

Lessard-Sams Outdoor Heritage Council

Laws of Minnesota 2014 Accomplishment Plan

Date: October 24, 2013

Program or Project Title: Vermillion River WMA Acquisition

Funds Recommended: \$ 4,250,000

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Legislative Citation:

Appropriation Language:

County Locations: Dakota

Ecological Planning Regions:

- Metro / Urban

Activity Type:

- Protect in Fee

Priority Resources Addressed by Activity:

- Habitat

Abstract:

This project will protect one mile of Vermillion River (Dakota County), associated riparian corridor and connect the Vermillion Highlands to the Vermillion River, protecting lands from development in an integral portion of the future WMA.

Design and Scope of Work:

This project is a rare opportunity to protect, restore, and add significant acres and river frontage to a major Wildlife Management Area (WMA) in the metro area. The parcel of interest is contiguous with the Vermillion Highlands Research, Recreation & WMA to the north and the Vermillion River AMA/WMA to the west. The parcel has long been identified as a key parcel to protect and enhance the overall Vermillion River Complex. By protecting existing habitat and restoring lands that are currently disturbed, the Vermillion River Watershed will gain hundreds of acres of perennial cover, keeping water on the landscape, benefitting the Vermillion River and receiving waters downstream. Added habitat will benefit game and non-game species alike.

These units receive some of the heaviest hunting pressure within the State of Minnesota WMA system and the addition of 425 acres to the existing 1079 acres of the Vermillion River AMA/WMA plus the 2840 acres of the Vermillion Highlands would enhance the Minnesota Department of Natural Resources' (DNR) ability to provide

quality hunting opportunities within one of the fastest growing counties in the state. The Vermillion River, a designated trout stream, forms the southern boundary of the property (approximately one mile). This portion of the river is very high quality and would benefit anglers and hunters alike. There are approximately 10 acres of restored native prairie on site. The added habitat would offer excellent deer, turkey, pheasant, waterfowl and dove hunting.

A representative of Cemstone Products Company (CPC) contacted DNR staff in January, 2012 stating their desire to sell a 265 acre parcel to the State, noting the company also has an option for an adjacent 160 acres and a desire to close by December 31, 2012. After internal DNR discussions, the Section of Wildlife approved acquiring the parcels on September 14, 2012. The DNR entered into a Letter of Intent with The Conservation Fund (TCF) on October 16, 2012, outlining the parameters of the acquisition and what costs the DNR was willing to pay. These included costs associated with the acquisition (e.g., appraisal, environmental assessment, closing and recording fees, etc.) and specific costs incurred by TCF (e.g., staff time, holding costs).

As part of agreeing to sell all 425 acres to the State, CPC will be allowed to remove gravel from 160 acres of land for a period of up to ten years. CPC will have a mining footprint of 80 acres or less at any given time, and will restore each 40 acres as mining is completed. The appraisal awaiting technical review valued those 160 acres only for their surface "highest and best use" as the gravel may be removed by CPC. The State will not be paying for gravel that may be removed. Acres that are currently being or will be mined for sand and gravel will be restored to prairie or wetland habitat by CPC; a restoration plan is in development and a mechanism to ensure the State's interests are protected related to the restoration agreement are being investigated.

Purchasing this land now has a number of advantages. Upon closing (proposed for June/July, 2014), at least 200 acres would be available to the public and for DNR restoration (the area of the adjacent property that will not be mined), including the wooded river corridor. The current appraisal is based on exhaustive analysis of comparable sales in the area where land was purchased for its gravel resources. Based on an appraisal which has not been technically reviewed and certified, the landowner will donate \$900,000 in value, perform significant restoration work, remove the buildings on the Brockman farm (which were not valued in the appraisal), and the State will not have to pay for and/or monetize gravel. While not technically required, DNR is pursuing a second appraisal of this property to ensure accuracy in the determination of value. A condition of the purchase agreement with CPC is that the sales price not exceed the fair market value as determined by a certified appraisal. Further, the current acquisition benefits from the option CPC has on the 160- acre adjacent property (a single transaction for two parcels). Finally, land values in the metro area are rising. Conversations with metro appraisers estimate an annual increase of 5-8% for land such as this in the coming years. Delaying the acquisition will increase cost for a high priority parcel in the metropolitan area. Future land use as residential housing would preclude protecting the river corridor and connecting it with the public lands to the north.

Dakota County and Empire Township have interest in a trail corridor that may run within this proposal's parcel of interest and are supportive of the State's purchase of this parcel. Any trail corridor plans through this parcel would be presented to the Lessard-Sams Outdoor Heritage Council for approval. Outdoor Heritage Funds will not be used to pay for any portion of a trail corridor.

Planning:

MN State-wide Conservation Plan Priorities:

- H1 Protect priority land habitats
- H2 Protect critical shoreland of streams and lakes
- H3 Improve connectivity and access to recreation
- H7 Keep water on the landscape

Plans Addressed:

- Long Range Plan for the Ring-Necked Pheasant in MN
- Minnesota DNR Strategic Conservation Agenda
- Minnesota's Wildlife Management Area Acquisition - The Next 50 Years
- Outdoor Heritage Fund: A 25 Year Framework
- State Comprehensive Outdoor Recreation Plan
- Tomorrow's Habitat for the Wild and Rare

LSOHC Statewide Priorities:

- Are ongoing, successful, transparent and accountable programs addressing actions and targets of one or more of the ecological sections
- Ensures activities for "protecting, restoring and enhancing" are coordinated among agencies, non profits and others while doing this important work; provides the most cost-effective use of financial resources; and where possible takes into consideration the value of local outreach, education, and community engagement to sustain project outcomes
- Leverage effort and/or other funds to supplement any OHF appropriation
- Produce multiple enduring conservation benefits
- Provide Minnesotans with greater public access to outdoor environments with hunting, fishing and other outdoor recreation opportunities

LSOHC Metro Urban Section Priorities:

- Protect, enhance, and restore remnant native prairie, Big Woods forests, and oak savanna with an emphasis on areas with high biological diversity
- Protect habitat corridors, with emphasis on the Minnesota, Mississippi, and St. Croix rivers (bluff to floodplain)

Relationship to Other Constitutional Funds:

- No Relationships Listed

Accelerates or Supplements Current Efforts:

It is a rare opportunity to add such a large and significant parcel to an existing WMA, especially in a growing metro county. Acquiring the entire ownership at this time will not only provide for public access and management in the near term, but also prevent the need to approach multiple landowners and successfully complete each transaction in the future if the land were sold.

Efforts are underway to acquire parcels adjacent to the Vermillion River AMA/WMA and Vermillion Highlands especially along the Vermillion River. The new Dakota County White-tail Woods Regional Park is also contiguous with the State owned lands in this area. Opportunities along the river corridor just to the east have recently come to our attention and this parcel will be key to maintain the corridor.

Sustainability and Maintenance:

The DNR Section of Wildlife manages 1,433 WMA encompassing 1.3 million acres of land in 86 of the state's 87 counties. Lands acquired with Outdoor Heritage Fund dollars will add to this system. Management of WMAs is guided by Management Guidance Documents and is funded primarily through the Game and Fish Fund.

Government Approval:

*Will local government approval be sought prior to acquisition? - **Yes***

Permanent Protection:

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

Hunting and Fishing Plan:

Is this land open for hunting and fishing? - **Yes**

Hunting and Fishing Regulations Not Listed

Accomplishment Timeline

| Activity | Approximate Date Completed |
|------------------------------------|----------------------------|
| Fee title acquisition of 425 acres | 12/31/2014 |

Outcomes

Programs in metropolitan urbanizing region:

- A network of natural land and riparian habitats will connect corridors for wildlife and species in greatest conservation need *Acres of habitat and miles of stream acquired and managed as WMA.*
- Improved aquatic habitat indicators *Number of trout per mile of stream.*

Budget Spreadsheet

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

Total Amount of Request: \$ 4250000

Budget and Cash Leverage

| Budget Name | LSOHC Request | Anticipated Leverage | Leverage Source | Total |
|----------------------------|--------------------|----------------------|-----------------|--------------------|
| Personnel | \$0 | \$0 | | \$0 |
| Contracts | \$0 | \$65,000 | RIM | \$65,000 |
| Fee Acquisition w/ PILT | \$4,250,000 | \$2,250,000 | RIM | \$6,500,000 |
| 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 | \$40,000 | RIM | \$40,000 |
| Direct Support Services | \$0 | \$0 | | \$0 |
| DNR Land Acquisition Costs | \$0 | \$0 | | \$0 |
| Capital Equipment | \$0 | \$0 | | \$0 |
| Other Equipment/Tools | \$0 | \$0 | | \$0 |
| Supplies/Materials | \$0 | \$0 | | \$0 |
| DNR IDP | \$0 | \$60,000 | RIM | \$60,000 |
| Total | \$4,250,000 | \$2,415,000 | | \$6,665,000 |

Output Tables

Table 1. Acres by Resource Type

| Type | Wetlands | Prairies | Forest | Habitats | Total |
|--|----------|----------|--------|----------|-------|
| Restore | 0 | 0 | 0 | 0 | 0 |
| Protect in Fee with State PILT Liability | 0 | 0 | 0 | 425 | 425 |
| 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 | 425 | 425 |

Table 2. Total Requested Funding by Resource Type

| Type | Wetlands | Prairies | Forest | Habitats | Total |
|--|----------|----------|--------|-------------|-------------|
| Restore | \$0 | \$0 | \$0 | \$0 | \$0 |
| Protect in Fee with State PILT Liability | \$0 | \$0 | \$0 | \$4,250,000 | \$4,250,000 |
| 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 | \$4,250,000 | \$4,250,000 |

Table 3. Acres within each Ecological Section

| Type | Metro Urban | Forest Prairie | SE Forest | Prairie | N Forest | Total |
|--|-------------|----------------|-----------|---------|----------|-------|
| Restore | 0 | 0 | 0 | 0 | 0 | 0 |
| Protect in Fee with State PILT Liability | 425 | 0 | 0 | 0 | 0 | 425 |
| 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 | 425 | 0 | 0 | 0 | 0 | 425 |

Table 4. Total Requested Funding within each Ecological Section

| Type | Metro Urban | Forest Prairie | SE Forest | Prairie | N Forest | Total |
|--|-------------|----------------|-----------|---------|----------|-------------|
| Restore | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Protect in Fee with State PILT Liability | \$4,250,000 | \$0 | \$0 | \$0 | \$0 | \$4,250,000 |
| 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 | \$4,250,000 | \$0 | \$0 | \$0 | \$0 | \$4,250,000 |

Table 5. Target Lake/Stream/River Miles

1 miles

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

No parcels with an activity type protect.

Section 2a - Protect Parcel with Bldgs

Dakota

| Name | TRDS | Acres | Est Cost | # Bldgs? | Bldg Improve Desc | Value of Bldg | Disposition of Improvements |
|----------------------|-------------|--------------|-----------------|-----------------|--------------------------|----------------------|------------------------------------|
| Vermillion River WMA | 11419224 | 425 | \$6,500,000 | 10 | House and farm buildings | \$268,100 | Remove |

Section 3 - Other Parcel Activity

No parcels with an other activity type.