



**Lessard-Sams Outdoor Heritage Council
The State of Minnesota**

State Office Building, Room G95 100 Dr. Rev. Martin Luther King Jr. Blvd. Saint Paul, Minnesota 55155

November 1, 2016

**Commissioner Tom Landwehr
Department of Natural Resources
500 Lafayette Road
St. Paul, MN 55155**

**Re: Mississippi River Northwoods Recreation Trail Designation and MRNW Habitat Protection,
ML 2012, Ch. 264, Art. 1, Sec. 2, Subd. 3(b)**

Dear Commissioner Landwehr:

Per a vote by the Lessard-Sams Outdoor Heritage Council (LSOHC) at its September 29, 2016 meeting, please consider this letter a request from the LSOHC for Minnesota Department of Natural Resources (DNR) to initiate appropriate legal action relative to Crow Wing County and the terms of their Outdoor Heritage Fund (OHF) accomplishment plan, "Mississippi Northwoods Habitat Complex Protection," ML 2012, Ch. 264, Art. 1, Sec. 2, Subd. 3(b). The council directs its concerns to the DNR as the holder of OHF grant agreements.

The LSOHC has multiple concerns regarding trail use on the Mississippi River Northwoods (MRNW) property in Crow Wing County acquired in 2012 using OHF. OHF monies are constitutionally dedicated for use only to "restore, protect, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife." At issue for the LSOHC is the possible decline of quality of wildlife habitat on the 1,183 acre MRNW property resulting from Crow Wing County's designation of 11.5 miles of existing trails on the property for ATV use, the stated intent of "open" use status of all remaining trails, and the resultant intensification of recreational trail motorized activity upon the property. Increased motorized access and use is incongruent with the original purpose of the appropriation and, the council believes, is in violation of the OHF accomplishment plan. Additional factors, such as the proposed construction of a parking area and picnic area could threaten to further deteriorate wildlife habitat quality on the property.

In light of these multiple concerns, the LSOHC respectfully requests DNR to initiate appropriate legal action to bring Crow Wing County back into compliance with the terms of the OHF accomplishment plan, the grant contract, and the original purpose of the appropriation.

The council appreciates your consideration of this matter and the efforts of you and your staff on behalf of conserving and protecting the legacy of Minnesota's natural resources.

Respectfully,

A handwritten signature in black ink that reads "Bob Anderson". The signature is written in a cursive, flowing style.

Robert (Bob) Anderson
Chairman, Lessard-Sams Outdoor Heritage Council

- Enc. Accomplishment Plan and Final Report for the program (completed parcel lists not included)
- Cc: LSOHC Members
Mark Liedl, Crow Wing County Land Services Director

Lessard-Sams Outdoor Heritage Council

Laws of Minnesota 2012 Accomplishment Plan



Date: July 31, 2014

Program or Project Title: Mississippi Northwoods Habitat Complex Protection

Funds Recommended: \$ 11,040,000

Manager's Name: Kirk Titus

Organization: Crow Wing County Land Supervisor

Address: 322 Laurel St. Suite 12

City: Brainerd, 56401

Office Number: 218-824-1138

Email: kirk.titus@crowwing.us

Legislative Citation: ML 2012, Ch. 264, Art. 1, Sec. 2, Subd. 3(b)

Appropriation Language: \$11,040,000 in the second year is to the commissioner of natural resources for an agreement with Crow Wing County to acquire land in fee along the Mississippi River in Crow Wing County to be added to the county forest system. The purchase price must not exceed the appraised fair market value of the property as reviewed and approved under established procedures in compliance with the Uniform Standards of Professional Appraisal Practice and the Department of Natural Resources Supplemental Appraisal and Appraisal Review Guidelines (effective July 15, 2009). A land description must be provided as part of the required accomplishment plan. Development of a paved trail on land acquired under this paragraph constitutes an alteration of the intended use of the interest in real property and must be handled according to Minnesota Statutes, section 97A.056, subdivision 15. Any plan, including trail alignment, for the development of a paved trail must be submitted to the Lessard-Sams Outdoor Heritage Council for approval. No paved trail development or paved trail use is allowed unless it is specified in the plan for trail use and alignment approved by the Lessard-Sams Outdoor Heritage Council. If additional money is needed to acquire the land under this paragraph, by December 15, 2012, the amount necessary to complete the acquisition shall be transferred from unspent appropriations under subdivision 5, paragraph (h), and added to this appropriation.

County Locations: Crow Wing

Regions in which work will take place:

- Northern Forest

Activity types:

- Protect in Fee

Priority resources addressed by activity:

- Forest
- Habitat
- Prairie
- Wetlands

Abstract:

Protect 2.7 miles of Mississippi river shoreline and nearly 2,000 acres of wetland and forest/upland habitat through fee title acquisition and restore approximately 100 acres just east of Brainerd, MN.

Design and scope of work:

The Mississippi River is one of the world's major river systems in size, habitat diversity and biological productivity*. It is the third longest river in North America, the fourth globally, and 18 million people and more than 50 cities depend on the Mississippi River Watershed for their water supply (Mississippi River Basin Committee, 1982), including the Twin Cities and St. Cloud.

The Mississippi River is home to at least 260 species of fish, which makes up 25% of all fish species in North America. Forty percent of the nation's migratory waterfowl use the river corridor during their Spring and Fall migration. Sixty percent of all North American birds (326 species) use the Mississippi River Basin as their migratory flyway. From Cairo, IL upstream to Lake Itasca there are 38 documented species of mussel. On the Lower Mississippi, there may be as many as 60 separate species of mussel. The Upper Mississippi is host to more than 50 mammal species and at least 145 species of amphibians and reptiles inhabit the Upper Mississippi River environs.*

This effort will protect from development 2.7 miles of frontage in the headwaters region of this globally significant river, along with approximately 1,844 acres (1783 OHF acres) of forest land uniquely situated in the still rapidly growing Brainerd Lakes Region of Minnesota.

This parcel sits between two large tracts of forested public land along the Mississippi, creating a 9+ mile stretch of undeveloped shoreline. If protected, this would be one of the largest contiguous blocks of protected lake/river shoreline in the Brainerd lakes area—in addition to being one of its most scenic. The lands are adjacent to the Crow Wing County Memorial Forest, the Loerch State Wildlife Management Area, the State of Minnesota's School Trust lands and Crow Wing County tax forfeited land (managed as forestland).

Fish and wildlife habitats:

This project represents a significant addition to a series of important habitat complexes along the Mississippi River, some of which have received funding from the Outdoor Heritage Fund in recent years. These complexes begin near the Morrison County line at the Camp Ripley ACUB south of Brainerd and connect through Crow Wing State Park to this parcel and then to Crow Wing State Forest, Cuyuna Recreation Area, Gun Lake WMA, Rice Lake NWR, Savana and Hill River State Forests, Savana Portage State Park, and ending at the UPM Blandin Upper Mississippi River Forest Legacy conservation easement in southern Itasca County.

The subject lands contain several unique habitat features including the Mississippi River watershed, the Sand Creek trout stream, approximately 240 acres of wetland, and forestland comprising of aspen/birch, jack, red and white pine, oak, and lowland hardwoods. The Mississippi River is clearly one of the most important freshwater resources in the State of Minnesota and beyond. A significant portion of this property fronts the Mississippi's Stump Bay, a lake-like basin originally formed by the paper mill dam downstream in Brainerd. Stump Bay, and the larger basin around it, has characteristics of both river and lake habitats which provide a diversity of niches and support the area's best cosmopolitan fisheries, including a world-class bass fishery. The large expanse of wild rice beds in and around the bay serve as high quality spawning habitat for northern pike. Walleye hold a significant niche in this area because of the quality and stability of the immediate shore habitat. Muskellunge benefit from the bay's spawning habitat, brooding and rearing areas, and food sources. Also present here are bigmouth buffalo and three species of redbreast—all of which are dependent on healthy reservoir ecosystems and very good water quality. Loss of shoreland habitat, such as is characteristic of residential development, would eliminate these attributes and have a detrimental effect on many of these fish populations. Sand Creek, a designated trout stream, meanders for nearly one mile through the subject area. Brook trout, brown trout, and slimy sculpin are known to inhabit the stream. Protection of the lands around this trout stream is essential to ensure that the water quality, load, and temperature remain suitable for trout and other cool water aquatic species' survival.

As a major migratory bird route, the Mississippi River basin is used by 60% of all birds found in North America, including waterfowl, shorebirds, raptors, and neotropical songbirds. The forest and riparian forest habitats of this project area are known to support osprey, Canada goose, great blue heron, killdeer, common snipe, American woodcock, and ruffed grouse. There have been at least two bald eagle nests documented in the subject area. This section of the Mississippi River "flyway" is especially critical for waterfowl such as wood duck, mallard, blue-winged teal, green-winged teal, hooded merganser, and American coot. The open waters of the bay uniquely serve as an early spring stopover for waterfowl before the lakes thaw. The wild rice foliage found in the bay and along the shore of this proposed project area provides security cover and loafing sites for migrating ducks; the wild rice kernels provide critical food source. 240 acres of wetland found within this project area are also critical brooding and feeding area for waterfowl. As resident and migratory waterfowl numbers are dwindling in northern Minnesota, it becomes even more important to protect the (also dwindling) habitat that attracts and sustains these birds.

Mammals associated with the upland, wetland, lowland and riparian habitats of the project area include whitetail deer, gray wolf, coyote, red fox, river otter, beaver, muskrat, striped skunk, raccoon, opossum, weasel, mink, fisher, marten, porcupine, bobcat, black bear, red squirrel, shrews, pocket gopher, voles, bats, least chipmunk, gray squirrel, northern flying squirrel, cottontail rabbit and snowshoe hare. Reptiles and amphibians utilizing the wetland, riparian and upland habitats include the wood frog, spring peeper, western chorus frog, gray tree frog, northern leopard frog, green frog, American toad, blue-spotted salamander, tiger salamander, garter snake, redbelly snake, painted turtle, snapping turtle, and Blanding's turtle, a MN DNR Threatened Species.

Rare, threatened, endangered, or special concern species:

A number of occurrences of the Blanding's turtle, a MN DNR Threatened Species, have been documented on the property and there have been at least two eagle nests documented in the subject area. Red-shouldered hawks, a state special concern species, are also known to nest in the area. A concentration of freshwater mussels is documented just downstream of this project area. The contiguous forest block that is provided by this property will benefit all of these species as well as other rare species that depend on forested

wetland and riparian areas.

Water quality values:

Conservation of this reach of the Mississippi River would be extremely valuable in protection of water quality. Besides the river resource itself, other important water resources on the property include Stump Bay, Sand Creek, and numerous ponds and wetlands. As a designated trout stream, Sand Creek is a particularly unique water resource in the region. Without protection, the possible development of shore lands in this area would likely result in a degradation of water quality. While most homeowners leave or restore native vegetation along the shore, a substantial number create mowed lawns to the water's edge. The rainwater and associated chemical runoff (e.g., phosphorus) from lawns has been found to be substantially different than that of forested shorelines. The resulting nutrient input into water also results in algae growth and lower water clarity. In order to protect water quality during land use planning, the 2004 Crow Wing County Comprehensive Plan placed a high priority on protecting forested green space and working lands along the Mississippi River. The plan required work to identify valuable forested areas, green space, and working lands and protect them through means such as conservation easements. The Mississippi River is also an "Outstanding Resource Value Water" (ORVW) from Brainerd north. The Mississippi Headwaters Board also acts in this area to protect and preserve the Mississippi River Corridor. Like the Crow Wing County Comprehensive Plan, the Headwaters Board Comprehensive plan also supports protection and enhancement of water quality and recreational values in this area. In summary, this property is ideally suited to meet the water quality value objectives of the Mississippi Headwaters Board comprehensive plan and Crow Wing County's local water and comprehensive plans.

Forest management: The current landowner (Potlatch) has been committed to enhancing the environmental quality of its forests and the communities in which it operates. The company subscribes to Minnesota's Voluntary Site-Level Forest Management Guidelines and has developed a rigorous Environmental Management System that was recently re-audited and recertified for meeting the Sustainable Forestry Initiative (SFI) and ISO 14001 Environmental Management System standards. In addition, these lands were also certified in 2005 under the Forest Stewardship Council (FSC) standard. These independent, third-party certifications document the company's sustainable forest stewardship and its commitment to the process of continual improvement (see www.potlatchcorp.com for further details.) Potlatch has harvested about 60% of the subject lands over the past 20 years; approximately 22% of which have been reforested through planting and approximately 39% by natural regeneration. The company has also carried out minor amounts of thinning. The Crow Wing County forestlands on both sides of the project is also managed under SFO and FSC. If protected, future forest management of this property would likely continue these dual certification standards, ensuring a 9+ mile stretch of consistent forest management.

Public use or benefits:

The land to be protected buffers and enhances two other tracts of public land, resulting in a 6,207 acre block of contiguous forest lands on the Mississippi River in the popular recreational Brainerd Lakes area of north-central Minnesota. The public has had access to these waters and forest lands for fishing, hunting, snowmobiling, skiing, snow-shoeing, nature viewing, hiking, restricted camping, horseback riding and other recreational activities for many years. Without protection, these opportunities for public access are at risk of being lost. The property hosts a popular snowmobile trail, important because of its proximity just 5 miles from downtown Brainerd. Conversion of forestlands into development properties in the Brainerd Lakes area has the potential to fragment forests as well as these types of recreational trail systems. Additionally, fee title acquisition of this parcel will provide raw materials for the region's forest products economy which in turn provides base economy jobs for Minnesota citizens. The public will gain in a less tangible but no less important way from the protected landscape, noise buffering and air and water quality benefits provided by these forested lands. The property is currently leased by Potlatch to a group of lessees who have increased stewardship on the property.

Protection of the property provides the opportunity to complete a critical linkage between the Cuyuna Lakes State Trail and the Paul Bunyan State Trail, both part of the Mississippi River Trail which is envisioned to be a 3,000 mile world class bicycling route, extending from the headwaters at Lake Itasca to the Gulf of Mexico.

Cultural features:

Parcel lies along the southern bank of the Mississippi River, on an impounded stretch known as the "Brainerd Reservoir." In the early 1990s, the shoreline of the reservoir was the subject of an intensive field survey intended to identify archaeological sites. A considerable number of sites were located during the survey. Seven of the sites identified during the survey are located on the proposed easement property. They are all small areas containing artifacts that reflect occupation of this area prior to EuroAmerican settlement. Some of the sites contained items that can be identified to specific time periods; they indicate occupation during at least the Woodland Period (approximately 2000 to 1000 years ago) and the Archaic Period (approximately 7000 to 2000 years ago). Evaluation of the archaeological nature of the identified sites around the Brainerd Reservoir resulted in a determination that some of them are of sufficient import to qualify for nomination to the National Register of Historic Places as significant archaeological properties. The number of sites identified around the Brainerd Reservoir, and the types of materials recovered during the survey, suggest that these sites hold considerable potential for yielding important information about the prehistoric residents of the Upper Mississippi River.

selection: This parcel has been a high priority for Area DNR staff at Brainerd for a number of years due to fish and wildlife attributes of the Mississippi River, land fragmentation issues, and regional bike/snowmobile trail connection needs to the Cuyuna State Recreation Area and beyond. This tract is rated as having high biodiversity according to the Minnesota County Biological Survey. In 2007 and 2008, protection of this property was the Department of Natural Resource's top priority for its statewide Forest Legacy program. While

numerous discussions with the landowner have occurred over the years, no agreement has ever been reached until now. The landowner owner intends to develop the property if we are not able to purchase is now for conservation. Now is the time.

opposition/involvement: There is considerable support of this effort by a large and diverse collection of stakeholders including hunting and angling clubs, community foundations, natural resource organizations and trails organizations. Letters of support are continuing to come from many of these stakeholders. Previous Brainerd area natural resource meetings have identified this parcel as a high priority to protect due to fish and wildlife habitat along the Mississippi River, public access it will provide for recreational use (i.e. hunting, Cuyuna Lakes State Trail, etc.), and the large forestland block it protects. Opposition is expected to be low. The Crow Wing County Board unanimously supports the effort. A public input meeting was held in August and input was sought on recreational use desires and needs for this parcel. This input will continue to be used by a Project Team and funding/development desires by the DNR to frame an acquisition and management vision for this parcel.

Our Project Management Team to help steer and guide this project consists of JJ Levenske (Delta Waterfowl Brainerd Chapter), Mike Burton (retired Ducks Unlimited employee, current Executive Director of the Brainerd Community Foundation), Greg Kvale (retired DNR Forester/Lands staff, Anglers for Habitat, board member Minnesota Outdoor Heritage Alliance), John Schaubach (Cuyuna Lakes Trail Association), Becca Nash (Trust for Public Land), Todd Holman (The Nature Conservancy), Gary Drotts (DNR Area Wildlife Manager), Marc Bacigalupi (DNR Area Fisheries Manager), and Wade Miller (DNR Area Park & Trails Manager).

Acquisition and restoration of this Mississippi River Northwoods Habitat Complex property furthers the goals and strategies of numerous resource management plans, including:

AMA Acquisition plan

Brainerd Lakes Area Conservation Collaborative Framework for Conservation and Recreation Planning

Crow Wing County Comprehensive, Water, and Parks plans

Long Range Duck Recovery Plan

Long Range Plan for Fisheries Management

Long Range Plan for Muskie and Pike

Minnesota Conservation and Preservation Plan

Minnesota Forest Resources North Central Landscape Region Plan

Mississippi River Headwaters Comprehensive Plan

Nongame Wildlife Plan

State Comprehensive Outdoor Recreation Plan

The Nature Conservancy's Lake Alexander Conservation Action Plan

Tomorrow's Habitat for the Wild and Rare

Upper Miss River and Great Lakes Region Projects Joint Ventures Plan

WMA Acquisition plan

The top key issue in the Minnesota Conservation and Preservation Plan is "Land and water habitat fragmentation, degradation, loss, and conversion". Habitat Recommendation 2 of the plan identifies protection of critical shorelands of streams and lakes. The project will "restore ecoregion-appropriate, landscape-scale complexes of habitat centered on concentrations of existing remnant habitats with a broader goal of developing/maintaining conservation corridors between existing and restored habitats" (p 66). It will "critical shorelands of streams and lakes", by focusing on "shoreline buffers...[which] protect water quality by trapping, filtering and impeding runoff laden with nutrients, sediments and other pollutants" (p 67). The project will also "improve connectivity and access to outdoor recreation" (p 74), by protecting "

contiguous land areas suitable for: natural resource-based outdoor recreation; shorelands; threatened habitat areas with opportunities to improve connectivity of underserved areas; and rapidly growing areas or areas where land use changes may limit future outdoor recreation opportunities" (p 76). The plan also encourages investment in management and protection of Strategic Land Areas that affect water (p. 118)

The number 1 and 2 L-SOHC priority actions for the Northern Forest Section are: 1) Protect Shoreland and watersheds to restore or enhance critical habitat on wild rice lakes, shallow lakes, cold water lakes, streams and rivers, and spawning areas, and 2) Provide access to manage habitat on landlocked public properties or protect forest land from parcelization and fragmentation through fee acquisition, conservation or access easement. As noted in various parts of this proposal Project Narrative section, this acquisition, recreation unit designation and development address a majority of the actions indentified for the Section.

The Aquatic Management Area Acquisition Plan

2008-2033 sets a goal for protection of Minnesota's 64,077 miles of lake and warmwater stream and river shorelands through public ownership to increase from the current 34% to 39% by 2032. ... To achieve these goals, the vision for the AMA Acquisition program is to acquire 1,100 miles of lake and warm-water stream habitat in the next 25 years from willing sellers to provide sustainable populations of fish and other aquatic species and great opportunities for angling recreation for future generations (p. 20).

Brainerd Lakes Area Conservation Collaborative

report, 2004, Inventory and Assessment of Natural Resources in Crow Wing County shows this as a Priority Conservation Area (Map 9A) due to a number of factors including MCBS ranking, identified Blanding's Turtle and Red-shouldered hawk habitat, high value riparian habitat, and the concentration of rare, threatened, and native species.

Minnesota Forest Resources Council,

North Central Landscape Region plan 2004 recommends retaining contiguous blocks of forestland by encouraging the state to acquire in-holdings within natural resource emphasis areas (p. 15); protecting sensitive and/or undeveloped shoreline by encouraging local, grassroots, and government organizations (townships, lake associations, etc.) to identify and promote protection of these shorelines. (p. 16).

The Wildlife Management Area Acquisition Plan

for the Northern Lakes Ecological Section recommends accelerated acquisition to protect and improve key waterfowl migration habitat; and acquisition efforts that complement existing state and other public lands to protect critical corridors and larger blocks of habitat (p.10).

This Potlatch land block has long been identified through DNR Fish and Wildlife and TNC assessment efforts as an important shoreline/land protection need in the Brainerd lakes area. This has been evident through a forest legacy conservation easement effort lead by The Department of Natural Resources and The Trust for Public Land in 2007 and a federal assistance request by TNC culminating in a site visit by Congressman Oberstar in 2009.

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

- H1 Protect priority land habitats
- H2 Protect critical shoreland of streams and lakes
- H3 Improve connectivity and access to recreation

Which other plans are addressed in this program:

- Long Range Duck Recovery Plan
- Long Range Plan for Fisheries Management
- Long Range Plan for Muskellunge and Large Northern Pike Management Through 2020
- Minnesota DNR AMA Acquisition Plan
- Minnesota DNR Nongame Wildlife Plans
- Minnesota Forest Resource Council Landscape Plans
- Minnesota's Wildlife Management Area Acquisition - The Next 50 Years
- Mississippi River Headwaters Comprehensive Plan
- Tomorrow's Habitat for the Wild and Rare
- Upper Mississippi River and Great Lakes Region Projects Joint Ventures Plan
- Brainerd Lakes Area Conservation Collaborative, Crow Wing Comprehensive Water & Parks Plan

Which LSOHC state-wide priorities are addressed in this program:

- Not Listed

Which LSOHC section priorities are addressed in this program:

Northern Forest:

- Protect shoreland and restore or enhance critical habitat on wild rice lakes, shallow lakes, cold water lakes, streams and rivers, and spawning areas
- Protect forestland through acquisition or easement to prevent parcelization and fragmentation and to provide the ability to access and manage landlocked public properties

Relationship to other funds:

- Parks and Trails Fund

Describe the relationship of the funds:

The estimated acquisition cost for this project is \$14 million. Partners are currently discussing the use of additional Legacy funding

sources (i.e. Parks and Trails) to ensure a balanced funding package that will help spread out the cost of this proposal. This project may end up being an excellent example of leveraged and cooperative funding sources from the Legacy amendment, something visualized by many legislators, 2008 Legacy Amendment supporters, and voters.

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

Traditional public agency (DNR) funding sources have not been able to tackle a project of this magnitude or scope. If implemented as proposed, this project will be an ideal example of a multiple-use project that serves to protect a fish and wildlife habitat corridor along the Mississippi River and increase public recreational access for hunting and motorized/non-motorized recreational use (e.g. Cuyuna Lakes State Trail). OHF funding would provide capital for the land acquisition and funding for the restoration work included in this proposal. These costs are not included in TPL's organizational budget. Additionally, TPL staff time, legal costs, and costs for appraisals, title & environmental investigation, and survey work is not included in this request. Acquisition-associated costs incurred by the agency as part of accepting ownership of these lands are included in the request. The L-SOHC funding will not substitute for any traditional funding sources

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

Fee title acquisition efforts as a part of this project will provide permanent habitat protection for this tract, forest land timber access, and related public recreational use. Sustainable needs here are primarily PILT payments.

Development, stewardship plans and long-term sustainability of related facilities and habitat needs will be driven by what recreational units are designated for this parcel. Based on public and project team input and internal DNR discussions, an overall vision of these needs will be developed prior to project acquisition.

Activity Details:

Will there be planting of corn or any crop on OHF land purchased or restored in this program - **Not Listed**

Will local government approval be sought prior to acquisition - **Not Listed**

Is the land you plan to acquire free of any other permanent protection - **Not Listed**

Is this land open for hunting and fishing - **Not Listed**

Accomplishment Timeline:

Activity	Approximate Date Completed
Local input meeting(s) to frame use/design needs	8/1-11/15/2011
Final use/design need settled, to meet draft accomplishment plan Council needs in November	November 15, 2011
Fee title acquisition efforts	Current through December 31, 2012
Complete acquisition transfer, land title to land steward and related recreational units	December 31, 2012
Facility developed and recreational unit needs as agreed to in final design and related acquisition intent	July 1, 2013 - June 30, 2017

Federal Funding:

Do you anticipate federal funds as a match for this program - **Not Listed**

Outcomes:

Programs in the northern forest region:

- The long-term outcome, which leaves a legacy, is that not only will this serve as important habitat, but it also provides public access to our globally important Mississippi River and to forestland. Forestland provides multiple enduring conservation benefits in the face of climate change and other major stressors:
 - o healthy terrestrial and aquatic habitat for fish, game, and other wildlife species
 - o abundant access to forestlands for outdoor recreation
 - o healthy watersheds and clean water
 - o healthy, attractive, livable communities

Budget Spreadsheet

Budget reallocations up to 10% do not require an amendment to the Accomplishment Plan

How will this program accommodate the reduced appropriation recommendation from the original proposed requested amount

Not Listed

Total Amount of Request: \$ 11040000

Budget and Cash Leverage

Budget Name	LSOHC Request	Anticipated Leverage	Leverage Source	Total
Personnel	\$0	\$0		\$0
Contracts	\$0	\$0		\$0
Fee Acquisition w/ PILT	\$11,000,000	\$3,000,000	P&T Legacy grant, RIM	\$14,000,000
Fee Acquisition w/o PILT	\$0	\$0		\$0
Easement Acquisition	\$0	\$0		\$0
Easement Stewardship	\$0	\$0		\$0
Travel	\$0	\$0		\$0
Professional Services	\$0	\$0		\$0
Direct Support Services	\$0	\$0		\$0
DNR Land Acquisition Costs	\$40,000	\$0		\$40,000
Capital Equipment	\$0	\$0		\$0
Other Equipment/Tools	\$0	\$0		\$0
Supplies/Materials	\$0	\$0		\$0
DNR IDP	\$0	\$0		\$0
Total	\$11,040,000	\$3,000,000		\$14,040,000

Output Tables

Table 1a. Acres by Resource Type

Type	Wetlands	Prairies	Forest	Habitats	Total
Restore	0	0	0	100	100
Protect in Fee with State PILT Liability	0	0	0	1,783	1,783
Protect in Fee W/O State PILT Liability	0	0	0	0	0
Protect in Easement	0	0	0	0	0
Enhance	0	0	0	0	0
Total	0	0	0	1,883	1,883

Table 2. Total Funding by Resource Type

Type	Wetlands	Prairies	Forest	Habitats	Total
Restore	\$0	\$0	\$0	\$500,000	\$500,000
Protect in Fee with State PILT Liability	\$0	\$0	\$0	\$13,540,000	\$13,540,000
Protect in Fee W/O State PILT Liability	\$0	\$0	\$0	\$0	\$0
Protect in Easement	\$0	\$0	\$0	\$0	\$0
Enhance	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$14,040,000	\$14,040,000

Table 3. Acres within each Ecological Section

Type	Metro Urban	ForestPrairie	SE Forest	Prairie	N Forest	Total
Restore	0	0	0	0	100	100
Protect in Fee with State PILT Liability	0	0	0	0	1,783	1,783
Protect in Fee W/O State PILT Liability	0	0	0	0	0	0
Protect in Easement	0	0	0	0	0	0
Enhance	0	0	0	0	0	0
Total	0	0	0	0	1,883	1,883

Table 4. Total Funding within each Ecological Section

Type	Metro Urban	ForestPrairie	SE Forest	Prairie	N Forest	Total
Restore	\$0	\$0	\$0	\$0	\$500,000	\$500,000
Protect in Fee with State PILT Liability	\$0	\$0	\$0	\$0	\$13,540,000	\$13,540,000
Protect in Fee W/O State PILT Liability	\$0	\$0	\$0	\$0	\$0	\$0
Protect in Easement	\$0	\$0	\$0	\$0	\$0	\$0
Enhance	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$14,040,000	\$14,040,000

Target Lake/Stream/River Feet or Miles

0

Parcel List

For restoration and enhancement programs ONLY: Managers may add, delete, and substitute projects on this parcel list based upon need, readiness, cost, opportunity, and/or urgency so long as the substitute parcel/project forwards the constitutional objectives of this program in the Project Scope table of this accomplishment plan. The final accomplishment plan report will include the final parcel list.

Section 1 - Restore / Enhance Parcel List

No parcels with an activity type restore or enhance.

Section 2 - Protect Parcel List

Crow Wing

Name	TRDS	Acres	Est Cost	Existing Protection?	Hunting?	Fishing?
Mississippi River Northwoods	04630223	42	\$237,800	No	Full	Full
Mississippi River Northwoods	04630226	371	\$2,193,700	No	Full	Full
Mississippi River Northwoods	04630227	211	\$1,153,300	No	Full	Full
Mississippi River Northwoods	04630233	126	\$743,100	No	Full	Full
Mississippi River Northwoods	04630234	583	\$3,454,100	No	Full	Full
Mississippi River Northwoods	04630235	550	\$3,257,900	No	Full	Full

Section 2a - Protect Parcel with Bldgs

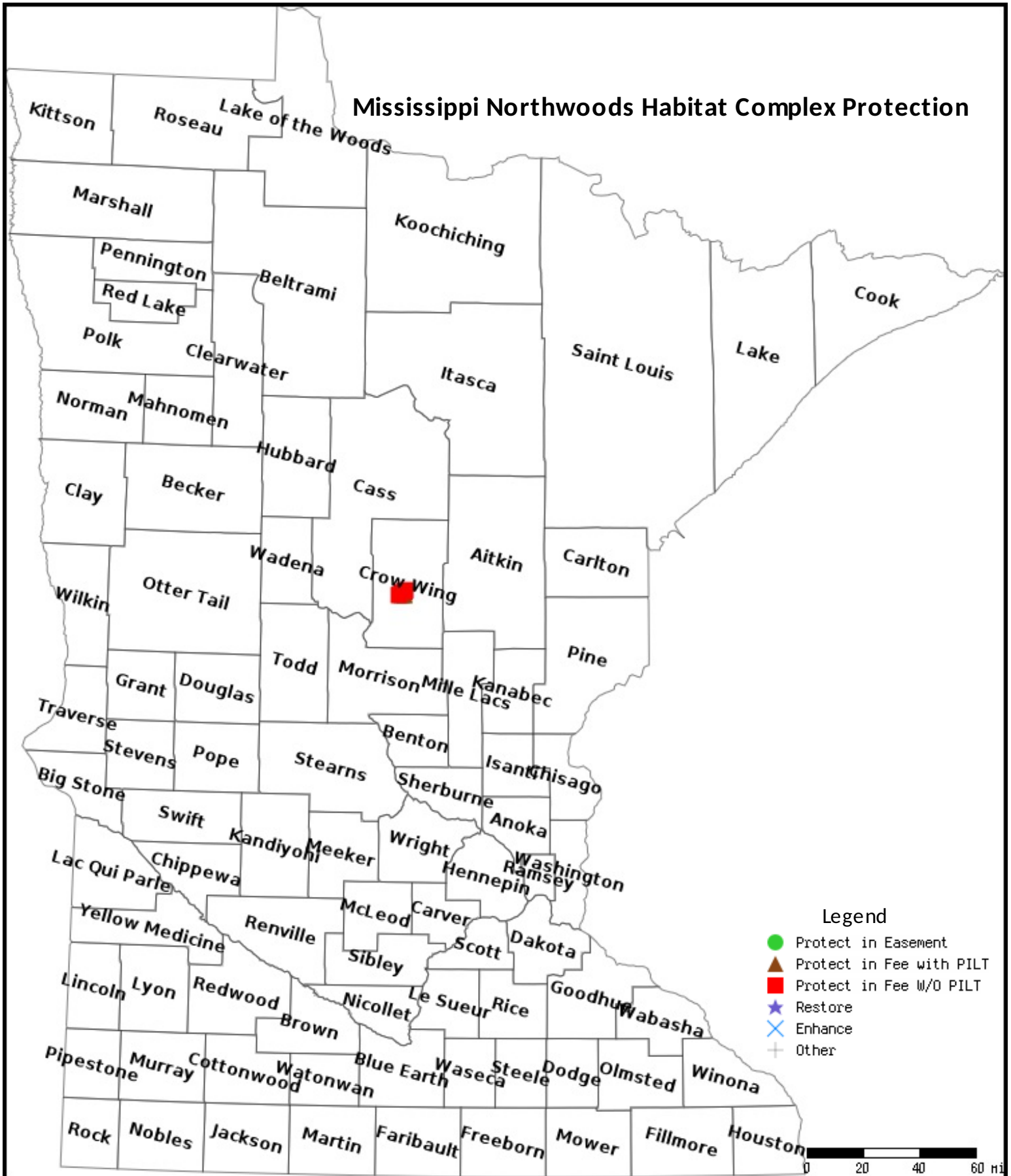
No parcels with an activity type protect and has buildings.

Section 3 - Other Parcel Activity

No parcels with an other activity type.

Parcel Map

Mississippi Northwoods Habitat Complex Protection



Lessard-Sams Outdoor Heritage Council

Laws of Minnesota 2012 Final Report



Date: March 06, 2015

Program or Project Title: Mississippi Northwoods Habitat Complex Protection

Funds Recommended: \$11,040,000

Manager's Name: Kirk Titus

Organization: Crow Wing County Land Supervisor

Address: 322 Laurel St. Suite 12

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Office Number: 218-824-1138

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Legislative Citation: ML 2012, Ch. 264, Art. 1, Sec. 2, Subd. 3(b)

Appropriation Language: \$11,040,000 in the second year is to the commissioner of natural resources for an agreement with Crow Wing County to acquire land in fee along the Mississippi River in Crow Wing County to be added to the county forest system. The purchase price must not exceed the appraised fair market value of the property as reviewed and approved under established procedures in compliance with the Uniform Standards of Professional Appraisal Practice and the Department of Natural Resources Supplemental Appraisal and Appraisal Review Guidelines (effective July 15, 2009). A land description must be provided as part of the required accomplishment plan. Development of a paved trail on land acquired under this paragraph constitutes an alteration of the intended use of the interest in real property and must be handled according to Minnesota Statutes, section 97A.056, subdivision 15. Any plan, including trail alignment, for the development of a paved trail must be submitted to the Lessard-Sams Outdoor Heritage Council for approval. No paved trail development or paved trail use is allowed unless it is specified in the plan for trail use and alignment approved by the Lessard-Sams Outdoor Heritage Council. If additional money is needed to acquire the land under this paragraph, by December 15, 2012, the amount necessary to complete the acquisition shall be transferred from unspent appropriations under subdivision 5, paragraph (h), and added to this appropriation.

County Locations: Crow Wing

Regions in which work was completed:

- Northern Forest

Activity types:

- Protect in Fee

Priority resources addressed by activity:

- Wetlands
- Forest
- Habitat

Summary of Accomplishments:

This acquisition protected 2.7 miles of Mississippi river shoreline and nearly 2,000 acres of wetland and forest/upland habitat through fee title acquisition just east of Brainerd, MN.

Process & Methods:

This effort protected from development 2.7 miles of frontage in the headwaters region of this globally significant river, along with approximately 1,857 acres of forest land uniquely situated in the rapidly growing Brainerd Lakes Region of Minnesota.

This parcel sits between two large tracts of forested public land along the Mississippi, creating a 9+ mile stretch of undeveloped

shoreline which become one of the largest contiguous blocks of protected lake/river shoreline in the Brainerd lakes area—in addition to being one of its most scenic. The lands are adjacent to the Crow Wing County Memorial Forest, the Loerch State Wildlife Management Area, the State of Minnesota's School Trust lands and Crow Wing County tax forfeited land (managed as forestland).

The lands contain several unique habitat features including the Mississippi River watershed, the Sand Creek trout stream, approximately 240 acres of wetland, and forestland comprising of aspen/birch, jack, red and white pine, oak, and lowland hardwoods. The Mississippi River is clearly one of the most important freshwater resources in the State of Minnesota and beyond. A significant portion of this property fronts the Mississippi's Stump Bay, a lake-like basin originally formed by the paper mill dam downstream in Brainerd. Stump Bay, and the larger basin around it, has characteristics of both river and lake habitats which provide a diversity of niches and support the area's best cosmopolitan fisheries, including a world- class bass fishery.

As a major migratory bird route, the Mississippi River basin is used by 60% of all birds found in North America, including waterfowl, shorebirds, raptors, and neotropical songbirds. The forest and riparian forest habitats of this project area are known to support osprey, Canada goose, great blue heron, killdeer, common snipe, American woodcock, and ruffed grouse. There are at least two bald eagle nests documented in the subject area. This section of the Mississippi River "flyway" is especially critical for waterfowl such as wood duck, mallard, blue-winged teal, green-winged teal, hooded merganser, and American coot. The open waters of the bay uniquely serve as an early spring stopover for waterfowl before the lakes thaw. The wild rice foliage found in the bay and along the shore of this area provides security cover and loafing sites for migrating ducks; the wild rice kernals provide critical food source. 240 acres of wetland found within this project area are also critical brooding and feeding area for waterfowl.

Mammals associated with the upland, wetland, lowland and riparian habitats of the acquired area include whitetail deer, gray wolf, coyote, red fox, river otter, beaver, muskrat, striped skunk, raccoon, opossum, weasel, mink, fisher, marten, porcupine, bobcat, black bear, red squirrel, shrews, pocket gopher, voles, bats, least chipmunk, gray squirrel, northern flying squirrel, cottontail rabbit and snowshoe hare. Reptiles and amphibians utilizing the wetland, riparian and upland habitats include the wood frog, spring peeper, western chorus frog, gray tree frog, northern leopard frog, green frog, American toad, blue-spotted salamander, tiger salamander, garter snake, redbelly snake, painted turtle, snapping turtle, and Blanding's turtle, a MN DNR Threatened Species.

A number of occurrences of the Blanding's turtle, a MN DNR Threatened Species, have been documented on the property and there have been at least two eagle nests documented in the subject area. The contiguous forest block that is provided by this property will benefit all of these species as well as other rare species that depend on forested wetland and riparian areas.

Conservation of this reach of the Mississippi River is extremely valuable in protection of water quality.

The acquired forest lands are now dual certified to the Sustainable Forestry Initiative and Forest Stewardship Council standards, ensuring a 9+ mile stretch of consistent forest management.

The land buffers and enhances two other tracts of public land, resulting in a 6,207 acre block of contiguous forest lands on the Mississippi River in the popular recreational Brainerd Lakes area of north-central Minnesota. The public has access to these waters and forest lands for fishing, hunting, snowmobiling, skiing, snow-shoeing, nature viewing, hiking, restricted camping, horseback riding and other recreational activities. The property continues to host a popular snowmobile trail, important because of its proximity just 5 miles from downtown Brainerd.

While conversion of forest lands into development properties in the Brainerd Lakes area has fragmented forests as well as these types of recreational trail systems, this acquisition will provide raw materials for the region's forest products economy which in turn provides base economy jobs for Minnesota citizens. The public has gained in a less tangible but no less important way from the protected landscape, noise buffering and air and water quality benefits provided by these forested lands.

This acquisition will provide a future opportunity to complete a critical linkage between the Cuyuna Lakes State Trail and the Paul Bunyan State Trail, both part of the Mississippi River Trail which is envisioned to be a 3,000 mile world class bicycling route, extending from the headwaters at Lake Itasca to the Gulf of Mexico.

The project had considerable support from a large and diverse collection of stakeholders including hunting and angling clubs, community foundations, natural resource organizations and trails organizations; such as Anglers for Habitat, Delta Waterfowl, Ducks Unlimited, Minnesota Deerhunters, MNDNR, Ruffed Grouse Society, The Nature Conservancy The Trust for Public Land; and more.

The Trust for Public Land provided the leadership and coordination role needed in this conservation effort. Working together with these other stakeholders, The Trust for Public Land had endeavored to protect this particular stretch of Mississippi River land now known as Mississippi River Northwoods for over a decade. No fewer than three efforts were made over the 10-year period to protect this unique property using various protection tools, funding sources, and possible stewardship scenarios. These previous efforts were not successful due to a variety of factors including insufficient funding, differences of opinion about who should be the long term steward and not reaching agreement with the landowner on the terms of a sale.

In approximately 2009, however, the long-time landowner, Potlatch Corporation, converted from a forest product company to a Real Estate Investment Trust and underwent a number of staffing changes. They increased their sale and development of land in Minnesota and in 2010 it was learned that they intended to develop the Mississippi River Northwoods parcel. After lengthy negotiations, The Trust for Public Land was able to reach an option agreement with the company for the purchase of this land for conservation in the spring of 2011. Shortly thereafter, The Trust for Public Land submitted an application for funding to LSOHC to protect this land. Originally it was thought that the DNR might be the permanent steward of this land given the importance of the land and the agency's long-time involvement with and interest in its protection. Ultimately, it was determined that Crow Wing County would be the permanent steward of this land due to a variety of factors including this land's proximity to other County-owned land. Accordingly, the County eventually became the grant applicant.

As the holder of the option agreement with Potlatch, The Trust for Public Land continued to play an active role in this protection effort. It coordinated and paid for all the due diligence on the land including environmental assessments, appraisals, and title review. The Trust for Public Land also coordinated and managed education and outreach related to this protection effort with the many and various stakeholders mentioned above. The Trust for Public Land further assisted the County in thinking about how the land would be managed with this proposed funding alongside other county-owned lands as well as the critical conversations that took place with LSOHC and the Legislature in 2011-2012 that led to ultimate appropriation of OHF dollars.

On November 29, 2012, The Trust for Public Land purchased the land from Potlatch for its appraised fair market value of \$11 million and sold the land on the same day to Crow Wing County for the same amount.

The Trust for Public Land continued to work alongside Crow Wing County, partners listed above and the LSOHC in 2012-2013 to re-introduce area residents and other stakeholders to the recently-protected and publicly-accessible Mississippi River Northwoods land through a series of written summaries, press pieces, celebrations and river outings.

The County is proposing a change in the use and interest in 142 acres of the Mississippi River Northwoods acquisition. The parcel, located along Highway 210, has economic viability and opportunity to increase the County's tax base. The County's proposal would include a land exchange and transfer of the deed restriction to another County managed property adjoining the Mississippi River and Northwoods property.

The County's proposal will meet the procedures and criteria identified by the Lessard Sams Outdoor Heritage Council for the change of use and replacement of interest. The identified properties will be equal in fair market value, in a reasonable equivalent location and have a reasonably equivalent useful conservation purpose. A copy of the fact sheet is attached to this report

The \$3M in leverage identified in Trust For Public Lands's original budget for this acquisition listed Parks and Trails Legacy and RIM as additional sources of funding. The leverage dollars were not needed or applied for because the second appraisal came in \$3M lower than the original appraisal.

Explain Partners, Supporters, & Opposition:

Not Listed

Additional Comments:

Exceptional challenges, expectations, failures, opportunities, or unique aspects of program

Not Listed

Other Funds Received:

- Not Listed

How were the funds used to advanced the program:

Not Listed

What is the plan to sustain and/or maintain this work after the Outdoor Heritage Funds are expended:

Crow Wing County currently manages for multiple uses on approximately 105,000 acres of tax forfeited forest lands. These multiple uses include timber production, recreation, water quality and wildlife

The County manages its public forest lands to the highest environmental, social and economic standards, according to the world's two

leading forest certification organizations. This recognition comes after a series of rigorous third-party audits resulting in the County receiving its dual certification for best-management forestry practices from both the Sustainable Forestry Initiative and the Forest Stewardship Council®. Sustainable forest management is about striking a balance between economic, social and environmental values in a manner that protects all of these values over time.

The County has a fiduciary responsibility to the tax forfeited trust to maximize revenues from said lands to the benefit of local taxing districts while providing multiple opportunities for diverse forest uses and protecting the long-term sustainability of the forest resource.

Crow Wing County has the available resources to effectively manage this property for many uses. The property is a natural fit since the County is managing similar lands to both the east and west. The property will be incorporated in the County's Sustainable Forestry Management System and become third party certified. By doing so, the county will ensure sustainable forestry practices are conducted for generations to come.

Outcomes:

The original accomplishment plan stated the program would

Programs in the northern forest region:

- The long-term outcome, which leaves a legacy, is that not only will this serve as important habitat, but it also provides public access to our globally important Mississippi River and to forestland. Forestland provides multiple enduring conservation benefits in the face of climate change and other major stressors:
 - o healthy terrestrial and aquatic habitat for fish, game, and other wildlife species
 - o abundant access to forestlands for outdoor recreation
 - o healthy watersheds and clean water
 - o healthy, attractive, livable communities

How will the outcomes be measured and evaluated?

They are measured and evaluated through a rigorous independent third party forest certification audit of Crow Wing County managed public lands. The audit covers over 300 different environmental principles and validates that these county forest lands are sustainably managed to provide important habitats, public access, healthy forests and clean water.

Budget Spreadsheet

Final Budget line item reallocations are allowed up to 10% and do not need require an amendment to the Accomplishment Plan

Total Amount: \$11,040,000

Budget and Cash Leverage

Budget Name	Request	Spent	Cash Leverage (anticipated)	Cash Leverage (received)	Leverage Source	Total (original)	Total (final)
Personnel	\$0	\$0	\$0	\$0		\$0	\$0
Contracts	\$0	\$0	\$0	\$0		\$0	\$0
Fee Acquisition w/ PILT	\$11,000,000	\$0	\$3,000,000	\$0	P&T Legacy grant, RIM	\$14,000,000	\$0
Fee Acquisition w/o PILT	\$0	\$11,000,000	\$0	\$0		\$0	\$11,000,000
Easement Acquisition	\$0	\$0	\$0	\$0		\$0	\$0
Easement Stewardship	\$0	\$0	\$0	\$0		\$0	\$0
Travel	\$0	\$0	\$0	\$0		\$0	\$0
Professional Services	\$0	\$39,600	\$0	\$0		\$0	\$39,600
Direct Support Services	\$0	\$0	\$0	\$0		\$0	\$0
DNR Land Acquisition Costs	\$40,000	\$0	\$0	\$0		\$40,000	\$0
Capital Equipment	\$0	\$0	\$0	\$0		\$0	\$0
Other Equipment/Tools	\$0	\$0	\$0	\$0		\$0	\$0
Supplies/Materials	\$0	\$0	\$0	\$0		\$0	\$0
DNR IDP	\$0	\$0	\$0	\$0		\$0	\$0
Total	\$11,040,000	\$11,039,600	\$3,000,000	\$0		\$14,040,000	\$11,039,600

Explain any budget challenges or successes:

Not Listed

Output Tables

Table 1a. Acres by Resource Type

Type	Wetlands (original)	Wetlands (final)	Prairies (original)	Prairies (final)	Forest (original)	Forest (final)	Habitats (original)	Habitats (final)	Total (original)	Total (final)
Restore	0	0	0	0	0	0	100	0	100	0
Protect in Fee with State PILT Liability	0	0	0	0	0	0	1,783	0	1,783	0
Protect in Fee W/O State PILT Liability	0	0	0	0	0	1,883	0	0	0	1,883
Protect in Easement	0	0	0	0	0	0	0	0	0	0
Enhance	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	1,883	1,883	0	1,883	1,883

Table 2. Total Funding by Resource Type

Type	Wetlands (original)	Wetlands (final)	Prairies (original)	Prairies (final)	Forest (original)	Forest (final)	Habitats (original)	Habitats (final)	Total (original)	Total (final)
Restore	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000	\$0	\$500,000	\$0
Protect in Fee with State PILT Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$13,540,000	\$0	\$13,540,000	\$0
Protect in Fee W/O State PILT Liability	\$0	\$0	\$0	\$0	\$0	\$11,039,600	\$0	\$0	\$0	\$11,039,600
Protect in Easement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Enhance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$11,039,600	\$14,040,000	\$0	\$14,040,000	\$11,039,600

Table 3. Acres within each Ecological Section

Type	Metro Urban (original)	Metro Urban (final)	Forest Prairie (original)	Forest Prairie (final)	SE Forest (original)	SE Forest (final)	Prairie (original)	Prairie (final)	N Forest (original)	N Forest (final)	Total (original)	Total (final)
Restore	0	0	0	0	0	0	0	0	100	0	100	0
Protect in Fee with State PILT Liability	0	0	0	0	0	0	0	0	1,783	0	1,783	0
Protect in Fee W/O State PILT Liability	0	0	0	0	0	0	0	0	0	1,883	0	1,883
Protect in Easement	0	0	0	0	0	0	0	0	0	0	0	0
Enhance	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	1,883	1,883	1,883	1,883

Table 4. Total Funding within each Ecological Section

Type	Metro Urban (original)	Metro Urban (final)	Forest Prairie (original)	Forest Prairie (final)	SE Forest (original)	SE Forest (final)	Prairie (original)	Prairie (final)	N Forest (original)	N Forest (final)	Total (original)	Total (final)
Restore	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000	\$0	\$500,000	\$0
Protect in Fee with State PILT Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,540,000	\$0	\$13,540,000	\$0
Protect in Fee W/O State PILT Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,039,600	\$0	\$11,039,600
Protect in Easement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Enhance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,040,000	\$11,039,600	\$14,040,000	\$11,039,600

Target Lake/Stream/River Feet or Miles (original)

0

Target Lake/Stream/River Feet or Miles (final)

2.7 miles Mississippi River

Explain the success/shortage of acre goals:

Not Listed

Parcel List

Section 1 - Restore / Enhance Parcel List

No parcels with an activity type restore or enhance.

Section 2 - Protect Parcel List

Crow Wing

Name	TRDS	Acres	OHF Cost	Existing Protection?	Hunting?	Fishing?	Description
Mississippi River Northwoods	04630223	42	\$237,800	No	Full	Full	Protect priority habitat
Mississippi River Northwoods	04630226	371	\$2,193,700	No	Full	Full	Protect priority habitat
Mississippi River Northwoods	04630227	211	\$1,153,300	No	Full	Full	Protect priority habitat
Mississippi River Northwoods	04630233	126	\$743,100	No	Full	Full	Protect priority habitat
Mississippi River Northwoods	04630234	583	\$3,454,100	No	Full	Full	Protect priority habitat
Mississippi River Northwoods	04630235	550	\$3,257,899	No	Full	Full	Protect priority habitat

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

Mississippi Northwoods Habitat Complex Protection

