

Amanda Brazee

From: Sandy Smith
Sent: Wednesday, September 09, 2015 9:19 AM
Subject: FW: RIM Follow-up Letter
Attachments: LSOHC Follow-up Letter 9-9-15.pdf

Members –

Additional information is attached.

From: Penning, Bill (BWSR) [<mailto:Bill.Penning@state.mn.us>]
Sent: Wednesday, September 09, 2015 8:26 AM
To: Mark Johnson <mark.johnson@lsohc.leg.mn>
Cc: Joe Pavelko <Joe.Pavelko@lsohc.leg.mn>
Subject: RIM Follow-up Letter

Mark,

Attached is a letter that provides some additional clarification on our presentations last week. Please forward to Council Members.

Thanks,

Bill

Bill Penning
Conservation Easement Section Manager
Board of Water and Soil Resources
(651) 297-1894 office
(651) 262-6403 cell





September 9, 2015

Lessard-Sams Outdoor Heritage Council Members,

Thank you once again for allowing Board of Water and Soil Resources (BWSR) staff and partners to provide testimony on our Reinvest In Minnesota (RIM) Reserve proposals for ML16 Outdoor Heritage Fund consideration. The RIM Wetlands Phase VII (WA 03) and the Minnesota Buffers for Wildlife and Water – Phase VI (PA 07) continue to be highly successful voluntary easement programs that permanently protect and restore critical wildlife habitat for many game and non-game species. I wanted to provide additional information that was requested during the question and answer part of our testimony.

1. Leverage

Minnesota Buffers (PA 07) leverages one dollar of OHF for one dollar of Clean Water Fund (CWF). BWSR has recently been appropriated CWF dollars to fully match the \$15 million OHF request.

When the Conservation Reserve Enhancement Program (CREP) is approved and a CREP Agreement is signed by the Governor and the USDA Secretary it will add substantial leverage that will increase the OHF leverage for Wetlands and OHF/CWF for Minnesota Buffers outcomes by a multiplier of 2 or greater. It is anticipated that we will be conducting a CREP sign-up in early 2016 so that when ML16 OHF funds are available on July 1, 2016 they will be immediately allocated to high priority “best” habitat projects, then quickly recorded and restored to critical wildlife habitat.

Total cost for the CREP will be approximately \$795 million with the State’s portion to be provided by a combination of OHF (Wetlands and expanded Buffers), CWF (Buffers, Wellhead Protection), Bonding, and LCCMR (Technical Assistance). These two requests (WA 03 and PA 07) represent the first year of requests to LSQHC needed as a part of the overall 5 year state effort to secure the match.

2. CREP Status

The five sponsoring State agencies (BWSR, DNR, MDA, MPCA and MDH) have garnered broad support for this effort and have submitted a draft CREP proposal to USDA Farm Service Agency (FSA) in Washington for their initial review. Negotiations are being conducted that will set the terms of the CREP Agreement. This will include the exact contribution by both USDA and the State. The Governor’s Office, federal and state legislators and many partners are in support of this effort. MN FSA fully supports the 100,000 acre CREP application.

Bemidji 403 Fourth Street NW Suite 200 Bemidji, MN 56601 (218) 755-2600	Brainerd 1601 Minnesota Drive Brainerd, MN 56401 (218) 203-4470	Detroit Lakes 26624 N. Tower Road Detroit Lakes, MN 56501 (218) 846-8400	Duluth 394 S. Lake Avenue Suite 403 Duluth, MN 55802 (218) 723-4752	Mankato 12 Civic Center Plaza Suite 3000B Mankato, MN 56001 (507) 344-2821	Marshall 1400 East Lyon Street Marshall, MN 56258 (507) 537-6060	New Ulm 21371 State Hwy 15 New Ulm, MN 56073 (507) 359-6074	Rochester 3555 9 th Street NW Suite 350 Rochester, MN 55901 (507) 206-2889
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Central Office / Metro Office 520 Lafayette Road North Saint Paul, MN 55155 Phone: (651) 296-3767 Fax: (651) 297-5615

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An important note is that once the CREP Agreement is signed it constitutes a firm federal commitment and is not dependent on yearly decisions or federal allocations reliant on annual appropriations.

The proposal calls for 50,000 acres of buffers, 45,000 acres of wetlands and 5,000 acres of wellhead protection easements.

3. Increase in acres with CREP

USDA will provide landowner payments for CRP rental contracts and reimbursement for installed conservation practices. The State will pay the remaining portion to the landowner for a RIM easement and installed practices. In addition, the State will provide all costs associated with recording the easement, easement stewardship and technical assistance at the state and local level to complete required CREP tasks. As the USDA contribution increases acres will also increase.

BWSR will keep the LSOHC up-to-date on the progress towards a CREP Agreement over the next several months. We look forward to using OHF funds help to meet the goals of this major wildlife and water quality improvement effort.

Respectfully,

A handwritten signature in black ink, appearing to read 'Bill Penning', written over a horizontal line.

Bill Penning
Conservation Easement Section Manager