

Amanda Brazee

From: Amanda Brazee
Sent: Thursday, August 27, 2015 2:11 PM
Subject: LSOHC Additional Program Proposal Information
Attachments: Additional Project Info for Council (draft 8.27.15).pdf

Dear Council Member:

The attached information was accumulated through questions asked of program managers by LSOHC members or staff. It is provided to you as a cumulative for your general information. Please allow that some of the information may be redundant in light of your previous review of information or communications. In the least, we hope that this additional info will be of assistance to you. Hard copies will be made available at the hearings.

We look forward to seeing you at the Council meeting on Tuesday, Sept, 1st. Please remember that the meeting will begin at 7:45 a.m. We will have snacks, water and coffee available for Council consumption.

LSOHC Staff

MWJ/amb

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FA01 – “Young Forest Conservation Phase II”

From George Fenwick 7/15/15:

Thank you for the opportunity to explain the typo in the budget in our most recent proposal submission to Lessard-Sams Outdoor Heritage Council. It should have read 2.20 FTEs at \$745,000. We are respectfully, and hopefully, requesting funding for two Coordinators for four years and 20% salary for the Great Lakes Regional Coordinator for his role in the project. In our current grant, ABC requested funding for one Coordinator for two years and we brought \$30,000 in additional salary support. Thanks to the seed funding from the LSOHC, and the strong progress we have made on the-the-ground as a result over the last two years, ABC and its partners were very fortunate to receive this year an NRCS RCPP five year grant for young forest work in the Great Lakes on private lands including funding for additional positions we need to succeed in Minnesota. This funding (\$583,400) is the match we are proposing for the proposal in front of you.

LSOHC staff note – \$1.6 million mentioned on page 4 under federal match but not listed in Budget Spreadsheet is confirmed with ABC staff.

FA01 – “Young Forest Conservation Phase II”

From George Fenwick

Question 1) What dollar amount and how is the Conservation Fund being compensated for the negotiations of the land purchase? (indicated in proposal in paragraph 2 on page 2) where is this on the budget table?

Answer: The Conservation Fund is being compensated for negotiations with funding of \$62,000. We put this number in the “Contract” line. We are using The Conservation Fund for this part of the work because the land acquisition deal is very complicated and TCF is the most experienced in getting the job done and knowledgeable about MN DNR and LSOHC rules for acquiring land and creating WMAs. We have worked with TCF in MN and other states and they are simply the best and most cost efficient partner to ABC for land acquisition. This is an exciting part of the project because the USFWS has offered to give MN DNR land that they own at Tamarac that is adjacent to the Engelson properties that are being sought for acquisition to create a new WMA. The Engelson properties are for sale (3 properties); TCF would handle all of the negotiations between ABC, the Engelson tract owners, MN DNR, and USFWS Tamarac personnel, as well as getting appraisals and all the legal work required for this acquisition.

Question 2) You mention leverage in paragraph 1 on page 2, but it does not show up in the budget table. Should that be included?

Answer: That was an oversight. We have the leverage committed and we will continue to build on it in the coming years. The \$1,600,000 is from a four year grant from the Natural Resource Conservation Service’s Regional Conservation Partner Program and from The National Fish and Wildlife Foundation which includes \$1,600,000 funding for two full time foresters to work with private land owners.

Question 3) In the personnel table, it looks like you have added a position and increased the personnel from \$200,000 in the previous AP to \$745,000; can you explain this in more detail?

Answer: In our first grant, we only budgeted for the MN Public Lands Coordinator for two years, with 1/3 of that cost covered by the National Fish and Wildlife Foundation. In this proposal, we are requesting: a) full salary for the MN Public Lands Coordinator for four years (includes benefits and a 4% raise each year); b) adding a second Coordinator for another four years due to the amount of work and interest from public land managers to engage in this project; and c) 20% of ABC’s Great lakes Coordinator over four years for his work on the project and oversight. Other ABC staff time that will be spent on this project in MN will be paid from other funding sources.

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HRE01 – “Minnesota Trout Unlimited Coldwater Fish Habitat Enhancement”

From John Lenczewski 7/17/15:

While we had originally proposed the Clearwater project last year, it had to be dropped from the work plan when the funding was scaled back. It will be a new, standalone project once we secure funding for it.

Regarding Miller Creek, I will need to check with DNR to see what they have in mind. The SWCD office has wanted to do this project for a few years, but has been unable to secure enough funding. They appealed to us for assistance. Having reviewed their design approach and their genuine interest in creating good trout habitat, a partnership bringing multiple funding stream together here would be great for the resource. The SWCD has a portion of the funding now and is seeking additional Great Lakes funding as well. Their ability to hold up a partnership and leveraged funding with the State and MNTU would help secure these federal dollars. It may be that the SWCD asked DNR to include it on DNR's list as "insurance", but I do not know. In any case, if we were to secure OHF funding, I am sure DNR would scratch this off their list and instead work on another priority project on their long list.

Regarding the cost per acre, I believe that is auto-generated from the other tables. A number of the projects proposed for FY2017 funding are particularly bad sites and we estimate higher costs. However, we are very conservative on leverage estimates so it may well be that the OHF costs will be much lower. The result will be the ability to add more high priority projects, with LSOHC approval of course, increasing the number of acres and lowering the cost per acre.

HA01 & HRE02 – “MNDNR Aquatic habitat Protection Phase 8” and “DNR Stream Habitat”

Parcel List submitted to Members 7/13/15 by Jacki Livingston, LSOHC Temp. Commission Assistant

From Martin Jennings 7/12/15:

The proposal should have a county list and map of potential acquisitions for protection in three categories as follows:

- 1) Trout stream conservation easements in SE (Goodhue, Wabasha, Winona, Olmsted, Fillmore, Houston) and NE (Cook, Lake, St Louis, Carlton) MN.
- 2) Forests for the Future easements (Cass, Crow Wing, Hubbard). In this case, we also have an attachment with further description of the 5 watersheds in which we are proposing to work.
- 3) Multiple counties with outstanding Lakes of Biological Significance for potential AMA fee title acquisition.

We have used a programmatic approach for protection in past proposals, including last year's. The criteria to prioritize potential protection parcels are described in the narrative and attachments. In last year's proposal, we named the 5 watersheds for Forests for the Future Easements and AMA acquisition, and listed counties for trout stream conservation easements.

What is different this year is that we have split the aquatic package into two proposals, one for protection, and the other (managed by Brian Nerbonne) for restoration and enhancement. We had a parcel list for restoration and enhancement projects last year, including a list of AMA's for enhancement work, and a list of stream restoration and enhancement sites. Mr. Nerbonne's stream proposal for this year also contains a parcel list for stream restoration and enhancement work. We are not asking for funding for AMA enhancement work this year.

HA02 “Metro Big Rivers Habitat Phase 8” & PRE02 “Anoka Sand Plain Habitat Conservation Phase 4”

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From Deb Loon and Wayne Ostlie

Question 1) Was the Houlton property acquired in Phase 2 and 3, and this proposal is now asking for restoration money for that tract of land? Have the acres been double counted, i.e., included here as restoration acres and as protect acres in the previous APs?

Answer: Yes, this is the property acquired in 2 and 3 (we reference that in the narrative).

Question 2) The Grey Slough, mention in fifth bullet on the top of page 2, was funded in the BWSR portion of the Legacy bill in special session, is that correct?

Answer: You are correct. Wayne Ostlie just informed me of that and is preparing an email to you this morning. Do you want us to revise the proposal? Great River Greening will request some funds for the project, but significantly less (see below).

Question 3) Can you clarify that the restoration work being done at Rum River/Cedar Creek is a different parcel that was acquired with ML 2009 and ML 2010 monies?

Answer: A portion of the proposed work at Rum River/Cedar Creek (about 200 of the proposed 700 acres) is at Cedar Creek, which was acquired with OHF funds. The majority of work will be at Rum River Central Regional Park (across the river from Cedar Creek) and will amount to 500 acres.

As we discussed, Great River Greening will be modifying our two proposals before the LSOHC at the present time, and will present those modifications to the Council during respective hearings. These include:

Anoka Sandplain Partnership – Phase 4 (**PRE02**) – We will be reducing our overall Partnership request from \$3,346,500 to \$3,251,500. Isanti County Parks received funding through a DNR Parks and Trails Fund for acquisition of the Lood property at Becklin Homestead County Park and WMA, so those acquisition costs proposed are being eliminated; restoration costs associated with the tract, however, will be retained.

Metro Big Rivers Partnership – Phase 7 (**HA02**) – We will be reducing Greening’s request for the Grey Cloud Slough project in the MBR07 proposal from \$523,000 to \$105,000 since South Washington Watershed District received funding for the road removal from the Clean Water Fund. Remaining funds in the budget are for monitoring of the project, software license, development of an instream restoration plan, and funds for initial restoration work. That results in an overall decrease in Greening’s request and the overall MBR request by \$418,000.

HA04 – “Fisheries Habitat Protection on Strategic North Central Minnesota Lakes: Phase II”

From Lindsey Ketchel

When LLAWF applied for the LSOHF application in 2013, the previous executive director included prospect parcels that they thought might be interested in an acquired easement program. These landowners did not have the ability to donate an easement. So the parcel list included these individuals with estimates regarding compensation. The parcel list also included parcel ID numbers for each lake (tullibee refuge lakes) which did not have estimates.

When designing the acquired CE program LLAWF could have worked with a small group of pre-selected landowners. We choose to create a competitive program to ensure transparency, maximize rate of return on investment and conduct targeted outreach to expand the pool of interested landowners.

We received over 40 applications when we launched this program in 2015. Our technical team used our scoring criteria and selected applications on targeted lakes which included 3 donated easements on 420 acres of high

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value shoreline and second tier forest lands. One applicant totally 280 acres is only seeking modest compensation. One applicant will require compensation. We have a second round application deadline on Sept. 4th. Unfortunately none of the prospect landowners listed on the parcel list (you are making reference to) applied. We hope they apply during the second round.

Additionally, we have 14 landowners on a wait list - high quality applications. In hindsight I should have added these applicants to the parcel list. They will be strong applicants for future LSOHF funds. Since MLT holds the easements and the compensation is based on an appraisal it is challenging to determine compensation - but I should have made estimates. I'm sorry that I did not include these easement opportunities. It would have been very helpful information.

I could provide you and the Council with more parcel detail regarding wait list applicants if that is a possibility. We plan to amend our current work plan to include selected applicants parcel info and wait list parcel info.

HA 04 – “Fisheries Habitat Protection on Strategic Lakes Phase II”

From Lindsey Ketchel

The Leech Lake Area Watershed Foundation submitted (HA 04 – Fisheries Habitat Protection on Strategic Lakes Phase II) proposal that will continue our work to protect strategic tullibee refuge lakes in Northern MN. We are successfully implementing our Phase I LSOHC proposal which has resulted in the creation of the “Clean Water Critical Habitat Protection Program”. In this competitive program, applications are graded based on ten spatial and habitat-related criteria. We received over 30 landowner applications during our first round with a significant number of high conservation value parcels. Landowner interest in our program is why we are seeking additional funds.

I am delighted to report that our application finalists included two donated easement projects that, once completed, will protect 382 acres of high value habitat and sensitive shoreline. Another selected finalist is seeking very modest compensation and the remaining applicants will be compensated for keeping their land protected. One landowner decided to bequeath his 30 acre parcel on Little Pelican Lake, Crow Wing County, to MNDNR.

With demonstrated interest in the Clean Water Critical Habitat protection program, I believe we can identify the most strategic parcels, ensure that we are getting maximum habitat value for these investments, and create a protective class of Cold Water lakes. The selected lakes in our proposal are in Cass, Crow Wing, Hubbard and Aitkin Counties. These four counties produce over \$500,000,000 in tourism revenue annually. These lakes are the economic and cultural heartbeat of this region.

Our proposal includes a fee title (with PILT) acquisition in the Ponto Lake Township, Cass County. The parcels are located in the Ponto Lake Watershed and will include significant natural shoreline on Round Lake and Rush Lake. Recently the MNDNR, in partnership with MPCA, released phosphorus sensitivity modeling results. A phosphorus sensitivity index ranks lakes focusing on “high quality, unimpaired lakes at greatest risk of becoming impaired.” Of the 2717 lakes analyzed in the state for phosphorus sensitivity significance, Ponto Lake is one of the highest ranked in the state. Our WMA acquisition proposal will provide critical protection to the Ponto Lake watershed. We are also working on a conservation easement adjacent to this proposed MNDNR Wildlife Management Area with Phase I funding.