

Environment and Natural Resources Trust Fund (ENRTF) 2010 Work Program

Date of Report: January 29, 2010
Date of Next Progress Report: January 2011
Date of Work Program Approval:
Project Completion Date: June 30, 2013

I. PROJECT TITLE: Conserving Sensitive and Priority Shorelands in Cass County

Project Manager: John Ringle, Cass County ESD Director
Affiliation: Cass County Environmental Services Department
Mailing Address: PO Box 3000
City / State / Zip: Walker, MN 56484
Telephone Number: 218-547-7241
E-mail Address: john.ringle@co.cass.mn.us
FAX Number: 218-547-7429
Web Site Address: www.co.cass.mn.us

Location: All easements obtained in Cass County, Minnesota (See Map - Exhibit A)

Total Trust Fund Project Budget:	Trust Fund Appropriation	\$300,000
	Minus Amount Spent:	\$
	Equal Balance:	\$ 300,000

Legal Citation: ML 2009, Chap.[____], Sec.[____], Subd.____.

Appropriation Language:

II. PROJECT SUMMARY AND RESULTS:

Cass County's 500+ high quality lakes provide critical habitat for fish and wildlife and are the focal points for many Minnesotan's recreational enjoyment. They are also the economic engines that sustain local communities. The future quality of these water resources is threatened by increasing population growth and shoreland development. In 2008, the Leech Lake Area Watershed Foundation and Cass County conducted a mapping project of the County's 55 most developed lakes and found that approximately 38% of the shorelands on those lakes (1,487 parcels; 228 miles of shoreland) are large, undeveloped or minimally developed, privately owned parcels that have "high conservation potential." The criteria used to identify the 1,487 parcels in the mapping project were: 1) all parcels were undeveloped or minimally developed to insure the natural state of the resource was intact; and 2) the amount of shoreland (400 feet or more); or 3) total amount of riparian land per parcel (5 acres or more); or 4) the parcel had both 400+ feet of shoreland and 5+ acres of riparian land. Of the 59 lakes mapped, 17 of these lakes are included in the DNR's Sensitive Lakeshore Identification Pilot Project (funded by LCCMR) to identify sensitive shorelands that are the most vulnerable to development. Thirteen (13) natural resource attributes were used by the DNR to determine the sensitive shoreland.

Additional sorting criteria will be used to identify and prioritize targeted parcels among the 1,487 previously identified parcels to determine the 12-15 easements to be assisted by this project. When the reports are finished on the 17 lakes in the DNR's Sensitive Shoreland study (anticipated completion date of mid-2010), a subset of parcels will be identified that are both within the original 1,487 "high conservation potential" parcels and lie within the sensitive shoreland areas on those 17 lakes. The landowners of this subset of sensitive shoreland parcels (to be determined) will be contacted by letter to explain this project and the benefits of a conservation easement and invited to an informational meeting where they can learn more and ask questions. The landowners that then show positive interest in donating a conservation easement will be the highest priority for easement assistance.

If there are more landowners willing to donate easements than the project can accommodate, further criteria will be applied, the highest priority being given to parcels with higher amounts of shoreland and/or higher ranking of natural resource attributes, either of which would provide greater conservation value. The amount of financial assistance requested would be additional criteria. For example, if less financial assistance is requested it would enable this project to accommodate more easements.

Lake associations will be a key partner in the initial contact with targeted landowners and promoting conservation easements. Permanent protection of 1,200-1,500 acres of riparian land in Cass County, including 3-5 miles of sensitive and/or "high conservation potential" priority shorelands, will be achieved through the donation of 12-15 permanent conservation easements.

III. PROGRESS SUMMARY AS OF

IV. OUTLINE OF PROJECT RESULTS:

Result 1: Permanent protection of 1,200-1,500 acres of riparian land, including 3-5 miles of sensitive and/or priority shorelands through the donation of 12-15 conservation easements from riparian landowners.

Description: Available GIS maps of riparian parcels of "high conservation priority" in Cass County correlated with the sensitive shorelands identified by the DNR/Cass County Intra-Lake Zoning Project will be used to target critical parcels for conservation easements. The easements will be held by a qualified entity, either governmental (Cass County) or nonprofit (Minnesota Land Trust), whichever the landowner prefers and is appropriate to the landowner's conservation goals. Landowners are offered a choice of easement holders because some landowners do not want their easement held by a government agency. A Land Conservation Specialist will work with the County and local lake associations to contact the owners of these parcels to educate them about the benefits of conservation easements. The Specialist will help interested landowners to explore their conservation options and encourage donation of permanent easements using payment of the closing costs as a financial incentive. The Specialist will also coordinate the easement documentation and closing with the holding entity. Easement closing costs typically include, but are not limited to, appraisals, legal and financial advice, title work, and stewardship fees (for the MN Land Trust only), which are used to monitor and enforce the easements to insure compliance.

It is anticipated that the majority of the conservation easements will be held by Cass County, with the Minnesota Land Trust holding easements only in circumstances where the

landowner prefers to work with an entity other than the County. For easements held by Cass County, annual monitoring of the property and any necessary enforcement will be conducted by County personnel in the course of their assigned duties. Support and assistance from the Cass County Attorney's office will provide additional insurance toward easement compliance. Easements held by the Minnesota Land Trust will be monitored and enforced according to the Land Trust's standard operating guidelines. Funding for easement stewardship will be managed in the Land Trust's Stewardship and Enforcement Fund in keeping with the Land Trust's other Environmental Trust Fund projects and the procedures outlined in the November 27, 2002 letter from the Land Trust to LCMR staff and confirmed in the March 31, 2003 letter from LCMR staff to the Minnesota Land Trust. The level of stewardship funding will be determined for each project using the Minnesota Land Trust's project cost analysis, which can be approximately \$15,000 or more per project depending upon size, location and complexity. The Land Trust will also approach landowners and other sources to help contribute to the stewardship costs where appropriate.

Summary Budget Information for Result 1: Trust Fund Budget: \$300,000
Amount Spent: \$
Balance: \$ 300,000

Deliverable	Completion Date	Budget
1. Facilitate 12-15 conservation easements and assist with closing cost and related expenses	June 30, 2013	\$300,000

Result Completion Date: June 30, 2013

Result Status as of December 31, 2010:

Result Status as of September 30, 2011:

Result Status as of June 30, 2012:

Result Status as of December 31, 2012:

Final Report Summary: June 30, 2013

V. TOTAL TRUST FUND PROJECT BUDGET:

Contracts: \$68,500 –Land Conservation Specialist \$15,000—Minnesota Land Trust for project assistance, including review of the easement, conservation values assessment and other related documents for each project. Will review for compliance with IRS requirements and other easement standards. Costs are estimated at \$1,000 per project on average; however, actual costs per project may vary depending on needs.

Equipment/Tools/Supplies: \$-0-

Acquisition, including easements: \$-0-

Travel: \$ 1,500 for mileage expenses to meet with landowners

Other: \$ 215,000 Professional Services for closing costs on donated conservation easements. Average costs per donated easement will include:

- Initial site visit by appraiser \$1500
- Abstract update \$ 500
- Legal opinion on title \$ 750
- Pre-easement appraisal \$4000
- Post-easement appraisal \$4000
- Conservation Values Assessment \$1000
- Incidental expenses \$ 500
- Stewardship and Enforcement Fund: \$15,000 (for MLT easements only)

As described above, the majority of easements will be held by the County. In the limited cases in which the Minnesota Land Trust holds the easements, the Land Trust would be reimbursed for easement stewardship expenses, which average approximately \$15,000 per easement, depending upon location, size and complexity of the project, as well as availability of other funding.

TOTAL TRUST FUND PROJECT BUDGET: \$300,000

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

VI. PROJECT STRATEGY:

A. Project Partners:

Leech Lake Area Watershed Foundation (contractor)

Minnesota Land Trust (contractor)

B. Project Impact and Long-term Strategy:

This project is a model for cost-effective, long-term protection of recreational opportunities, water quality, and critical land and aquatic habitats on the most highly developed and sensitive lakeshores in Cass County and throughout North Central Minnesota. This project will insure that while the population continues to grow and communities prosper, a legacy of quality natural resources and abundant recreational opportunities for many Minnesotans will be maintained for future generations to enjoy. Ongoing monitoring of easements will be conducted annually to assure that the conservation values and restrictions identified in the easement contract and supporting documentation are being preserved and observed. Cass County Environmental Services staff will inspect County-held easements at County expense. The Minnesota Land Trust will monitor easements conveyed to them under their established policies.

C. Other Funds Proposed to be spent during the project period:

D. Spending History: LCCMR-funded (\$235,000 in two grants)--Cass County/DNR Intra-Lake Zoning Project identified sensitive shorelands for protection. This work will be used to prioritize sensitive shorelands and target landowners for conservation easements funded by this project.

VII. DISSEMINATION: Information on this project will be disseminated via the Cass County website at www.co.cass.mn.us as well as the Leech Lake Watershed Foundation website at www.leechlakewatershed.org . Conservation easement information, conservation potential maps, and articles will be published in lake association newsletters and the Association of Cass County Lakes E-newsletter.

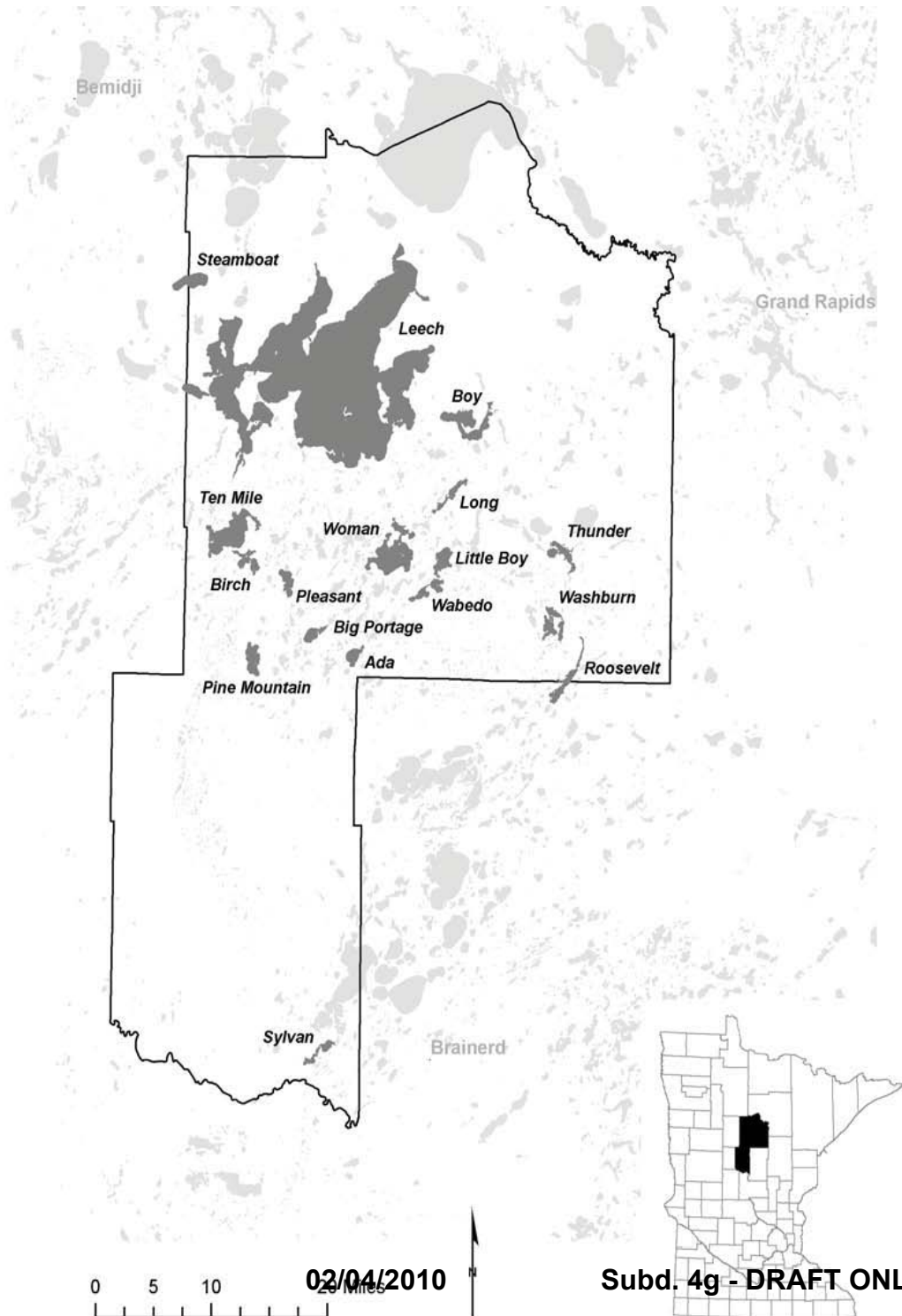
VIII. REPORTING REQUIREMENTS: Periodic work program progress reports will be submitted not later than December 2010, September 2011, June 2012, December 2012, June 30, 2013. A final work program report and associated products will be submitted between June 30 and August 1, 2013 as requested by the LCCMR.

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EXHIBIT A

Conserving Sensitive and Priority Shorelands in Cass County

LOCATION MAP



Attachment A: Budget Detail for 2010 Projects - Summary and a Budget page for each partner (if applicable)

Project Title: Conserving Sensitive and Priority Shorelands in Cass County					
Project Manager Name: John P. Ringle, Cass County Environmental Services Director					
Trust Fund Appropriation: \$ 300,000					
2010 Trust Fund Budget	Result 1 Budget:	Amount Spent <i>(date)</i>	Balance <i>(date)</i>	TOTAL BUDGET	TOTAL BALANCE
	12-15 Donated Conservation Easements				
BUDGET ITEM					
PERSONNEL:					
Contracts		0	0		
Professional/technical: Leech Lake Area Watershed Foundation (LLAWF) for a land conservation specialist to work with landowners and prepare baseline conservation values documentation for donated conservation easements to be held by Cass County.	68,500	0	68,500	68,500	68,500
Professional Services: Donated conservation easements will primarily be held by Cass County or, as an alternative, with the Minnesota Land Trust (MLT) if the landowner prefers to donate to a non-government entity. LCCMR grant funds to be used to pay costs associated with donated easement closing, such as land title research, appraisals, easement drafting and legal review, conservation value assessment, and recording fees. For MLT-held easements, funds may be used for their stewardship and enforcement fund. (They are estimated to be \$15,000 or more per project depending upon size, location and complexity)	215,000	0	215,000	215,000	215,000
Other contracts: Minnesota Land Trust for technical review of all donated conservation easement documents. Amount based on an estimate of approximately \$1000 per easement.	15,000	0	15,000	15,000	15,000
Travel expenses in Minnesota; to visit with landowners regarding donated conservation easements	1,500	0	1,500	1,500	1,500
COLUMN TOTAL	\$300,000	\$0	\$300,000	\$300,000	\$300,000