

Environment and Natural Resources Trust Fund (ENRTF) M.L. 2011 Project Abstract

For the Period Ending June 30, 2016

PROJECT TITLE: Minnesota River Valley Green Corridor Scientific and Natural Area Acquisition

PROJECT MANAGER: Brad Cobb

AFFILIATION: Redwood Area Communities Foundation

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FUNDING SOURCE: Environment and Natural Resources Trust Fund

LEGAL CITATION: M.L. 2011 First Special Session, Chp. 2, Art.3, Sec. 2, Subd. 04g, M.L. 2014, Chapter 226, Section 2, Subdivision 19, and M.L. 2015, Chapter 76, Section 2, Subdivision 19

APPROPRIATION AMOUNT: \$2,000,000

Overall Project Outcomes and Results

Minnesota River Valley Green Corridor Scientific and Natural Area Acquisition program was a continuation of the FY08 ENRTF grant which established the framework for future activities. This 2nd phase emphasized the protection of the most critically sensitive and/or ecologically significant natural resource eco systems, as recommended by the Minnesota County Biological Survey. The project strategy was for the Green Corridor to work in partnership with the DNR and utilize the FY08 ENRTF funded Green Corridor Conservation Plan. This program successfully acquired two significant properties totaling 249 acres:

- Antelope Valley SNA ,160 acres in Yellow Medicine County for \$416,000
- River Warren Outcrops SNA, 89 acres in Renville County for \$278,700

For our first project, we completed professional review on a 62 acre parcel. Due to several factors we were not able to acquire this parcel. A number of additional parcels were reviewed but could not be acquired. We were unable to spend \$1,144,376 in acquisition funds.



Environment and Natural Resources Trust Fund (ENRTF) M.L. 2011 Work Plan

Final Report

Date of Status Update: October 27, 2016
Date of Next Status Update: Final Report
Date of Work Plan Approval: June 23, 2011
Project Completion Date: 06/30/2016

Project Title: Minnesota River Valley Green Corridor Scientific and Natural Area Acquisition

Project Manager: Brad Cobb Alternate contact Patricia Dingels

Affiliation: Redwood Area Communities Foundation

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Location:

Counties Impacted: Blue Earth, Brown, Chippewa, Lac qui Parle, Nicollet, Redwood, Renville, Yellow Medicine, Big Stone, Cottonwood, Lyon, and Murray

Ecological Section Impacted: North Central Glaciated Plains (251B)

Total ENRTF Project Budget:	ENRTF Appropriation \$:	2,000,000.00
	<u>Amount Spent \$:</u>	<u>818,306</u>
	Balance \$:	1,181,694

Legal Citation: M.L. 2011 First Special Session, Chp. 2, Art.3, Sec. 2, Subd. 04g, M.L. 2014, Chapter 226, Section 2, Subdivision 19, and M.L. 2015, Chapter 76, Section 2, Subdivision 19

Appropriation Language:

\$1,000,000 the first year and \$1,000,000 the second year are from the trust fund to the commissioner of natural resources for an agreement with the Redwood Area Communities Foundation to acquire lands with high-quality native plant communities and rare features to be established as scientific and natural areas as provided in Minnesota Statutes, section 86A.05, subdivision 5. A list of proposed acquisitions must be provided as part of the required work program. Land acquired with this appropriation must be sufficiently improved to meet at least minimum management standards, as determined by the commissioner of natural resources. Up to \$54,000 may be retained by the Department of Natural Resources at the request of the Redwood Area Communities Foundation for transaction costs, associated professional services, and restoration needs. This appropriation is available until June 30, 2016 by which time the project must be completed and final products delivered.

Carryforward: The availability of the appropriations for the following projects are extended to June 30, 2015: (6) Laws 2011, First Special Session chapter 2, article 3, section 2, subdivision 4, paragraph (g), Minnesota River Valley Green Corridor Scientific and Natural Area Acquisition;

Carryforward; Extension: (a) The availability of the appropriations for the following projects are extended to June 30, 2016: (3) Laws 2011, First Special Session chapter 2, article 3, section 2, subdivision 4, paragraph (g), Minnesota River Valley Green Corridor Scientific and Natural Area Acquisition;

I. PROJECT TITLE: Minnesota River Green Corridor Scientific and Natural Area Acquisition

II. PROJECT SUMMARY:

This project is a continuation of our FY08 Environment and Natural Resource Trust Fund (ENRTF) activities with a renewed emphasis on protecting the most ecologically sensitive areas or regions of the mid-section of the Minnesota River Valley Watershed through fee title acquisitions that could become degraded, fragmented, or even destroyed. The primary goal of this project is to protect through fee title acquisition approximately 420 acres of the most critically sensitive habitat lands and transfer ownership to the MN DNR Scientific & Natural Area (SNA) Program. These properties would be acquired from willing/supportive sellers within targeted areas of the MN River Valley Watershed. In cooperation with the MN DNR Division of Ecological and Water Resources and the use of the ENRTF funded Minnesota River Valley Green Corridor Conservation plan we have identified four (4) key areas/regions with remnant native prairie, rare rock outcrop communities, and/or other critical or sensitive natural habitats that have been recommended by the Minnesota County Biological Survey (MCBS) as high priorities for protection in which we will concentrate our efforts.

Each site has an MCBS-prepared Ecological Evaluation (EE) report which serves as a baseline assessment report. These assessment reports are then reviewed and recommended by the DNR SNA Commissioner's Advisory Committee (CAC – a 15 member panel appointed by the Commissioner). We will evaluate and secure agreements with willing/supportive landowners who own properties within these four (4) target areas and then prioritize them for protection through fee title agreements. In all cases properties will be acquired in fee then transferred to the MN DNR Division of Ecological and Water Resources for designation and management as Scientific and Natural Areas. The DNR - SNA program is willing to identify opportunities to interpret SNA's and encourage "light on the land" use in conjunction with Natural or Ecological Interpretive Trails proposed in the Minnesota River Valley Watershed.

III. PROJECT STATUS UPDATES:

Project Status as of January 15, 2012:

We received our signed DNR Grant agreement on 10/31/11. We received the approved DNR Use of Funds agreement (for the DNR portion of this appropriation) on 11/16/11. We received approval for the Single Source Funding on 12/8/11, and the revised/approved Attachment E – Acquisition Changes on 12/20/11.

To date limited activity has been accomplished due too the late start in the execution of the grant agreement elements and then the holiday season. Only work towards Activity #1 have begun – see below.

Project Status as of July 15, 2012 (Submitted August 23, 2012)

We are not pursuing request any further at this time; but In late February and early March 2012 after extensive work towards Activity #1 we began to realize that a number of the highest priority sites that met the highest and best use for ecological protection and public ownership as SNA were already protected by some form of conservation easements – primarily the ENRTF funded "Outcrop Easement Program". Numerous discussions and meetings took place through the spring of 2012 with DNR and LCCMR staff to determine the appropriateness for using this ENRTF grant to acquire the fee title interest in these potential project sites that had these permanent conservation easements.

On April 17, 2012 we received this opinion from the DNR Commissioners office; "The DNR Commissioner's Office concurs with Ecological and Water Resources Division that acquisition in fee of a property which already has a permanent conservation easement is in the state's interest and is supported for purposes of acquiring and designating SNAs where it provides additional critical ecological and public use benefits and where the total price paid (conservation easement cost plus fee title cost) does not exceed the value of the land".

Then on April 24, 2012 after a joint meeting with various DNR staff/departments and LCCMR staff we agreed to proceed with an appraisal of the Cedar Rock SNA site (a high priority site with a portion of the 62 acres in a permanent easement) to identify the value of the remaining fee title interest to see if the cost of the easement in association with the remaining fee title interest does not exceed the total value of the property. This information was to be used for the June 5, 2012 LCCMR hearing but we did not have enough time between receiving the review or certification of the appraisal and hearing date.

At the June 5, 2012 hearing presentation we requested the full LCCMR commission to review and approve our request acquire lands in fee that may have permanent conservation easements. After much dialog and discussion the Commission did not make a ruling or determination but rather wanted more information.

The process to try and determine (and then explain) the value of the land (fee title) compared to the easement payment is difficult to quantify because of the all of the variables. It should be noted that not all easement programs use the same formulas or methods to determine the value of the easement. Another factor is the value of lands even with conservation easements have increased in the last few years.

Due to the complicated nature of this request and further discussion by the LCCMR during their hearing presentations and questions for their next round of funding; so on August 10, 2012 we informed LCCMR staff that it is not in our best interest at this time to continue our request to acquire lands with permanent conservation easements. We do agree however that more discussion with a broader stakeholder base needs to be conducted on this subject.

We are now in the process of making new and/or additional priorities of key focus areas which may require Work Program amendments in the near future. We are now in process of prioritizing those areas.

Amendment Request 09/24/12 (Approved 09/27/2012)

We are requesting an amendment to our Work Plan. The amendment will broaden and/or expand our initial work area or focus area but will still include the original work area. We have determined that there are significant and important areas of high biological importance (MCBS) that are not protected by other programs (e.g. easements) and other factors that warrant consideration into our SNA appropriation within the MN River Valley Watershed.

These new/additional/expanded areas have been initially reviewed by the DNR Div. of Ecological and Water Resource staff and they have recommended these areas or complexes of high and/or significant biological /ecologically sensitive areas for consideration into our SNA program activities.

We feel that this amendment still maintains the spirit and intent of our original Work Plan but with a renewed and expanded focus on protecting lands that do not have other forms of permanent protection.

We are also requesting a change to: Location section – added 5 new counties, Project Summary- better description by adding "watershed", Activity #1 completion dates, Activity #2 acres acquired and completion dates, and Activity #3 completion date adjustment in the description. See strikeouts and/or underlines for changes.

We are **not** requesting any changes to our original budgets.

Project Status as of January 15, 2013 (submitted January 28, 2013):

Since our last Status Report dated July 15, 2012-submitted August 23, 2012- we received a Work Plan revision approval with details per above. We have held numerous meetings, site inspections, and conducted numerous parcel reviews of the new or expanded areas – these reviews and landowner contacts are still on-going.

We are currently working on a potential site from our original target area – Cactus Rock SNA – this site does not require a Parcel List amendment. There seems to be some interest with several of the landowners. Because there are several parcels of property owned by different individuals (but all in the same family) this process is a little more complicated to pull together. There is also a high probability that other parcels owned by this family group which may not meet our criteria for SNA acquisitions may be acquired with our FY13 (ML 2012) Outdoor Heritage Fund (OHF) grant and become a Wildlife Management Area under the conditions of that funding source. We are not or will not be commingling these grants. Parcels acquired for the ENRTF SNA grant will be clearly appraised with proper site legal descriptions defined.

Project Status as of July 15, 2013 (Submitted November 18, 2013):

At the end of July 2013 Program Manager might with LCCMR staff to give an oral update of activities. It was reported then that several potential projects have fallen through – mainly the Cactus Rock SNA site in Nicollet County. Between August 2013 to present (11/16/2013) however several potential sites have emerged in Murray, Renville, and Yellow Medicine Counties and are being evaluated and approved by the DNR for consideration.

Project Amendment Request November 18, 2013:

We are requesting to add to the Parcel list in the previously approved amendment listing Murray County called the Chanerambie Valley. No other amendments are being requested at this time.

Project Amendment Request February 14, 2014.

The Amendment request is to extend this appropriation from June 30 2014 for one (1) year to June 30 , 2015 as approved by statue. The extension will allow for the continuation of this appropriation based on pending or anticipated signed purchase agreements for two (2) current projects prior to June 30, 2014. The two (2) projects that we are anticipating signed purchase agreements are; 1) Beaver Falls Outcrops (anticipated name for this site will be River Warren Outcrop SNA. 2) Wergeland Prairie (anticipated name for this site will be Antelope Valley SNA). Appraisals of these sites are currently underway.

Amendment approved: 05/09/14

Project Status as of January 15, 2014: This Status Report is being submitted on February 14 2014 along with the requested Project Amendment. The Amendment request is to extend this appropriation from June 30 2014 for one (1) year to June 30, 2015 as approved by statue. The extension will allow for the continuation of this appropriation based on pending or anticipated signed purchase agreements for two (2) current projects prior to June 30, 2014. The two (2) projects that we are anticipating signed purchase agreements are; 1) Beaver Falls Outcrops (anticipated name for this site will be River Warren Outcrop SNA. 2) Wergeland Prairie (anticipated name for this site will be Antelope Valley SNA). Appraisals of these sites are currently underway.

We have not billed or invoiced any activities other than \$3,600 for an appraisal conducted in 2012. We are anticipating billing accumulative (to date) Activity invoices soon.

Project Status as of July 15, 2014: This Status Report is being submitted on September 10, 2014. Regarding the Antelope Valley SNA site (160 acres of remnant native prairie in Yellow Medicine County); Background, this landowner had previously been in talks with the DNR about a Native Prairie Bank (NPB) easement but then decided that they would rather sell the land out right in fee title as a SNA. The DNR then informed the landowner that our grant had funds available to acquire land as SNA's so we began that process. We conducted an appraisal and appraisal review of this site that conformed to DNR Appraisal Standards. The reviewed appraisal amount was \$416,000 with an average of \$2,600/acre. We informed the landowners of our intention to offer the full appraised amount. The landowners initially accepted this amount and asked us to begin drafting the Purchase Agreement. Then the landowners contacted the DNR directly asking what the current NPB easement rate (amount per acre) would be. The DNR (after the landowner request) felt obligated to let the landowner know that their land would still qualify for the NPB easement and the easement contract would be \$610,240 at \$3,814/acre. This amount is \$1,214 per acre more than the appraised value in fee title or \$194,240 (\$1,214 x 160 acres). Obviously the landowner decided it was in their best financial interest to reject our fee title offer and go with the NPB easement with the DNR. We were disappointed to lose this opportunity to acquire this highly desirable property for the public benefit and protection. It should be noted that this property has never been farmed (with the exception of 15 acres which was addressed in the appraisal) so it does not have a cropping or farming history and therefore was considered "non-agricultural" and/or "recreational" land for appraisal purposes. The NPB easement rate is determined by a "formula" based on county/township agricultural land value rates.

The River Warren Outcrops SNA tract is currently under appraisal review. We hope to have the review completed by early October with a purchase agreement offer by the end of October 2014.

With the loss of the Antelope Valley tract, we have begun the process of assessing find new sites which meet the high standards as SNA for consideration (from willing sellers) within the target area of this appropriation.

Project Status as of January 15, 2015 (submitted March 3, 2015):

Due to the situation listed above in July 15, 2015 Status Report concerning the Antelope Valley SNA project and the DNR decision not to offer the higher NPB easement rate but to offer a lower "non-agricultural" rate, the landowner approached us again to see if we would be interested in buying in fee title at the previous appraised value of \$416,000 which we agreed. We received the signed Purchase Agreement on January 12, 2015. On February 24, 2015 the Yellow Medicine County Board of Commissioners approved our request for approval/resolution of this project. We anticipate closing on this project sometime in April 2015.

The River Warren Outcrop SNA tract has been appraised and reviewed. The landowner has tentatively approved our financial offer. We are currently working with the DNR and the AGO on final approval of the trail easement language which we hope to have completed in mid-February 2015. Once this step is completed we will offer the Purchase Agreement which again the landowner has tentatively approved the financial terms. If all goes well we would anticipate closing on this property in late April or May 2015.

We are currently and continuing to evaluate properties that meet the high standards of a SNA and those landowners who are willing to sell.

Work Plan Amendment Request March 3, 2015 (Amendment approved March 11, 2015):

Due to the many activities (see previous Status Reports) and challenges to date we have and/or will exceeded the original budgets in Activities #1.

We are requesting budget shifts as listed in the various budget tables within the WP with strikeouts and underlines. These budget shifts in Activity #1 will come from a slight reduction from the Activity #2 – fee title budget of \$42,500 from \$1,881,720 to \$1,839,220.

Activity #1 – Retro-active budget shift for Program Manager activities specific to Antelope Valley SNA: The Program Manager original budget of \$28,280 has all been invoiced for activities/work from August 1, 2011 – August 30, 2013. This portion of the requested increase will be a retro-active budget shift from August 1, 2014 to present for activities specific to the Antelope Valley SNA project for \$10,000 and will come from the budget shift in Activity #2 – the fee title budget. These activities include but not limited to; reinitiating the project status and discussion with DNR and LCCMR staff, discussions with DNR on steps to proceed with fee title acceptance, numerous discussions/negotiations with landowners, re-validate previous acquisition processes and documentation have been completed and approved, site inspections and documentation, execution of the Purchase Agreement, planning/documentation and execution of the county board approval/support for the project, and other activities associated in preparation of closing activities. These activities direct to Antelope Valley have been documented. These activities were not invoiced to the DNR Grants Unit because we were waiting to show accomplishments/outcomes – specifically those accomplishments/outcomes in Activity #2 – Fee Title acquisitions. These activities were direct to achieving the agreed upon outcomes identified in the Work Plan.

Activity #1 – We are also requesting four (4) **prospective budget shift/changes**. These prospective budget shifts are due to numerous and un-anticipated activities/challenges in the early stages of this appropriation. These activities have been listed in previous Status Report but centered on the evaluation of the potential projects for consideration and the extensive activities and challenges associated to possibly acquiring lands in fee title with conservation easements. These 4 (described below individually) are for the remainder of the project period to include the additional one year extension through June 30, 2016. These budget shifts are direct to the accomplishments/outcomes in the Work Plan.

Prospective Increase #1: Program Manager activities of \$20,000 and will be used for the all activities direct to the accomplishment activities in the Work Plan. This prospective budget shift will also come from the Activity #2 fee title budget.

Prospective Increase #2: The RACF Personal budget prospective increase request is from \$10,500 to \$12,000 and will be used for all activities direct to the accomplishment activities in the Work Plan This prospective budget shift comes from the Activity #2 budget.

Prospective Increase #3: The RACF Professional Services original budget of \$24,000 has nearly been exceeded because of higher than originally budgeted activities such as appraisals, appraisal reviews, surveys, and legal support. We are requesting an increase to \$34,000. We increased the original budget averages of 6 projects from \$4,500/each to \$5,667/each ($\$5,667 \times 6 = \$34,000$). This increase will support any new professional services related to accomplishments/outcomes in Activity #2.

Prospective Increase #4: Travel Expenses in Minnesota budget – we are requesting a prospective budget shift from \$1,500 to \$2,500. The current budgeted amount has been spent. This \$1,000 will also come from a budget shift in Activity #2.

Recapping the retro-active (1) and prospective (4) budget shifts from Activity #2 to Activity #1 total \$42,500

This Work Plan Amendment request also documents our request for a 2nd appropriation extension from July 1, 2015 to June 30, 2016. It is anticipated that on June 30, 2015 that we will have nearly \$1.1 million left in our fee title budget. This second extension will allow us time to continue evaluating and seek out opportunities of parcels that meet SNA high standards of ecological significance and from

landowners who are willing to sell. All previously listed budget shifts do account for this second extension.

Project Status as of July 15, 2015:

We closed and transferred to the DNR the 160 acre Antelope Valley SNA on May 22, 2015.

Project Status as of January 15, 2016:

We signed the purchase agreement for the River Warren Outcrops SNA in Renville County. Additional work by landowner to parcel out this portion of this property was completed and record with the county at the end of the summer. Project was turned over to the DNR- LAM for review and title opinion. Renville County Board of Commissioner approval set for early 2016.

Overall Project Outcomes and Results:

Minnesota River Valley Green Corridor Scientific and Natural Area Acquisition program was a continuation of the FY08 ENRTF grant which established the framework for future activities. This 2nd phase emphasized the protection of the most critically sensitive and/or ecologically significant natural resource eco systems, as recommended by the Minnesota County Biological Survey. The project strategy was for the Green Corridor to work in partnership with the DNR and utilize the FY08 ENRTF funded Green Corridor Conservation Plan. For our first project, we completed professional review on a 62 acre parcel. Due to several factors we were not able to acquire this parcel. A number of additional parcels were reviewed but could not be acquired. We were unable to spend \$1,144,376 in acquisition funds.

This program successfully acquired two significant properties totaling 249 acres that met the criteria:

- 160 acres in Yellow Medicine County: Antelope Valley SNA \$416,000
- 89 acres in Renville County: River Warren Outcrops SNA \$278,700

IV. PROJECT ACTIVITIES AND OUTCOMES:

ACTIVITY 1: Evaluate & Complete Property Considerations

Description:

Within the original four (4) target areas and expanded target areas, the contracted Program Manager through the Redwood Area Communities Foundation (RACF) will perform this activity by coordinating and reviewing various conservation plans in cooperation and coordination with DNR Ecological and Water Resource staff and working from the DNR priority acquisition list.

Contracted Program Manager will then begin working with landowners who own land of the most ecological importance for protection as proposed by MCBS/Green Corridor Conservation Plan and then contact those landowners (through letters, telephone/email corresponds, direct contacts or visits) to discuss their willingness to participate in this project. If during these discussions it is learned that a landowner would prefer to participate in the DNR Prairie Bank Easement Program – Program Manager will submit that information to the DNR for their follow up. Program Manager has demonstrated skill sets to successfully perform this activity. We anticipate 20-25 landowner contacts of which we would anticipate 6-8 purchase agreements from willing landowners with the most critical habitats in need of protection.

Contracted Program Manager will verify that all proposed project fee title acquisitions receive the required DNR Commissioner approvals and issuance of a third party agreement letter from the DNR. Securing the anticipated 6-8 projects for fee acquisition includes the fulfillment of all ENRTF Fee Title and Restoration requirements which includes; County Board Approval, final negotiations, initial landowner notification, initial site inspections, and DNR review and acceptance processes. Contract Program Manager will also solicit appraisal bids, collection of property documents (deeds/abstracts) from landowner for title review, and secure purchase agreement. Program Manager Professional Services = 926 hrs. x \$60/h = \$55,580. Travel time will be calculated at \$30/hr – estimated travel time is 90/hrs_x \$30/hr = \$2,700 for a total of \$58,280.

Travel/Mileage by Contracted Program Manager budgeted at \$2,500

Redwood Area Communities Foundation (RACF): Contracted Staff from the Redwood Area Development Corporation will be responsible for general grant administration which includes but not limited too; fiscal accountability/audits, grant fund invoices/transfers, and record keeping, coordinating legal documents and filings with legal representative, and document retention. RACF Grant Administration Services is budgeted for \$12,000.

RACF Professional Services; Contracted 3rd Party Appraisals. Legal services to create and review purchase agreements and other legal services. RACF Professional Service Budget is estimated at 6 projects @ \$5,667 each = \$34,000.

DNR Acquisition Transaction Costs: For direct activities and work associated to the review, process, and transfer title ownership to the DNR/state. To include DNR SNA staff time, Lands and Minerals (LAM) transaction costs and Attorney General Office title reviews/approvals. Cost \$4,000 per project x 6 projects = \$24,000 will be retained by the DNR as per legislative appropriation language.

Summary Budget Information for Activity 1:

ENRTF Budget: \$130,780
Amount Spent: \$117,965.46
Balance: \$ 12,814.54

Activity Completion Date: June 30,2016

Outcome	Completion Date	Budget
1. 20-25 Initial parcel reviews and landowner contacts	December 2015	\$72,780
2. 6-8 3 rd Party Appraisals, Legal Review and signed Purchase Agreements	December 2015	\$34,000
3. 6-8 DNR Acquisition Activities: Boundary Surveys, title reviews, closings and title transfers	June 30, 2016	\$24,000

Activity Status as of January 15, 2012:

Activities towards these accomplishments are currently underway with numerous meetings and exchanging of information with the DNR Division of Ecological and Water Resources regarding the property evaluation process. We have established a tentative Top Priority list of properties for consideration and have had initial landowner contacts with several of these property owners. This priority list of properties is going be revised and discussed again in a meeting with the DNR staff in January 2012. These landowner discussions/contacts are on-going and future landowner contacts are pending. Billable activities to date will be submitted prior to the next Status Report in July 2012.

Activity Status as of July 15, 2012 (submitted August 27, 2012):

Evaluations are on-going in light of the previously mention decisions regarding acquiring lands in fee title that may have permanent conservation easements. We are focusing on potential sites that do not have any permanent conservation easements of the highest priorities with support of the DNR Division of Ecological and Water Resources for acceptance into the SNA system. We have made contacts with several landowners with letters and/or direct contact but no appraisals have been order with the exception of the Cedar Rock site. Contracted Program Manager has logged numerous hours to date towards this Activity with a submission for reimbursement to be submitted once we have obtain some outcomes related to Activity #2. This Activity expenditure will not be reflected in the Budget at this time.

Activity Status as of January 15, 2013 (submitted January 28, 2013):

We have held numerous meetings, site inspections, and conducted numerous parcel reviews of the new or expanded areas as well as those on our original parcel list – these reviews and landowner contacts are still on-going. As mentioned in the “III. Project Status Updates” above we have begun conversations, discussions, and face to face meetings with DNR representatives and several of the landowners who own property or parcels as part of our original target area of Cactus Rock SNA.

Contracted Program Manager has logged numerous hours to date towards this Activity with a submission for reimbursement to be submitted once we have obtain some outcomes related to Activity #2. This Activity expenditure will not be reflected in the Budget at this time.

Activity Status as of July 15, 2013 (submitted November 18, 2013):

We have begun numerous evaluations, landowner visits, and on-site inspections of several sites to determine suitability of acceptance into the SNA system. 1) Site we are tentatively calling River Warren Outcrop SNA in Renville County. This site is located within our original parcel list area as Beaver Falls Outcrops. 2) This site is tentatively called Chanerabie Valley SNA in Murray County. This site though in our primary work area of Murray County is now listed as an amendment to the parcel list. 3) The DNR is currently evaluating a new and emerging site in Yellow Medicine County.

The accomplishment timelines for this activity will need to change but will make those changes when significant activities identify revised dates.

Activity Status as of January 15, 2014: This Status Report is being submitted on February 14, 2014. We are currently in the process of ordering bids for appraisal services on two (2) projects. We anticipate these appraisal activities to be completed by April 2014. Then we are anticipating signed purchase agreements in May/June 2014.

Activity Status as of July 15, 2014: This Status Report is being submitted on September 10, 2014. We have conducted an appraisal and appraisal review on the Antelope Valley SNA tract – landowners have rejected our offer to acquire. The River Warren Outcrop SNA tract has had survey and initial appraisal work completed. We are waiting for the appraisal review to be completed.

Activity Status as of January 15, 2015:

We have a signed purchase agreement on Antelope Valley SNA and we hope to close by April 2015. We have appraisals and reviews for River Warren Outcrops SNA and the landowner has tentatively agreed to financial terms. Still working on trail easement language and approvals but we do anticipate to close in May of 2015.

Activity Status as of July 15, 2015

Antelope Valley SNA was completed in May 2015 and transferred to the DNR.

Activity Status as of January 15, 2016

River Warren Outcrops SNA in pending completion; likely in early 2016.

Final Report Summary:

River Warren Outcrops SNA was completed in June 2016 and transferred to the DNR.

Activity 2: Protect in Fee Title Acquisitions

Description:

Approximately 320 acres will protected by fee title acquisition. The projected cost per acre increased since the original submission due to several factors; recent comparable land sales in the region and listing prices of comparable lands by individuals and/or auction companies. Projecting land cost 16-20 months out is difficult. These acquired properties will receive County Board Approval and would be deeded to the DNR for inclusion in the SNA program and they will be responsible for all future management activities.

Summary Budget Information for Activity 2:

ENRTF Budget:	\$ 1,839,220
Amount Spent:	\$ 694,844
Balance:	\$ 1,144,376

Activity Completion Date: June 30, 2016

Outcome	Completion Date	Budget
1. Protect in fee title 320 acres and transfer to DNR/state	June 2016	\$1,839,220

Activity Status as of January 15, 2012:

No activity or accomplishments have occurred. Our initial acquisition list is unchanged at this time.

Activity Status as of July 15, 2012 (submitted August 27, 2012):

No activity or accomplishments have occurred. Our initial acquisition list is unchanged at this time but we are in the process of reviewing an expanded focus area which may require a Work Plan amendment.

Activity Status as of January 15, 2013 (submitted January 28, 2013):

No activity or accomplishments have occurred. Per our approved Work Plan amendment on 09/27/12- we have added or expanded our parcel list.

Activity Status as of July 15, 2013 (submitted November 18, 2013):

No activity or accomplishments have occurred. Our listed Activity #1 Completion date of November 2013 will need to change but will make this change when more specific activity occurs.

Activity Status as of January 15, 2014: No activity to date but we are anticipating 2 signed purchase agreements in May/June 2014.

Activity Status as of July 15, 2014: No activity to date towards this accomplishment. Landowner rejected our fee title offer on the Antelope Valley SNA.

Activity Status as of January 15, 2015:

We have a signed purchase agreement on Antelope Valley SNA and we hope to close by April 2015. We have appraisals and reviews for River Warren Outcrops SNA and the landowner has tentatively agreed to financial terms. Still working on trail easement language and approvals but we do anticipate to close in May of 2015.

Activity Status as of July 15, 2015

We closed on the 160 acre Antelope Valley and project has been transferred to the DNR.

Activity Status as of January 15, 2016

We anticipate the closing of River Warren Outcrops SNA in early 2016.

Final Report Summary:

We closed on the 89 acre River Warren Outcrops SNA and project was transferred to the DNR June 22, 2016.

Activity 3: Initial Site Development/Management

Description:

DNR SNA Program will be responsible for developing a natural resource management plan for each site acquired and initiating site development and management as part of this project. Each management plan will identify site specific development and management activities needed and the ecologically sound timeline for implementing the practices. Development and management activities include installation of boundary signs and entrance sign, construction of a small gravel parking area (if needed for users), invasive species control, woody encroachment removal as needed to return outcrop and prairie areas to more natural condition, prescribed burning (along with development of fire breaks), and, if needed, plant community rehabilitation of degraded portions of sites through

supplemental seeding or planting or reconstruction of plant communities if any plowed fields are acquired as buffer (including seed collection, site preparation, planting, and establishment maintenance). The timing and funding of these activities will both depend upon when the lands acquired are under state control (aka after closing by DNR) and SNA standards and procedures needed for ecological integrity of management practices. For example, when the Department has an Election to Purchase on the site, development of a management plan can commence. For projects with DNR closing by March 2014 the DNR can only assure completing the management plan and installing the boundary signs and entrance sign by June 14, 2014. For projects with DNR closing by November 2013, DNR could do the signing, parking area (if needed), first phase of any woody removal, installation of burn breaks and first phase of prescribed burning (if appropriate to site conditions); also it might be ecologically possible to do initial phases of any plant community rehabilitation or reconstruction (e.g. initial seed collection). Scheduling of development and management activities needs to reflect ecological and weather considerations as well as staff/contractor capacity and will therefore be primarily done by the SNA program staff after this appropriation is closed. Cost = \$5,000 per projects x 6 projects = \$30,000 will be retained by the DNR as per legislative appropriation language.

Summary Budget Information for Activity 3:

ENRTF Budget: \$30,000
Amount Spent: \$ 5,496.97
Balance: \$ 24,503.03

Activity Completion Date: June 2015

Outcome	Completion Date	Budget
1. Initial Site Development and Management	June 2016	\$30,000

Activity Status as of January 15, 2012:

No activity or accomplishments have occurred.

Activity Status as of July 15, 2012 (submitted August 27, 2012):

No activity or accomplishments have occurred

Activity Status as of January 15, 2013 (submitted January 28, 2013):

No activity or accomplishment have occurred

Activity Status as of July 15, 2013 (submitted November 18, 2013):

No activity or accomplishments have occurred.

Activity Status as of January 15, 2014: This Status Report is being submitted on February 14, 2014. No activity to date on for this Activity.

Activity Status as of July 15, 2014: This Status Report is being submitted on September 10, 2014. No activity to date for this Activity.

Activity Status as of January 15, 2015:

Management plans for Antelope Valley and River Warren Outcrops SNA's have begun.

Activity Status as of July 15, 2015

Status of management plans for Antelope Valley and River Warren Outcrops SNA's are on-going.

Activity Status as of January 15, 2016

Status of management plans for Antelope Valley and River Warren Outcrops SNA's are on-going.

Final Report Summary:

Status of management plans for Antelope Valley and River Warren Outcrops SNA's are on-going.

V. DISSEMINATION:

Program activities will be announced in various stakeholder and partner meeting presentations. And will also be mentioned on our website. As milestones are accomplished we will also inform regional newspapers.

Status as of January 15, 2012:

On June 1st, 2011 (in lieu of the pending legislative approval process) we conducted a joint meeting/presentation and regional tour with the DNR Ecological and Water Resource Division's Commissioner's Advisory Committee (CAC) in Morton MN at the old Morton High School next to the Morton SNA. This meeting/presentation and regional tour was open to the public and numerous invited guests attended which included several LCCMR staff. Several regional media outlets (newspapers) were also in attendance. The general purpose of this meeting was to review the pending appropriation elements with the CAC team and to provide background information to the public about this pending appropriation and a tour of several regional SNA complexes under consideration.

On January 5, 2012 the Green Corridor Board of Directors gave a presentation to regional partners and stakeholders which included an update of our FY11-12 ENRTF SNA grant appropriation.

Status as of July 15, 2012 (submitted August 27, 2012):

On June 5, 2012 we made a presentation to full LCCMR commission regarding our request to acquire land in fee title which may have permanent conservation. This information was listed above in the "III-Project Status Update" section of this Report.

Status as of January 15, 2013 (submitted January 28, 2013):

As outlined in our approved 9/27/12 Work Plan amendment – at this time we are not going to pursue acquiring lands in fee that have permanent conservation. However if some legislative and/or Commission action occurs that would allow this, we would then reconsider some of those opportunities.

Also, there is a pending nomination process for the new federal National Blue-way System (NBS) to include the Minnesota River Watershed into this federal program. A special assistant to the U.S. Sec. of Interior toured this region on November 14 & 15, 2012 and as part of these visits/tours/meetings it was identified that a number of stakeholders, agencies, and non-government agencies have received funding to protect, restore, and enhance the natural resources of this watershed and to increase public access to these resources and to increase public access to various forms of outdoor recreational activities. The two (2) Green Corridor ENRTF grants were specifically listed or mentioned (along with others) as part of this nomination process or discussions. Also, the FY08 ENRTF funded Green Corridor "Conservation in the Middle Minnesota Valley – A Blueprint and Action Plan" will be a document likely used as part of this nomination process.

Status as of July 15, 2013 (submitted November 18, 2013):

On October 24, 2013 the U.S. Fish and Wildlife Service proposed to add two species of butterfly – the Dakota skipper and the Poweshiek skipperling – to the list of plants and animals protected by the federal Endangered Species Act. We are also proposing to designate critical habitat, which identifies areas that contain habitat important to the survival of these two species. Of importance, our amendment change to add the Chanderbria Valley area appears to be one of these "critical habitat" regions or areas. We will continue to monitor this activity. Also, the MN DNR and other partners have begun to strategize the implementation of the MN Prairie Conservation Plan. This work is being divided by regions or areas – Program Manager Brad Cobb is part of the MN River Valley Prairie Plan Technical Team which just started meeting in November 2013.

Status as of January 15, 2014: This Status Report is being submitted on February 14, 2014. As stated above we are officially requesting as directed by LCCMR staff to ask or seek an extension of this appropriation for one (1) year until June 30, 2015 based on anticipated signed purchase agreements prior to June 30, 2014.

Status as of July 15, 2014: We did receive an approved Work Plan amendment on 05/09/14 asking for the appropriation extension. Legislation passed in M.L 2014 to “carry over” this appropriation until June 30, 2015.

Status as of January 15, 2015:

We have asked for a second extension through June 30, 2016.

Status as of July 15, 2015

Extension was approved in M.L. 2015 through June 30, 2016

Status as of January 15, 2016

No update at this time.

Final Report Summary:

Project completed June 30, 2016.

VI. PROJECT BUDGET SUMMARY:

A. ENRTF Budget:

Budget Category	\$ Amount	Explanation
Personnel:	\$12,000	RACF staff – general grant administration - 0.1 FTE average over 3 years of the grant period
Professional/Technical Contracts:	\$58,280	Contracted Program Manager Services; Program manager services: 926hrs. x \$60/hr = \$55,580. Travel time will be calculated at an estimate of 90/hrs x \$30/hr = \$2,700 for a total of \$58,280.
Fee Title Acquisition:	\$1,839,220	Estimated cost to acquire approx. 320 acres; DNR/State of MN is proposed fee title holder
Professional Services for Acq:	\$88,000	RACF Professional Services-Legal \$34,000, DNR Acquisition Transaction Costs \$24,000 and DNR SNA program for Initial Site Development/Management \$30,000
Travel Expenses in MN:	\$2,500	Contracted Program Manager travel/expenses
TOTAL ENRTF BUDGET:	\$2,000,000	

Explanation of Use of Classified Staff: N/A

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

Number of Full-time Equivalent (FTE) funded with this ENRTF appropriation:

RACF = 0.5 FTE for 5 years (0.1 FTE per year)

Number of Full-time Equivalent (FTE) estimated to be funded through contracts with this ENRTF appropriation:

Contracted Program Manager – 1.0 FTE for 5 years (0.2 per year)

DNR Acquisition Activities = 0.5 FTE for 5 years (0.1 per year)

DNR Development Activities = 0.5 FTE for 5 years (0.1 per year)

B. Other Funds:

Source of Funds	\$ Amount	\$ Amount	Use of Other Funds
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	Proposed	Spent	
Non-state			
	\$	\$	
State			
	\$	\$	
TOTAL OTHER FUNDS:	\$	\$	

We will seek possible landowner donations and will list those if they occur. In-Kind services by partners if applicable will also be listed if they occur.

VII. PROJECT STRATEGY:

A. Project Partners:

Partners Receiving Appropriations for Services:

Redwood Area Communities Foundation (RACF) Professional service administration, oversight, auditing, and fund appropriations.

Brad Cobb – Contracted Project Manager Green Corridor Inc. Responsible for Activities 1 & 2

Minnesota DNR, Scientific and Natural Area Program – Responsible for Activity 1 & 3

Partners Not Receiving Appropriations

Tatanka Bluffs Corridor Inc – Advocacy partner

Minnesota River Watershed Alliance – Advocacy partner

Redwood Area Development Corporation – Technical and Advocacy partner

Redwood Area Chamber & Tourism – Advocacy partner

B. Project Impact and Long-term Strategy:

Minnesota River Valley Green Corridor Scientific and Natural Area Acquisition program is a continuation of the FY08 ENRTF grant which established the framework for future activities. This phase emphasis will be to protect the most critically sensitive and/or ecologically significant natural resource eco systems as recommended by the Minnesota County Biological Survey. The long range strategy is to work in partnership with the DNR and using the FY08 ENRTF funded Green Corridor Conservation Plan, other conservation and natural resource management plans, and technical advisory sources in guiding and directing all future activities in concert with our regional and state-wide partnerships.

C. Spending History:

Funding Source	M.L. 2005 or FY 2006-07	M.L. 2007 or FY 2008	M.L. 2008 or FY 2009	M.L. 2009 or FY 2010	M.L. 2010 or FY 2011
M.L. Chp. 367, Sec. 2, Subd. 3(e)			\$1,000,000		
M.L. 2009 Chp. 172, Art.1, Sec. 2 Subd. 2(b)				\$1,617,000	
M.L. 2010 Chp 361 Art.1, Sec.2 Subd. 2(b)					\$1,651,000

VIII. ACQUISITION/RESTORATION LIST: See acquisition list attachment.

IX. MAP(S): See Map attachment.

X. RESEARCH ADDENDUM: N/A

XI. REPORTING REQUIREMENTS:

Periodic work plan status update reports will be submitted not later than January 15, 2012, July 15, 2012, January 15, 2013, July 15, 2013, January 15, 2014, July 15, 2014, and January 15, 2015, July 15, 2015, and January 15, 2016. A final report and associated products will be submitted between June 30 and August 1, 2016 or when project is completed prior to June 30, 2016 as requested by the LCCMR.

