restorations in order to control weed seedbeds prior to prairie planting. In some cases this necessitates the use of GMO treated products to facilitate herbicide use in order to control weeds present in the seedbank. Neonicitinoide treated seed will not be used. We would not expect agricultural crop use to exceed 3 years on any given OHF acquired property. We are currently exploring and testing the viability of alternative restoration techniques to minimize the need to farm restoration sites, including expanded use of cover crops.

Are any of the crop types planted GMO treated - **Yes**

Is this land currently open for hunting and fishing - **No**

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

No variations anticipated

Are there currently trails or roads on any of the acquisitions on the parcel list - **No**

Will new trails or roads be developed or improved as a result of the OHF acquisition - **No**

Accomplishment Timeline

Activity	Approximate Date Completed
Protect 200 acres without PILT	June 2020
Enhance 10,000 acres permanently protected grassland	June 2020
Protect 200 acres with PILT obligation	June 2020
Protect 400 acres without PILT	June 2021
Enhance 10,000 acres permanently protected grassland	June 2021
Protect 200 acres with PILT obligation	June 2021
Enhance 10,000 acres permanently protected grassland	June 2022
Restore 250 acres grassland/wetland complex	June 2023

Budget Spreadsheet

Total Amount of Request: \$7,000,000

Budget and Cash Leverage

BudgetName	LSOHC Request	Anticipated Leverage	Leverage Source	Total
Personnel	\$1,216,600	\$0		\$1,216,600
Contracts	\$2,000,000	\$0		\$2,000,000
Fee Acquisition w/ PILT	\$1,500,000	\$300,000	TNC	\$1,800,000
Fee Acquisition w/o PILT	\$1,000,000	\$0		\$1,000,000
Easement Acquisition	\$0	\$0		\$0
Easement Stewardship	\$0	\$0		\$0
Travel	\$79,000	\$0		\$79,000
Professional Services	\$138,000	\$0		\$138,000
Direct Support Services	\$460,400	\$460,400	TNC	\$920,800
DNR Land Acquisition Costs	\$40,000	\$0		\$40,000
Capital Equipment	\$0	\$0		\$0
Other Equipment/Tools	\$201,400	\$0		\$201,400
Supplies/Materials	\$314,600	\$0		\$314,600
DNR IDP	\$50,000	\$0		\$50,000
Total	\$7,000,000	\$760,400		\$7,760,400

Personnel

Position	FTE	Over # of years	LSOHC Request	Anticipated Leverage	Leverage Source	Total
Prairie Recovery Biologists	2.00	3.00	\$403,200	\$0		\$403,200
Habitat Crews	6.10	3.00	\$457,700	\$0		\$457,700
Protection Staff	0.67	3.00	\$182,000	\$0		\$182,000
Project Management	0.34	3.00	\$104,500	\$0		\$104,500
Grant Administration	0.12	3.00	\$33,000	\$0		\$33,000
TNC Science Staff	0.11	3.00	\$36,200	\$0		\$36,200
Total	9.34	18.00	\$1,216,600	\$0		\$1,216,600

Amount of Request: \$7,000,000

Amount of Leverage: \$760,400

Leverage as a percent of the Request: 10.86%

DSS + Personnel: \$1,677,000

As a % of the total request: 23.96%

Easement Stewardship: \$0

As a % of the Easement Acquisition: -%

How did you determine which portions of the Direct Support Services of your shared support services is direct to this program:

DSS is based on The Nature Conservancy's Federally Negotiated rate as proposed and subsequently approved by the US Dept. of Interior on an annual basis. The portion requested from the grant represents 50% of this rate, with the remaining 50% contributed as leverage.

Does the amount in the contract line include R/E work?

Yes. The entire contract line item is dedicated to enhancement and restoration work. Typical contractors include private vendors and Conservation Corps of MN/IA.

Does the amount in the travel line include equipment/vehicle rental? - Yes

Explain the amount in the travel line outside of traditional travel costs of mileage, food, and lodging:

Travel line item includes approximately \$4,500 for short term vehicle rentals, primarily for Project coordinator and Protection Specialists. Long term truck lease costs for the Prairie Recovery Biologists are reflected in the Other Equipment line item.

Describe and explain leverage source and confirmation of funds:

The leverage offered on the DSS line item reflects one-half of the Conservancy's federally approved indirect rate. The leverage found on the Acquire in Fee without PILT line represents 20% of acquisition costs placed in an endowment ensuring long-term management and property tax obligations are met. Both represent private contributions.

Does this proposal have the ability to be scalable? - Yes

Tell us how this project would be scaled and how administrative costs are affected, describe the "economy of scale" and how outputs would change with reduced funding, if applicable:

Phase 8 is a component of the larger MN Prairie Recovery Program. The continuity of funding across multiple Phases allows us flexibility when prioritizing specific parcels for protection or enhancement and is an important aspect in our ability to scale activities up or down depending on funds available.

Output Tables

Table 1a. Acres by Resource Type

Type	Wetlands	Prairies	Forest	Habitats	Total
Restore	125	125	0	0	250
Protect in Fee with State PILT Liability	100	300	0	0	400
Protect in Fee W/O State PILT Liability	150	450	0	0	600
Protect in Easement	0	0	0	0	0
Enhance	5,000	25,000	0	0	30,000
Total	5,375	25,875	0	0	31,250

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

Type	Native Prairie
Restore	0
Protect in Fee with State PILT Liability	200
Protect in Fee W/O State PILT Liability	400
Protect in Easement	0
Enhance	15,000
Total	15,600

Table 2. Total Requested Funding by Resource Type

Type	Wetlands	Prairies	Forest	Habitats	Total
Restore	\$125,000	\$125,000	\$0	\$0	\$250,000
Protect in Fee with State PILT Liability	\$291,000	\$873,000	\$0	\$0	\$1,164,000
Protect in Fee W/O State PILT Liability	\$436,500	\$1,309,500	\$0	\$0	\$1,746,000
Protect in Easement	\$0	\$0	\$0	\$0	\$0
Enhance	\$640,000	\$3,200,000	\$0	\$0	\$3,840,000
Total	\$1,492,500	\$5,507,500	\$0	\$0	\$7,000,000

Table 3. Acres within each Ecological Section

Type	Metro/Urban	Forest/Prairie	SE Forest	Prairie	Northern Forest	Total
Restore	0	125	0	125	0	250
Protect in Fee with State PILT Liability	0	200	0	200	0	400
Protect in Fee W/O State PILT Liability	0	300	0	300	0	600
Protect in Easement	0	0	0	0	0	0
Enhance	0	15,000	0	15,000	0	30,000
Total	0	15,625	0	15,625	0	31,250

Table 4. Total Requested Funding within each Ecological Section

Type	Metro/Urban	Forest/Prairie	SE Forest	Prairie	Northern Forest	Total
Restore	\$0	\$125,000	\$0	\$125,000	\$0	\$250,000
Protect in Fee with State PILT Liability	\$0	\$582,000	\$0	\$582,000	\$0	\$1,164,000
Protect in Fee W/O State PILT Liability	\$0	\$873,000	\$0	\$873,000	\$0	\$1,746,000
Protect in Easement	\$0	\$0	\$0	\$0	\$0	\$0
Enhance	\$0	\$1,920,000	\$0	\$1,920,000	\$0	\$3,840,000
Total	\$0	\$3,500,000	\$0	\$3,500,000	\$0	\$7,000,000

Table 5. Average Cost per Acre by Resource Type

Type	Wetlands	Prairies	Forest	Habitats
Restore	\$1,000	\$1,000	\$0	\$0
Protect in Fee with State PILT Liability	\$2,910	\$2,910	\$0	\$0
Protect in Fee W/O State PILT Liability	\$2,910	\$2,910	\$0	\$0
Protect in Easement	\$0	\$0	\$0	\$0
Enhance	\$128	\$128	\$0	\$0

Table 6. Average Cost per Acre by Ecological Section

Type	Metro/Urban	Forest/Prairie	SE Forest	Prairie	Northern Forest
Restore	\$0	\$1,000	\$0	\$1,000	\$0
Protect in Fee with State PILT Liability	\$0	\$2,910	\$0	\$2,910	\$0
Protect in Fee W/O State PILT Liability	\$0	\$2,910	\$0	\$2,910	\$0
Protect in Easement	\$0	\$0	\$0	\$0	\$0
Enhance	\$0	\$128	\$0	\$128	\$0

Target Lake/Stream/River Feet or Miles

0

I have read and understand Section 15 of the Constitution of the State of Minnesota, Minnesota Statute 97A.056, and the Call for Funding Request. I certify I am authorized to submit this proposal and to the best of my knowledge the information provided is true and accurate.

Parcel List

Explain the process used to select, rank and prioritize the parcels:

Parcel selection for Protection projects, both with and without PILT obligations, are prioritized according to the goals found within the MN Prairie Plan and specifically using the attached criteria. Parcels that the Conservancy intends to own and manage are located within core portfolio sites while parcels intended for transfer will be selected in consultation with MN DNR managers. Enhancement parcels consist of permanently protected grasslands primarily USFWS WPAs and MN DNR WMAs and are selected for funding in close consultation with the partner responsible for ultimate management. Parcels proposed on the parcel list do not reflect actual parcels, rather are illustrative of the areas in which our work is to be conducted. Maintaining anonymity of parcels is an important consideration for the organization in order to protect landowner privacy rights and to maintain the integrity of good faith negotiations. All actual protection parcels will be submitted to the LSOHC for approval prior to acquiring through an Accomplishment Plan amendment request. All completed restoration and enhancement projects will be reported to the Council on the Status Updates and the Final Report.

Section 1 - Restore / Enhance Parcel List

Becker

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	13942201	99	\$1,000	Yes
NA	13942201	99	\$1,000	Yes

Big Stone

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	12446210	99	\$1,000	Yes
NA	12446210	99	\$1,000	Yes

Chippewa

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	11739213	99	\$1,000	Yes
NA	11739213	99	\$1,000	Yes

Clay

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	14247204	99	\$1,000	Yes
NA	14247204	99	\$1,000	Yes

Cottonwood

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	10734220	99	\$1,000	Yes
NA	10734220	99	\$1,000	Yes

Grant

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	12841230	99	\$1,000	Yes
NA	12841230	99	\$1,000	Yes

Kandiyohi

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	12233215	99	\$1,000	Yes
NA	12233215	99	\$1,000	Yes

Kittson

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	16045206	99	\$1,000	Yes
NA	16045206	99	\$1,000	Yes

Lac qui Parle

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	11943211	99	\$1,000	Yes
NA	11943211	99	\$1,000	Yes

Lincoln

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	10945217	99	\$1,000	Yes
NA	10945217	99	\$1,000	Yes

Lyon

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	11243218	99	\$1,000	Yes
NA	11243218	99	\$1,000	Yes

Mahnomen

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	14642208	99	\$1,000	Yes
NA	14642208	99	\$1,000	Yes

Murray

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	10740210	99	\$1,000	Yes
NA	10740210	99	\$1,000	Yes

Nobles

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	10140225	99	\$1,000	Yes
NA	10140225	99	\$1,000	Yes

Norman

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	14647203	99	\$1,000	Yes
NA	14647203	99	\$1,000	Yes

Pennington

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	15345230	99	\$1,000	Yes
NA	15345230	99	\$1,000	Yes

Pipestone

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	10846219	99	\$1,000	Yes
NA	10846219	99	\$1,000	Yes

Polk

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	15449201	99	\$1,000	Yes
NA	15449201	99	\$1,000	Yes

Pope

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	12336214	99	\$1,000	Yes
NA	12336214	99	\$1,000	Yes

Red Lake

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	15144202	99	\$1,000	Yes
NA	15144202	99	\$1,000	Yes

Rock

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	10345227	99	\$1,000	Yes
NA	10345227	99	\$1,000	Yes

Roseau

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	16242207	99	\$1,000	Yes
NA	16242207	99	\$1,000	Yes

Stearns

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	12335216	99	\$1,000	Yes
NA	12335216	99	\$1,000	Yes

Swift

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	12042212	99	\$1,000	Yes
NA	12042212	99	\$1,000	Yes

Traverse

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	12548220	99	\$1,000	Yes
NA	12548220	99	\$1,000	Yes

Wilkin

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	13647205	99	\$1,000	Yes
NA	13647205	99	\$1,000	Yes

Yellow Medicine

Name	TRDS	Acres	Est Cost	Existing Protection?
NA	11546221	99	\$1,000	Yes
NA	11546221	99	\$1,000	Yes

Section 2 - Protect Parcel List**Becker**

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	13942201	99	\$1,000	No	Full	Full
NA	13942201	99	\$1,000	No	Full	Full

Big Stone

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	12446210	99	\$1,000	No	Full	Full
NA	12446210	99	\$1,000	No	Full	Full

Chippewa

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	11739213	99	\$1,000	No	Full	Full
NA	11739213	99	\$1,000	No	Full	Full

Clay

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	14247204	99	\$1,000	No	Full	Full
NA	14247204	99	\$1,000	No	Full	Full

Cottonwood

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	10734220	99	\$1,000	No	Full	Full
NA	10734220	99	\$1,000	No	Full	Full

Grant

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	12841230	99	\$1,000	No	Full	Full
NA	12841230	99	\$1,000	No	Full	Full

Kandiyohi

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	12233215	99	\$1,000	No	Full	Full
NA	12233215	99	\$1,000	No	Full	Full

Kittson

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	16045206	99	\$1,000	No	Full	Full
NA	16045206	99	\$1,000	No	Full	Full

Lac qui Parle

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	11943211	99	\$1,000	No	Full	Full
NA	11943211	99	\$1,000	No	Full	Full

Lincoln

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	10945217	99	\$1,000	No	Full	Full
NA	10945217	99	\$1,000	No	Full	Full

Lyon

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	11243218	99	\$1,000	No	Full	Full
NA	11243218	99	\$1,000	No	Full	Full

Mahnomen

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	14642208	99	\$1,000	No	Full	Full
NA	14642208	99	\$1,000	No	Full	Full

Murray

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	10740210	99	\$1,000	No	Full	Full
NA	10740210	99	\$1,000	No	Full	Full

Nobles

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	10140225	99	\$1,000	No	Full	Full
NA	10140225	99	\$1,000	No	Full	Full

Norman

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	14647203	99	\$1,000	No	Full	Full
NA	14647203	99	\$1,000	No	Full	Full

Pennington

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	15345230	99	\$1,000	No	Full	Full
NA	15345230	99	\$1,000	No	Full	Full

Pipestone

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	10846219	99	\$1,000	No	Full	Full
NA	10846219	99	\$1,000	No	Full	Full

Polk

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	15449201	99	\$1,000	No	Full	Full
NA	15449201	99	\$1,000	No	Full	Full

Pope

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	12336214	99	\$1,000	No	Full	Full
NA	12336214	99	\$1,000	No	Full	Full

Red Lake

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	15144202	99	\$1,000	No	Full	Full
NA	15144202	99	\$1,000	No	Full	Full

Rock

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	10345227	99	\$1,000	No	Full	Full
NA	10345227	99	\$1,000	No	Full	Full

Roseau

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	16242207	99	\$1,000	No	Full	Full
NA	16242207	99	\$1,000	No	Full	Full

Stearns

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	12335216	99	\$1,000	No	Full	Full
NA	12335216	99	\$1,000	No	Full	Full

Swift

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	12042212	99	\$1,000	No	Full	Full
NA	12042212	99	\$1,000	No	Full	Full

Traverse

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	12548220	99	\$1,000	No	Full	Full
NA	12548220	99	\$1,000	No	Full	Full

Wilkin

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	13647205	99	\$1,000	No	Full	Full
NA	13647205	99	\$1,000	No	Full	Full

Yellow Medicine

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
NA	11546221	99	\$1,000	No	Full	Full
NA	11546221	99	\$1,000	No	Full	Full

Section 2a - Protect Parcel with Bldgs

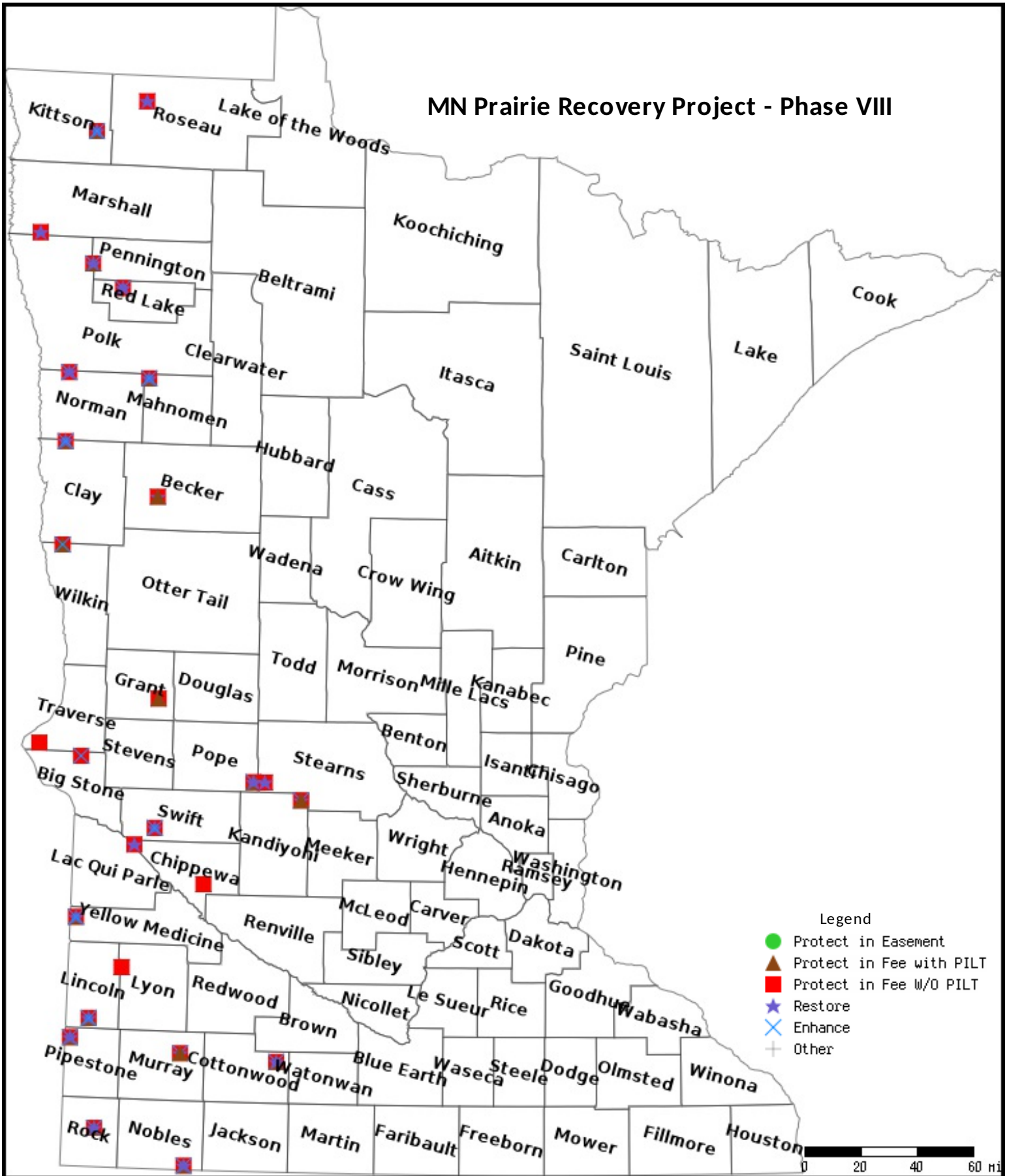
No parcels with an activity type protect and has buildings.

Section 3 - Other Parcel Activity

No parcels with an other activity type.

Parcel Map

MN Prairie Recovery Project - Phase VIII



Data Generated From Parcel List

MN Prairie Recovery Project



Phase VIII

Funds Requested: \$7,000,000

Protect

1000 Acres

\$2,910,000 Requested



Enhance

30,000 Acres

\$3,840,000 Requested



Restore

250 Acres

\$250,000 Requested



600 acres TNC Ownership

- MN Prairie Plan Core/Corridors
- Native Prairie protection top priority
- Remain on Property tax rolls

400 acres DNR Ownership

- Transfer to WMA/SNA systems
- Build on existing priority complexes
- PILT payments

Permanently Protected Lands

- WMA, WPA, SNA, Refuge, Private

Practices

- Invasive Species Control
- Prescribed Fire
- Woody species removal
- Conservation grazing

Recently protected lands

- TNC, WMA, WPA

Grassland/Wetland restoration

- Local Ecotype seed sources
- Pollinator friendly mixes
- Non-neonic treated seed

MN Prairie Recovery Project



Phases 1-7

Results to Date

Protected

6,086 Acres

34 Transactions



- Open to public access—fish/hunt
- 5,033 acres Native Prairie/Grassland
- 1,053 acres Native Wetlands
- Generated revenues = \$78,212
- Property taxes paid = \$136,270

Enhanced

79,800 Acres

~ 450 Projects



WMA, WPA, SNA, NWR Refuges

Implementation

- Private Vendor contracts
- Conservation Corps MN
- TNC habitat crews

Restored

496 Acres

11 Projects



Projects on TNC, WPA, WMA

- Grassland/Wetland restorations
- Mechanical and hand-harvest seed
- Rare species inventory
- Prescribed fire to stimulate seed production

**Parcel Selection Criteria used by The Nature Conservancy for
the Minnesota Prairie Recovery project funded by the Outdoor Heritage Fund**

The purpose of the Minnesota Prairie Recovery Project is to accelerate and coordinate conservation activities in the prairie regions of Minnesota, and to ensure that the remaining 200,000 acres of remnant native prairie are protected, that restorations complement these remnants and provide critical buffers and corridors, and that all remnant habitats are effectively enhanced with proper use of prescribed fire and control of undesirable species.

To accomplish this purpose, The Nature Conservancy proposes to acquire in fee key tracts of prairies and associated lands to provide maximum protection and opportunity for restoration and enhancement. In looking at restoring prairie functions at a landscape scale, the following criteria will be considered in our identification of appropriate parcels for acquisition:

1. **Native prairie on all or most of tract, or adjacency to existing native prairie.** Emphasis of the project is protecting and enhancing native prairie, as identified by DNR County Biological Survey or site inspection by trained biologist. Protecting native prairie includes the need to buffer and connect native remnants via restoration of non-native lands. We will identify and work with private landowners to acquire tracts that further our goal of native prairie conservation, and in particular, those that meet the other criteria listed below.
2. **Within core area boundary or in critical corridors between core areas.** The project will attempt to build "functioning landscapes" by concentrating in areas with a good core of existing native prairie. We are using the DNR County Biological Survey as a starting point for identifying these core areas. While CBS has identified 38 possible core areas, we will focus within or adjacent to one of 5 areas including: Tallgrass Aspen Parkland, northern Agassiz Beach Ridge, upper Minnesota River Valley, Ordway-Glacial Lakes area, or the Prairie Coteau. Priority will be given to those parcels that are within core areas or that help form critical corridors to maintain landscape function. Selection of tracts will also be guided by the strategies and objectives outlined in TNC's ecoregional conservation action plans.
3. **Near existing protected lands.** Building larger protected complexes is preferred to simplify and reduce overall management costs. In general, larger protected blocks are more effective at conserving the full array of wildlife species and biological diversity. Tracts near existing protected lands will be prioritized higher than those that are isolated.
4. **Greater habitat and species diversity, or host to unique species.** Parcels that host a rare habitat or a continuum of habitats, such as interconnected upland, wetland, riparian, and stream features, will be recognized as having added ecological value and given greater priority. Tracts with underrepresented, small-scale features (e.g., threatened species), will also be prioritized.
5. **Suitability for ultimate assumption by DNR (WMA or SNA).** The Conservancy is proposing to hold these lands for an indefinite period of time. However, we recognize that public ownership of some or all of the acquired properties may be preferable in the future. In order to facilitate this, we will consult with the DNR prior to acquisition regarding the suitability of proposed acquisition tracts for future consideration as a Wildlife Management Area or Scientific and Natural Area.
6. **No buildings or CRP issues.** Existing buildings pose a challenge because they may not be eligible for Outdoor Heritage Fund use and they require additional effort to demolish or sell. Similarly, lands enrolled in the Conservation Reserve Program can complicate the appraisal and

acquisition process. We will give priority to those parcels that have neither buildings nor existing long term CRP leases.

7. **Suitable for grazing.** A principal element of this proposal is to use conservation grazing as a way to meet ecological objectives and to generate income. Lands that are suitable for grazing, or that have recently been used for grazing, will be prioritized.
8. **Willing seller.** We will only work with willing sellers, and those that can abide by the statutory process laid out for use of public funds.
9. **Suitability for public recreation.** Constitutional language requires that these lands be open to public taking of fish and game. We will prioritize those parcels that can foster those public uses.
10. **Additional restrictions or conditions** as specified by the Lessard-Sams Outdoor Heritage Council, public laws and rules, and program policies that direct acquisition priorities.

The Nature Conservancy's Direct Support Service Methodology

Background

Through the course of implementing grants awarded by the Legacy and Environmental Trust Fund (ENTRF) processes there are numerous costs which are directly related to and necessary for program implementation but which, for practical reasons, cannot be assigned to specific projects. For example, all projects involve the Payroll Department, but because of the size and complexity of the Conservancy's accounting systems it is not possible to determine how much of each payroll administrator's salary should be charged to specific projects.

To account for these and similar costs the Nature Conservancy has developed a methodology for documenting them on an annual basis. This methodology is based on actual costs of Direct Support Services from the previous year and is essentially a ratio of unassignable costs to those which are easily assigned. The ratio is annually adjusted based on real costs. Further, the methodology and costs are annually audited and accepted as our official "Indirect Cost Rate" by all federal funding agencies.

Costs included in this category are deemed internally as General and Administrative or Facilities and are represented as the sum in Column X in the table below. General and Administrative costs include: payroll and accounting, general legal services, human resources, grants administration, information systems, and executive management. Specifically excluded from this category are: Fundraising, Lobbying, Government Relations, Membership Development, and costs directly assigned to projects.

The Nature Conservancy Statement of Total Costs by Program Operating and Land Funds July 1, 2010 to June 30, 2011											
M	N	O	P	Q	R	S	T	U	V	W	X
Elements of Costs	Total Costs for ICR	Conservation	Membership Development	Fundraising	Lobbying	Government Relations	Land Fund	(O)+(P)+(Q)+(R)+(S)+(T) Total Direct Costs	Indirect Costs	Facilities	Total Indirect
Salaries	188,252,493	107,171,712	1,413,799	31,063,301	1,524,236	4,866,810	0	146,039,859	42,212,634		42,212,634
Fringe Benefits	81,164,511	46,206,242	602,953	13,294,927	640,926	2,122,490	0	62,867,538	18,296,973		18,296,973
Fees and charges	123,019,361	84,092,866	2,835,357	4,901,214	3,852,422	541,458	16,114,142	112,337,459	7,057,317	3,624,585	10,681,902
Supplies and communications	33,510,127	14,944,395	11,552,986	2,359,259	56,972	240,693	284,768	29,439,074	4,071,053		4,071,053
Travel	18,278,067	12,304,999	40,573	2,479,549	155,797	563,214	246,294	15,790,427	2,487,640		2,487,640
Occupancy	28,963,791	7,666,782	0	501,639	2,241	40,855	9,658,196	17,869,713	0	11,094,078	11,094,078
Equipment	6,706,276	5,044,065	0	210,406	2,090	13,877	174,352	5,444,789	1,261,487		1,261,487
Unallowables	54,513,986	22,750,087	743,309	1,941,114	576,903	74,275	20,814,167	46,899,855	7,614,130		7,614,130
Exclusions	332,331,508	146,925	0	15,753	0	500	332,163,871	332,327,049	4,459		4,459
Total Costs for ICR calculation	866,740,119	300,328,073	17,188,978	56,767,161	6,811,589	8,464,173	379,455,790	769,015,763	83,005,693	14,718,663	97,724,356
Reconciliation:	Expenditures before Exclusions	Exclusions	Indirect unallowable charges	Fringe Benefits charges in non-benefit centers	Expenditures after Exclusions				G&A	Facilities	Total
Direct Base	769,015,763	-332,327,049	0	642,754	437,331,468		Indirect Cost Pool		75,387,104	14,718,663	90,105,767
Indirect Cost Pool	97,724,356	-4,459	-7,614,130	0	90,105,767		Direct Base		437,331,468	437,331,468	437,331,468
Total Expenditures	866,740,119	-332,331,508	-7,614,130	642,754	527,437,235		Indirect Cost Rate		17.24%	3.37%	20.60%

Methodology and Implementation

The Conservancy uses the methodology and subsequent ratios that have been developed for our Federal approved and audited rate as the basis for calculating Direct Support Services for Legacy and ENRTF projects and programs. A budget amount will be determined as part of the allocation process with the governing body and reflected on each Accomplishment Plan or Work Program as a specific line-item. Direct Support Service reimbursement requests will not be applied to categories that unnecessarily inflate the overall rate. Excluded line items include Land and Easement Acquisition, Capital Equipment purchases over \$50,000 and DNR IDP and Land Acquisition Costs. For this project, TNC requests reimbursement of 50% of eligible DSS costs with the remaining 50% to be contributed as leverage by TNC.