

Legislative–Citizen Commission
on Minnesota Resources (LCCMR)

**Minimum Standards and Guidelines for
State Forest Legacy Easements in Minnesota**
funded in total or in part by the
Environment and Natural Resources Trust Fund

Intended to apply to
ML 2007 Chapter 30, Section 2, Subdivision 4a
and to Subdivision 4b where applicable

October 9, 2007

For reference:

Minnesota Session Laws 2007 - Chapter 30, Section 2, Subd. 4 (a)

a) Forest Legacy Conservation Easements

- 3.15 \$2,000,000 is from the trust fund to the
- 3.16 commissioner of natural resources to acquire
- 3.17 permanent working forest conservation
- 3.18 easements on private forests in northern
- 3.19 Minnesota, the Mississippi blufflands, and
- 3.20 other areas identified through the state forest
- 3.21 legacy program. Priority must be given to
- 3.22 acquiring easements on private lands within
- 3.23 existing Minnesota state forest boundaries.
- 3.24 Any easements acquired must have a
- 3.25 sustainable forestry practice management
- 3.26 plan. Land subject to easements acquired
- 3.27 under this appropriation is not eligible for
- 3.28 payment under Minnesota Statutes, section
- 3.29 290C.07. The commissioner must report
- 3.30 to the Legislative-Citizen Commission
- 3.31 on Minnesota Resources with proposed
- 3.32 minimum standards for forest conservation
- 3.33 easements by June 1, 2007. The commission
- 3.34 shall consider the proposed standards as
- 3.35 part of the work program approval by June
- 3.36 30, 2007. No funds shall be expended until
- 4.1 the commission has reviewed and approved
- 4.2 minimum standards for forest conservation
- 4.3 easements funded by the trust fund.

Introduction

Background

The Federal Forest Legacy Program was established as part of the 1990 Federal Farm Bill to address forest fragmentation. It recognizes that private forestland owners are facing increased pressure from increasing population densities and investor demands to convert their forestlands to other uses, such as housing subdivisions, rural lots and private recreational leases. Forestland provides a wide variety of products and services including fish and wildlife habitat, aesthetic qualities, timber, and recreation opportunities. Continued production of these products is threatened by conversion. Clearly, good stewardship of privately held forest lands requires a long-term commitment, and that long term commitment can be fostered through a partnership of local, state, and Federal government efforts.

Minnesota entered the Federal Program in 2000 with the approval by the Secretary of Agriculture of "The Forest Legacy Program in Minnesota: Statewide Assessment of Need." In addition to the Federal Forest Legacy Program, Minnesota has recently implemented a State Forest Legacy Program using state funds and private partner contributions. The State Forest Legacy Program complements the federal program by addressing forest fragmentation in areas out of the reach of the federal program, for reasons of economic, policy, or timing limitations.

Program Purpose

The purpose of the Forest Legacy Program is to identify and protect important forestlands, threatened by present or future conversion to non-forest uses. Priority lands for conservation easements are lands that can be protected and managed. The highest priority is to protect lands with high ecological value including high biological diversity and that are sustainable representations of each forestry ecoregion in Minnesota. Lands that have potential to be managed to achieve high ecological value are also a priority but not as high of a priority. Priority shall also be given to lands within established State Forest boundaries. Land should also have important scenic, recreational, timber, riparian, fish and wildlife, threatened and endangered species, and other cultural and environmental values. Where the public traditionally benefited from access to these values, the Forest Legacy Program seeks to retain and increase that access as is appropriate. More details on the Minnesota Department of Natural Resources' (DNR) process for prioritizing acquisition of forest lands are found in Division of Forestry Land Acquisition – Biennial Plan pages 4 and 5 (attached as Appendix A).

The Forest Legacy Program is not solely a protection program. Eligible properties are "working forests" managed for the production of forest products and traditional forest uses are maintained. These forest uses will include both commodity outputs and non-commodity values. The purpose of these easements is to perpetually maintain these forests intact to provide such traditional forest benefits as timber production, wildlife habitat, traditional public use, watershed protection, and open space. These forests remain in private ownership, except for the restrictions on development or other uses.

Minimum Standards and Guidelines for Drafting Conservation Easement Restrictions

Conservation easement drafting is only one of many steps in the acquisition process. That process is not necessarily a linear or sequential process in that many steps can occur concurrently. There may be modifications or changes in the process as needed for individual projects. The process takes time and can take from several months to a couple of years or more for some projects.

Easement Acquisition Steps

The following steps are a useful checklist but may need to be modified and sequenced to accommodate individual projects. These acquisition steps generally follow the acquisition procedures as set forth by the Department of Natural Resources Division of Lands and Minerals. The process will adhere to the appropriate statutes, laws, policies, and guidelines required by the State of Minnesota, the Minnesota Department of Natural Resources, the Federal Forest Legacy Program (when Federal funding is used), and other appropriate agencies or organizations. The basic steps in the acquisition process are outlined below:

1. Completion of an application and a Fact Sheet Packet (DNR, landowner, partners). It includes a site visit and completion of a Forest Legacy Application, Fact Sheet, Initial Site Assessment, and Landowner Bill of Rights.
2. Securing the Funding (DNR, partners, owner). Funds are needed to purchase the property and to pay for any professional services required (legal, survey, title, closing costs, etc.). Many projects have multiple funding sources including state, private, federal, and landowner donations.
3. Preparation of Legal Description and Maps (DNR, landowner, partners, title company). All parties need to agree to the final legal description prior to appraisal.
4. Baseline Property Report (DNR). As a foundation for developing conservation easement restrictions, a detailed inventory of the conditions and values of the property is prepared. The Baseline Property Report provides information on the condition of the property (as it relates to the terms of the easement) at the time the easement is conveyed. The Baseline Property Report includes results from a historical and cultural records search and a natural heritage records search. The baseline property report is the basis for documenting changes in the conditions of the property over time and is used for both monitoring and enforcement activities.
5. Conservation Easement negotiations and drafting (DNR, Landowner, Attorney General's Office, may include input from other attorneys, partners). All parties must agree on final easement prior to appraisal. To the degree possible, easement language will be clear, unambiguous, and in "plain English".
6. Preparation of a Forest Stewardship Plan (DNR, owner), Forest Legacy easements require the preparation of a Forest Stewardship Plan or that a similar multi-resource sustainable forest management plan be developed to guide timber harvesting and other forest management activities.
7. Environmental Review (DNR, Partners). An environmental assessment is done to determine the potential for environmental hazards on the property. It includes a site visit, an environmental records search, and a review of air photos and maps.

8. Mineral assessment (DNR) Minnesota has a fiduciary responsibility regarding State-owned mineral resources and university and school trust funds. To fully address the DNR's fiduciary responsibilities, the State will only allow exploration or mining options that are consistent with the intent of the forest conservation easement, provided that the exploration and mining is conducted under state laws and in an environmentally sound manner. The mineral assessment is undertaken to evaluate the mineral potential (surface and subsurface) of the property and to evaluate the extent of State of Minnesota-owned mineral rights that are present, along with adjacent or nearby minerals which would effect the size and quality of a mineral deposit. This assessment can then help guide the DNR's options concerning conservation easement language and seeking Federal funding.
9. Appraisal and Appraisal Review (DNR, Partners). DNR or partner engages an appraiser for an appraisal of the value of the easement sought on the property. This ensures that the DNR is paying no more than what the easement is worth. The appraisal process involves determining the market value of the property before and after the easement is imposed with the difference being the value of the easement. The appraiser prepares an appraisal report that is reviewed by a State, Federal, or contracted independent review appraiser. If the appraisal is approved, a Resume of Certified Appraisal will be issued.
10. Negotiations (State, Landowner, Partners). Negotiations between State and Landowner will be pursued to get agreement on purchase price for the rights covered by the Forest Legacy Easement.
11. Option (State, Landowner, and Partner). A signed Consent to Option is obtained after landowner and State have agreed to a sale price. Following a review, an Election to Purchase is sent to Landowner.
12. Title (State, Landowner, Partners, Title Company, Attorney General's Office). Title evidence is reviewed by the Attorney Generals Office and a title opinion is issued.
13. Closing (DNR, Attorney Generals Office, Landowner, Partners). Obtain any final approvals, due diligences, documents, and checks. At closing, present payment to owner or third party as appropriate and after closing record easement at county courthouse.
14. The Environment and Natural Resources Trust Fund land acquisition requirement will be recorded and reported annually.
15. Recovery of funds provision. All easements have a clause stating that in the event that there is an unexpected change in the conditions of the easement property making it impossible or impractical for the ongoing use of the property for the intended purposes, then upon sale of property, the State's fair market value of the property shall be returned to the State and used according to the original funder requirements (for example if part of property is condemned for a road project).

Working with Partners

One of the strategies of the Forest Legacy Program is to work with partners to protect forests. National organization such as the Trust for Public Land (TPL), The Conservation Fund (TCF), The Nature Conservancy (TNC) and more locally based organizations like Minnesota Land Trust (MLT) bring valued conservation easement experience and expertise to the program as well as providing project facilitation, fundraising, and other benefits.

Cost/price “return” of dollars spent

The cost or price of an easement is determined by an appraisal of the easement rights being acquired. In the appraisal process, the value of the property before the easement is estimated at its highest and best use and the value of the property after the easement is estimated at its highest and best use. The difference between the before and after value estimates is the value of the conservation easement.

The Forest Legacy Conservation Easement Program provides public benefits commensurate with public costs.

Drafting Conservation Easement Restrictions

Easements must be written in language that is easy to understand by the average person. Each conservation easement may vary based on the conservation values that are to be protected on the property. The full range of conservation values on the site will dictate the drafting of the conservation easement restrictions to meet the desired outcomes. Conservation values to be protected may include one or more of the following: Fish and wildlife and their habitat; water, wetlands, and riparian areas; cultural and historical features; rare species and associated natural communities; timber and other forest productivity values; scenic areas; and recreational values. The easement must also identify and protect unique ecological values within the easement area.

Example of conservation values:

“The Conservation Values of the Protected Property include (a) native flora, fauna, native plant communities and the physical and ecological processes that support them, (b) diverse forest types and growth stages, (c) portions of significant free flowing rivers and tributaries to Lake Superior, (d) soil productivity, biological diversity, water quality, wetlands, riparian and aquatic habitats, and productive working forests. The Protected Property provides a large undeveloped forested tract unfragmented by well developed, paved and regularly traveled roads, sub-division and residential development.”

Easement restrictions and stipulations are uniquely designed to protect the conservation values and to promote the purposes of the easement. Forest Legacy Easements will address the following:

1. Land use restrictions
2. Subdivisions
3. Transfer of development rights
4. Structures and development
5. Signs and billboards
6. Roads and Trails
7. Mining, construction aggregate operations, and surface alteration
8. Waste
9. Non-forest areas
10. Forest Management
11. Public access and recreation

- 1. Land Use Restrictions:** The land use section will generally list the prohibited and permitted land uses. The intent is to restrict uses of the property that:
- a) Result in extensive surface disturbance;
 - b) are inconsistent with the intended purposes of the easement or;
 - c) pose a threat to the conservation values of the property. Prohibited uses typically include residential, industrial, and commercial uses. Permitted uses include timber management.

Federal Forest Legacy Guidelines also permit a limited amount (up to 25% of the total area) of "compatible non-forest uses" that may be compatible with forest uses as part of an undeveloped landscape, including cultivated farmland, pasture, grassland, shrubland, open water, and wetlands.

For projects funded with Environment and Natural Resources Trust Fund funding, the impact area of "compatible non-forest uses" must be less than ten-percent of the conservation area.

State Forest Legacy easements (easements funded solely by state and private dollars) allow exploration and mining as regulated by law.

- 2. Subdivision Restrictions:** A goal on easements is to prohibit or restrict the landowner from dividing the property. The restrictions can range from allowing no divisions to allowing for several divisions. Ideally no division will occur. The primary reasons for restrictions on divisions of a property are:
- a) To prevent parcelization;
 - b) to maintain unified management of large parcels and;
 - c) to minimize the future administrative burden of multiple owners to the holder (State).

Division allowances, especially on very large properties or where there exists non-contiguous property, may be negotiated by the landowner.

- 3. Transfer of development rights:** All development rights associated with the Protected Property are extinguished and no development rights that have been encumbered, excepted or extinguished by the conservation easement can be transferred to any other lands pursuant to a transferable development rights scheme or cluster development arrangement or otherwise.
- 4. Structures and Developments:** Structures and developments are generally prohibited in Forest Legacy Easements. The goal of DNR easements is to limit the type and extent of structures. Structures include a whole variety of man-made or assembled objects such as buildings, towers, etc. Exceptions are generally granted to maintain or add minor structures necessary for timber management and recreational use such as gates, fences, parking lots, bridges, and culverts, may be allowed with some restrictions. Temporary and portable structures such as portable mills, deer stands, etc. may be allowed.

Leased lots for hunting shacks are a tradition on much industrial ownership in northern Minnesota and these may be allowed to continue under the easement. Generally lease lots will not convey exclusive use of any area for hunting or other uses and are generally limited to the footprint of the existing buildings. Lessees may not in any way restrict access to lands

beyond the generally limited footprint of the existing buildings. Areas for existing or new residential or commercial development will be excluded from the area subject to the easement.

5. Signs and billboards: No signs and billboards may be placed on the property. Exceptions are generally allowed for direction or informational signs, signs to advertise the sale of the property, and similar purposes.

6. Roads and Trails: Roads and trails necessary for either forest management purposes or recreation are allowed with restrictions placed that limit the impact on the land and habitat. Roads and trails should be required to be done using the best management practices as described in the “Voluntary Site Level Forest Management Guidelines” (Minnesota Forest Resources Council)

<http://www.frc.state.mn.us/FMgdline/2005guidelinesbook/Complete%20FMG%20Book.pdf>

Any road and trails development and maintenance should be consistent with the sustainable forest management plan that is required by the easement.

The limit on the amount of area used for roads and trails within the area protected by the conservation easement is included in the area restricted to non-forested area as described in Section-9 (Non-forested Area) of this document.

7. Mining, construction aggregate mining, and surface alteration: Priority shall be given to acquiring forest conservation easement on lands with minimal or no potential for mining.

If there are very high forest resource values and low mining potential, a conservation easement may be pursued as long as the forest and ecological resources are protected by limiting any mining impact to less than five-percent of the area of the conservation easement. Mining impacts should not negatively affect the water and surrounding landscape and no mining waste materials may be left on the surface of the site after mining is complete. Any area disturbed must be restored to its natural state after mining activities are complete.

If mineral rights are to be exercised the impacted lands must be replaced with lands of equal or better forest resource and conservation value, at a minimum of a three-acre to one-acre ratio. The replacement plan must be approved by the DNR and implemented prior to the start of mining activities. The DNR shall notify the LCCMR of any replacement plans.

8. Waste: The dumping and storage of waste, a prohibition on dumps, landfills and storage of waste is included on Forest Legacy Easements. Exceptions can be made for slash and other woody materials related to forest management on the property.

9. Non-forest area: Easement generally will include language that limits the amount of non-forested area. Non-forested areas include roads, trails, construction aggregate pits, etc. The Federal Forest Legacy Program limits compatible non-forest area and uses to no more than 25% of the total area. For easements acquired with Trust Fund any mining impacts must be limited to 5% of the total area. To the extent possible any disturbances should be on the periphery of the conservation easement and on the lower value forestry areas.

10. Forest and Vegetation Management: One of the important reserved rights of the landowner in a working forest conservation easement is the right to conduct forest management activities. The DNR's goals for forest management are to be sustainable, to employ good forestry practices, and to have forest management to be consistent with the protection of the conservation values of the property.

There are four tools or techniques that are employed that govern forest and vegetation management of Forest Legacy ownerships: a) Forest Stewardship (Management) Plans; b) Best Management Practices; c) Specific Easement Restrictions; and d) Third Party Certification.

a) Forest Stewardship Plans: This approach ties forest management to a Forest Stewardship Plan prepared separate from the easement that is approved by the State. Forest Stewardship Plans allow for flexibility, within the limits of the conservation easement, so that forest management can adapt to changing forest conditions, to new landowners, and to changes in forest science and forest management.

The required components of the Forest Stewardship Plan are generally listed in the conservation easement. Typically, these include:

- i) a listing of the Stewardship Plan contents including landowner forest management goals, descriptions and inventories of forest types, descriptions of forest management activities, forest type maps, topographic maps, road and trails maps, wetland/water features maps and special management areas such riparian or locations of rare species/habitats;
- ii) Plan writer requirements;
- iii) Revisions to the plan;
- iv) Periodic (usually annual) meeting with owner to discuss forest management;
- v) Site harvest plan, regeneration and other site level management activities. Forest Stewardship Plans are designed to change over time as forest conditions change, as changes occur in forest science and management practices, and as landowner objectives change.

In addition to forest and vegetation management considerations, Forest Stewardship Plans incorporate site-specific information and management recommendations regarding wildlife and their habitat, fisheries, water and wetlands, rare species, cultural and historic sites, scenic areas, and recreational sites. The plans provide information on the occurrence and extent of these resources and include information on protecting and enhancing these resources using site-level guidelines and other methods.

b) Best Management Practices (Site-Level Guidelines): This ties forest management activities to adherence to site-level guidelines (Sustaining Minnesota Resources: Voluntary Site-Level Forest Management Guidelines for Landowners, Loggers and Resource Managers Minnesota Forest Resources Council, 1999 or its successor). These guidelines may be periodically updated to incorporate new information and science. Site level guidelines address managing forests with consideration to wildlife, water quality and wetlands, riparian areas, rare species and habitats, scenic areas, cultural resources, and forest soil productivity.

c) **Specific Easement Restrictions:** Sometimes, specific provisions in the conservation easements may be added to protect unique conservation values by restricting, limiting and prohibiting certain damaging practices and by encouraging or requiring certain practices or management activities that result in the long-term sustainability of the forest. Some examples of specific restrictions are:

- i) **Invasive Species Management:** Conservation Easement terms will restrict the use and introduction of exotic species on the property. However, the Conservation Easement will generally not require the landowner to control specific invasive species. The required Forest Stewardship Plan generally provides information on invasive species known to occur on the site and control options for dealing with them.
- ii) **Riparian Protection:** The conservation easement will specify required standards for riparian protection using the Minnesota Site Level Guidelines (Sustaining Minnesota Forest Resources: Voluntary Site-Level Forest Management Guidelines or its successor). The Guidelines will specify a riparian management zone width and forest management. The standards for riparian area protection are also incorporated in the Forest Stewardship Plan.
- iii) **Chemical Use:** The easement will specify that chemical applications should be limited to the extent necessary to achieve forest management goals.
- iv) **Protection of Endangered Species:** The Conservation Easement and the Forest Stewardship Plan will require that forest management activities be conducted to protect known site-specific occurrences of animal and plant species that are State or Federally listed as endangered, threatened or special concern. The Baseline Property Report will list known occurrences of listed species and plant communities

d) **Third Party Certification:** Under third party certification, the State may approve an independent, third party certification agent to evaluate the consistency of the Forest Stewardship Plan with the terms of the easement. To date, the Forest Legacy Program has not utilized third party certification.

11. Public Access: A goal of the DNR's Forest Legacy Conservation Easements is to provide public access and public recreational use as previously allowed on the land, by the landowner. It is desirable to have public access expanded to include at least passive outdoor recreation use where it is appropriate. The type and extent of access that has been negotiated on past projects ranges from no public access (smaller family forest tracts with no history or tradition of public use) to a broad range of public access and recreational uses. Where public access is acquired, there are usually provisions that allow the owner to restrict public access and use to protect sensitive sites for safety purposes during active timber management activities or to protect roads and trails during certain periods of the year.

12. Water Resources: Water use and any water appropriation must be limited to use on site consistent with the terms of the conservation easement.

13. Public Information: The DNR shall report to the LCCMR information on all conservation easement related transaction costs including but not limited to appraisals, legal fees, recording fees, commissions, and similar costs. These costs must be provided for all parties involved in the transaction if reimbursed with public funds. Without requiring disclosure of confidential

tax information, the DNR shall also advise the commission on general levels of private donations from land sellers used to cover transaction costs. The DNR shall also report the amount of any "bargain" sale difference between the acquisition amount paid to the seller and the DNR certified appraisal. Appropriate data such as appraisals can remain private during negotiations but must ultimately be made public according to the provisions of Minnesota Statutes, Chapter 13, Government Data Practices.

Conservation Easement Stewardship

The Conservation Easement may provide guidance for establishing a program to regularly monitor the easement. Even when the easement does not specify, the LCCMR requirement is to meet with the owner and monitor on a regular basis (not less than annually) for the purpose of determining easement compliance and to resolve any issues that may arise. The Baseline Property Report, prepared prior to closing, will be the basis for determining compliance and changes in the property conditions. Monitoring visits generally include a face-to-face meeting with the owner or their representative and a site visit. The landowner should provide at the annual meeting:

1. All the forest management activities accomplished over the previous year (including harvesting activities);
2. all forest management activities proposed for the upcoming year; and
3. other changes in the baseline property conditions as described in the Baseline Property Report.

Large properties may require remote sensing such as using satellite imagery or air photos to supplement on the ground visits. A third party certification program may be part of the evidence used to determine adherence to sustainable forestry practices. Records are kept to document the monitoring and any changes or issues that arise.

Problems or violations can occasionally arise with easements. The state will typically seek to resolve any problems through mutual agreement as long as the resolution does not diminish the conservation values. However, the State may initiate enforcement actions in cases where the landowner does not remedy the problem.

The stewardship plan must identify the ongoing funding sources for the monitoring and enforcement of easements.

Appendix A

DNR Forest Division LAND ACQUISITION – BIENNIAL PLAN

FISCAL YEARS: 2006 – 2007

Date: July 10, 2006

Division: Forestry

Pages 4 and 5

Ranking Acquisitions: Criteria

ACCESS EASEMENTS: Because access easements are relatively inexpensive and directly address an access issue, easements have a higher priority than fee acquisitions. Ranking easements are based on three criteria:

- **Location:** Similar description and weighting as for fee acquisitions as described below.
- **Target:** Similar description and weighting as for fee acquisitions as described below.
- **Acres Accessed:** When location and target criteria result in an equal score, the number of acres accessed is then used as a tiebreaker. The more acres accessed, the higher the priority.

LOCATION: The focus for acquisition efforts will be in or immediately adjacent to state forests. Lands outside of state forests but contiguous with state forest boundaries will have the same priority as lands within a state forest. Parcels not in or close to state forests may be considered for acquisition to solve access issues or resolve land-use conflicts to adjacent DOF administered lands. Prioritization of these parcels will be significantly less than for lands in or contiguous with state forests.

TARGET STATE FORESTS: Specific state forests may be targeted for acquisition efforts to complete long-range acquisition plans or to focus on those state forests where developmental pressures are the greatest. Parcels associated with the targeted state forest will have a higher priority than nontargeted state forests. For example, the Sand Dunes State Forest, because of its proximity to the Twin Cities, has a higher priority for acquisition than the Rum River State Forest, which is more distant from the Twin Cities and more rural in nature.

ADDRESS ACCESS ISSUES OR LAND-USE CONFLICTS: A goal of the acquisition program will be to insure adequate access to state lands to carry out resource management activities and to mitigate present and future conflicts. A higher priority will be assigned to projects that address access issues or attempt to mitigate land-use conflicts.

PRODUCTIVE FOREST LAND: Forest productivity will also be a factor in ranking acquisition priorities. The “timberland” definition (forestland that is productive enough to produce a commercial crop of trees and is not reserved from harvesting by policy or law) will be the standard used to determine forest productivity. A higher priority will occur for parcels that have a higher percentage of the land classified as timberland.

Ranking Acquisitions: Criteria Weight

ACQUISITION CRITERIA AND WEIGHTS – FY06/07		
Criteria	Description	Weight
LOCATION	Inside SF or contiguous to SF	10
	Not in SF or contiguous to SF; isolated	0
TARGET STATE FOREST	Sand Dunes, RJ Dorer, & St. Croix SFs	10
	Other state forests	6
ACCESS/CONFLICT	Access issue or conflict addressed	5
	No access issue or conflict present	0
PRODUCTIVE FORESTLAND	>50% of parcel is timberland	4
	<50% of parcel is timberland	1

Forest Legacy Project Review and Selection Process

Potential Legacy projects are reviewed by the Lands Team and then forwarded with recommendations to the Forest Legacy Subcommittee of the State Forest Stewardship Coordinating Committee (SFSCC). The SFSCC established the Forest Legacy Subcommittee to assist the SFSCC in reviewing, evaluating, and prioritizing the state's Forest Legacy projects each federal fiscal year. The SFSCC is comprised of forest landowners, representatives of several conservation organizations, state and federal agency representatives, and other private forestry interests. The Forest Legacy Subcommittee membership is a subset of the SFSCC. The Division of Forestry director reviews and approves the Legacy project list and forwards it to the U.S. Forest Service each year. A national project priority list is submitted by the Forest Service to the Office of Management and Budget through the Department of Agriculture for consideration in the President's budget. Congressional appropriations fund specifically named projects in the form of grants to the Division of Forestry.

Legacy projects are ranked using a combination of a state worksheet including criteria important to the state, and by combining the state score with scoring based on National Core Criteria. For details of both the National Core Criteria and the State scoring system, and the relative weights of each criterion, see Appendix D.

III. RESOURCE CONNECTIONS

State forestland acquisition will help the department meet the following resource objectives:

A Strategic Conservation Agenda 2003-2007

- Offer 770,000-850,000 cords of timber for sale from DNR lands in FY06
- Certify 4.5 million acres of state-administered forest lands by the end of 2005
- Maintain a 40,000-acre network of designated old-growth forest sites
- Improve forest productivity on state forestlands through management practices
- Complete re-inventory of 105,000 acres of state forestland

IV. TARGETS

Acquisition Targets

- Acquire easements that provide access to state lands for management purposes.
- Target State Forests: Focus fee acquisition efforts on 2 state forests with significant developmental pressures: Richard J. Doer Memorial Hardwood and the Sand Dunes state forests. The number one target in this category is a parcel in the Sand Dunes State Forest that completes the acquisition plans for the forest. This biennium may be the last opportunity to acquire this parcel because of development pressures and sharply increasing land values in the last three to five years.
- Acquire access to landlocked blocks of state land and or in-holdings surrounded by other state or public lands in state forests not included as target state forests.

Legacy Targets

- Complete Phase 1 Potlatch Conservation Easement.