

JUL 26 2006

**2003 Project Abstract
For the Period Ending June 30, 2006**

Title: Restoring Minnesota's Fish and Wildlife Habitat Corridors Phase II – Forest Legacy (3B). Conservation Easement Projects under this segment will be located in the Southern Lakes Corridor (10), Central Lakes (4) and Lower St. Louis River (5). Lower St. Louis is conditional upon boundary changes.

Project Manager: Richard Peterson
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Web Address: www.dnr.state.mn.us
Legal Citation: ML 2003, Ch. 128, Art. 1, Sec. 9, Subd. 5(a)

Appropriation Amount: \$145,500

Overall Project Outcome and Results

Funding to acquire permanent Forest Legacy Conservation Easements was used to protect areas of significant forest habitat within the southern lakes and central lakes project areas. Six (6) conservation easements totaling 307 acres with significant Big Woods Forest habitat were acquired, most in the vicinity of Nerstrand Big Woods State Park in eastern Rice County. Two easements totaling 4770 acres were acquired within and adjacent to the Crow Wing State Forest and the Pillsbury State Forest in the Brainerd area

These acquisitions are significant in several regards: 1. Big Woods type forests area a rare and declining forest habitat type in Minnesota with over 90% of the historic forests gone. These acquisitions, together with previously funded projects in the Big Woods, brings the total acreage protected by Forest Legacy Easements to over 1100 acres. 2. In addition to protecting the land from development, the two projects in the Brainerd area purchased public access for hunting, hiking, fishing, and snowmobiling on designated trails. These lands will provide similar outdoor recreational access and opportunities as are available on the adjacent state forest lands.

Funding permitted the State to leverage significant Federal dollars to acquire the easements. A total of \$3,429,650 of Federal dollars was used in acquiring these easements, together with other state funds, landowner donation through bargain sales, and ETF dollars. A key use of the ETF dollars was to pay for the professional services such as appraisals, title work, and survey costs-costs that are not funded through the Federal Legacy program.

In summary, funds provided through the LCMR have been used to successfully complete 8 conservation projects leading to the protection of over 4,000 acres of forest habitat, much of which will be open for public recreation.

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LCMR Work Program 2003 – Forest Legacy Wildlife Corridors Phase II

Date of Report: June 30, 2006
 LCMR Final Work Program Report
 Date of Next Program Update: June 30, 2006
 Date of Work Plan Approval: June 26, 2003
 Last Amendment Approved: July 20, 2006
 Project Completion Date: June 30, 2006

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Total Biennial Project Budget:					
<u>Fund</u>	<u>Year</u>	<u>Allocat</u>	<u>Liquid</u>	<u>Encumb</u>	<u>Balance</u>
Restoring MN Fish & Wildlife Habitat Corridors II (ETF)	2003	\$145,500	\$145,500		\$0
	<u>Fiscal Year 2003</u>	<u>\$72,750</u>			
	<u>Fiscal Year 2004</u>	<u>\$72,750</u>			
Grand Total		\$145,500	\$145,500		\$0

Legal Citation: M.L. 2003, Chap. 128, Art. 1, Sec. 1 Subd. 5(a).

Appropriation Language: \$4,850,000 (Env. Trust Fund) Restoring Minnesota’s Fish and Wildlife Habitat Corridors Phase II - \$2,450,000 the first year and \$2,450,000 the second year are from the trust fund to the commissioner of natural resources for the second biennium for acceleration of agency programs and cooperative agreements with Minnesota Deer Hunters Association, Ducks Unlimited, Inc., National Wild Turkey Federation, Pheasants Forever, The Nature Conservancy, Minnesota Land Trust, the Trust for Public Land, Minnesota Valley Trust, Inc., U.S. Fish and Wildlife Service, U.S. Bureau of Indian Affairs, Red Lake Band of Chippewa, Leech Lake Band of Chippewa, Fond du Lac Band of Chippewa, USDA-Natural Resources Conservation Service, and the Board of Water and Soil Resources to plan, restore, and acquire fragmented landscape corridors that connect areas of quality habitat to sustain fish, wildlife, and plants. As part of the required work program, criteria and priorities for planned acquisition and restoration activities must be submitted to the Legislative Commission on Minnesota Resources for review and approval before expenditure. Expenditures are limited to

the 11 project areas as defined in the work program. Land acquired with this appropriation must be sufficiently improved to meet at least minimum habitat and facility management standards as determined by the commissioner of natural resources. This appropriation may not be used for the purchase of residential structures unless expressly approved in the work program. Any land acquired in fee title by the commissioner of natural resources with money from this appropriation must be designated: (1) as an outdoor recreation unit under Minnesota Statutes, section 86A.07; or (2) as provided in Minnesota Statutes, sections 89.018, subdivision 2, paragraph (a); 97A.101; 97A.125; 97C.001; and 97C.011. The commissioner may so designate any lands acquired in less than fee title. The appropriation is available until June 30, 2006, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

II and III. FINAL PROJECT SUMMARY:

Funding to acquire permanent Forest Legacy Conservation Easements was used to protect areas of significant forest habitat within the southern lakes and central lakes project areas. Six (6) conservation easements totaling 307 acres with significant Big Woods Forest habitat were acquired, most in the vicinity of Nerstrand Big Woods State Park in eastern Rice County. Two easements totaling 4770 acres were acquired within and adjacent to the Crow Wing State Forest and the Pillsbury State Forest in the Brainerd area.

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In summary, funds provided through the LCMR have been used to successfully complete 8 conservation projects leading to the protection of over 4,000 acres of forest habitat, much of which will be open for public recreation.

IV. Outline of Project Results:

This LCMR project will supplement and complement funding received from the Federal Forest Legacy Program that provides capital funding to acquire conservation easements on private forest lands threatened by development. LCMR funding will provide all of the funding for professional services and a portion of the capital funding for easement acquisitions in two project

areas, 5 and 10.

Result 1: Southern Lakes (area 10)	Amount spent \$98,509
	Balance \$0
Result 2: St. Louis River (area 5)	Amount Spent \$0
	Balance \$0
Result 3. Central Lakes (area 4)	Amount Spent \$46991
	Balance \$0

Completion Date: June 30, 2006

Project Area 10 Final Report

Project area 10 was a continuation of the Conservation Easement work on protection of Big Woods areas in Rice County. We continued nine (9) projects from Phase 1 all of which were optioned. Six (6) of these projects were completed resulting in a total of 307 acres of completed easements. These projects protected several good examples of natural Big Woods vegetation in an area that has seen nearly 95% of the native forests converted to other uses.

Project Area 5 Final Report

We worked with the single landowner over several months to develop and negotiate an easement in the North Duluth area. Due to minerals issues this project has not continued, although a somewhat modified project may develop in the future.

Project Area 4 Final Report

Our original project was broken out into two phases as a result of only partial Forest Service funding available for the original project. Phase one of the Brainerd Lakes Forest Legacy Project was completed in November of 2005 and resulted in the protection of 3136 acres of working forest easement in an area adjacent to and within the boundaries of the Crow Wing State Forest. In June of 2006, with additional Forest Service grants, we closed on the 2nd phase of the Brainerd Lakes Forest Legacy Project that resulted in the protection of an additional 1634 acres of working forest. Both projects provided for public access for hunting, trapping, fishing, hiking, berry picking, and snowmobiling on designated trails while allowing for the continuation of forest management.

V. TOTAL LCMR PROJECT BUDGET: (see attachment A and page 1)

All Results: Personnel:	\$0
All Results: Equipment:	\$0
All Results: Development:	\$
All Results: Acquisition:	\$
All Results: Easements:	\$27,876
All Results: Other:	\$117,624 (Professional services, appraisals)
TOTAL BUDGET:	\$ \$145,500

Explanation of Capital Expenditures Greater Than \$3,500: NA

VI. PAST, PRESENT AND FUTURE SPENDING

- A. **Past Spending:** Approximately \$1,186,000 (includes \$1,037,000 Federal Forest Legacy funds; \$96,000 CH01 funding, and \$53,000 RIM critical habitat match funding) has been spent to acquire conservation easements on 621 acres of private forestland within project area 10 over the past three years (July 2000-June2003). An additional \$500,000 - \$750,000 will be expended during Phase I of the Wildlife Habitat Corridors Project.
- B. **Current Spending:** Approximately \$3,429,000 of Federal Forest Service Forest Legacy Program grant dollars will be expended on this program during the funding period.
- C. **Required Match (if applicable):**NA
- D. **Future Spending:** The state will continue to purchase additional conservation easements using federal Forest Legacy Grants as well as provide professional staff time to monitor the acquired easements. Congress is currently reviewing the FFY2007 grant request.

VII. Project Partners:

- A. **Partners Receiving LCMR Funds:** *See attached overall spreadsheet*
Habitat Corridors Partners are worked with whenever possible.
- B. **Project Cooperators:** USDA Forest Service

VII. Dissemination

Easements acquisitions will be reported through the cooperative efforts of the partners of the Phase II Habitat Corridors Project as well as reported to the U.S. Congress through the U.S. Forest Service and widely reported by the Forest Service Forest Legacy web site.

VIII. Location

The projects will be accomplished within Project Areas 4 & 10 of the Wildlife Habitat Corridors Project.

X. Reporting requirements

Periodic work program progress reports will be submitted not later than November 30, 2003; March 30, 2004; November 30, 2004; March 30, 2005; and November 30, 2005 to LCMR. A final work program report and associated products will be submitted by June 30, 2006.

XI. Research Projects: NA

Attachment A: Budget Detail for 2003 Projects - Summary and a Budget page for each partner

Proposal Title: Fill in your proposal title and Subdivision Number, e.g. 5(d.3b)

Forest Legacy Conservation

Easement

Project Manager Name: Fill in your name.

Richard Peterson

LCMR Requested Dollars: \$ Fill in the dollar amount you are requesting.

\$145,500

2003 LCMR Proposal Budget		Result 1 Budget:	Amount Spent	Result 2 Budget:	Amount Spent (date)	Result 3 Budget:	Amount Spent (date)			
		Southern Lakes(10)	30-Jun-06	St. Louis River(5)	30-Jun-06	Central Lakes(4)	30-Jun-06			
BUDGET ITEM	Budget -All Results							Total Spent for all Results	Balance for all Results	New Balances 06/30/06
Contracts										
Professional/technical (with whom?, for what?)	117,624		87,709		0		29,915	117,624	0	
Land rights acquisition (less than fee)	27876		10,800		0		17,076	27,876	0	0
Other (Describe the activity and cost)										
COLUMN TOTAL	145500		98,509		0		46,991	145,500	0	0