

**Environment and Natural Resources Trust Fund
2012-2013 Request for Proposals (RFP)**

Project Title:

ENRTF ID: 061-D

RIM Reserve--Targeting Critically Vulnerable Expiring CRP Acres

Topic Area: D. Land Acquisition & Restoration

Total Project Budget: \$ 17,000,000

Proposed Project Time Period for the Funding Requested: 3 yrs, July 2013 - June 2016

Other Non-State Funds: \$ 0

Summary:

In the next five years, 823,000 acres (60%) of Minnesota's CRP will expire. The goal is to re-enroll in CRP, or acquire RIM easements on, the most environmentally critical acres.

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Sponsoring Organization: Board of Water and Soil Resources

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Location

Region: Statewide

County Name: Statewide

City / Township:

<input type="checkbox"/> Funding Priorities	<input type="checkbox"/> Multiple Benefits	<input type="checkbox"/> Outcomes	<input type="checkbox"/> Knowledge Base
<input type="checkbox"/> Extent of Impact	<input type="checkbox"/> Innovation	<input type="checkbox"/> Scientific/Tech Basis	<input type="checkbox"/> Urgency
<input type="checkbox"/> Capacity Readiness	<input type="checkbox"/> Leverage	<input type="checkbox"/> Employment	<input type="checkbox"/> TOTAL _____%



Environment and Natural Resources Trust Fund (ENRTF)

2012-2013 Main Proposal

PROJECT TITLE: RIM Reserve – Targeting Critically Vulnerable Expiring CRP Acres



I. PROJECT STATEMENT

Over the next five years, nearly 823,000 acres (60%) of Minnesota conservation lands enrolled in CRP will expire—a land area equivalent to Anoka, Hennepin and Ramsey counties combined. Unless action is taken to continue protection of these lands using a combination of conservation programs, they will likely be converted back into cropland, eliminating the associated water quality benefits that address critical priorities such as reducing sediment and nutrients, as well as providing a multitude of wildlife benefits. This proposal seeks funding to ensure continued protection of those acres.

Over the last 25 years, the United States Department of Agriculture’s (USDA) CRP has been the largest and most significant private lands conservation program in Minnesota’s history. An entire generation of Minnesotans have benefitted from improved water quality and enhanced wildlife habitat. These benefits are now in jeopardy.

This five-year initiative will target approximately 500,000 expiring CRP acres in two ways:

Expiring MN CRP

Year	Acres
2012	292,429
2013	130,246
2014	207,841
2015	101,634
2016	90,803
Total:	822,953

1. Employment of local government-employed field staff who will work one-on-one with landowners to re-enroll expiring lands into new 10-15 year CRP contracts. Our goal is to re-enroll more than 400,000 acres (~50%) of MN expiring CRP acres over the next five years, with at least 170,000 of those acres being re-enrolled in the next two years.
2. An aggressive and targeted strategy to protect up to 80,000 acres (10%) of the *most critical* expiring CRP acres using RIM Reserve permanent conservation easements in concert with re-enrollment in CRP. An average of 16,000 acres per year of the most vulnerable riparian buffers and wetlands will be enrolled in permanent protection. Acquire 315 permanent RIM Reserve easements totaling 3,000 acres with this funding over the next two years.

II. DESCRIPTION OF PROJECT ACTIVITIES

Activity 1: CRP Retention – MN Farm Bill Assistance Partnership (FBAP)

Budget: \$3M

Minnesota must ensure continuation of the \$110 million that USDA currently spends annually in this state on CRP. This activity will employ local FBAP technicians to target landowners with expiring CRP contracts to discuss re-enrollment opportunities. More than 170,000 acres of MN expiring CRP acres will be enrolled over the next two years. Interested parties can enroll in CRP and Continuous Conservation Reserve Program (CCRP) through the Farm Bill Assistance model, thereby providing another 10-15 years of resource protection. LCCMR funding is expected to cover two-thirds of the overall cost to deliver this activity.

Outcome	Completion Date
1. Staff: employ 30 Full-Time Equivalents (FTEs)	June 30, 2015
2. Re-enroll 170,000 acres of expiring CRP in to 10-15 year CRP contracts.	

Activity 2: CRP Legacy – RIM Reserve Easements

Budget: \$11.5065M

BWSR will seek to acquire 315 easements totaling 3,000 acres of the most critical expiring CRP contracts into RIM Reserve permanent conservation easements. The acquisition list will be developed after landowner applications have been submitted and reviewed. Critical CRP contracts have been identified using the Environmental Benefits Index that

PROJECT TITLE: RIM Reserve – Targeting Critically Vulnerable Expiring CRP Acres

was developed by BWSR and partners through the ENRTF-funded project *Statewide Ecological Ranking of CRP and Other Critical Lands (2009-2011)*. RIM Reserve is implemented at the local level by Soil and Water Conservation Districts (SWCDs) in partnership with private-sector organizations, including Pheasants Forever (PF). A new Working Lands pilot program will also be offered in certain situations where a landowner’s specific activity requires it, and where it will not sacrifice conservation benefits.

Outcome	Completion Date
1. 3,000 acres of most critical expiring CRP enrolled in permanent RIM easements 300 riparian buffer easements – average size 8 acres; cost per acre \$3,000 - \$5, 000 per acre 15 wetland restoration easements – average size 40 acres; cost per acre \$3,000 - \$5,000 per acre	June 30, 2016

Activity 3: Inspection & Monitoring

Budget: \$756,000

Long-term stewardship of easements is necessary to ensure the public’s investment is protected and adequately maintained. Through its SWCD partners, the BWSR will inspect each easement acquired every year for the first five after acquisition is completed, and every third year thereafter for a total of 12 inspections. Easements will be evaluated for compliance with boundaries, establishment and maintenance of adequate cover, and other statutorily mandated requirements.

Outcome	Completion Date
1. 3,780 inspections completed on 315 easements over a 25 year period. \$200 per inspection X 12 inspections X 315 easements, over 25 years	From June 30, 2016 forward

III. PROJECT STRATEGY

A. Project Team/Partners

Program Manager: Kevin Lines, BWSR (.25 FTE paid/.75 FTE in-kind)

Project Manager: TBD (paid)

Farm Bill Assistance Partnership Team: Farm Bill Assistance Partnership Coordinator (paid), Tabor Hoek, BWSR (in-kind), Bill Penning, DNR (in-kind), Matt Holland, Pheasants Forever (in-kind)

To implement project goals, BWSR will work with its USDA federal partners, FSA and Natural Resources Conservation Service (NRCS), and the Minnesota Department of Natural Resources (DNR) to maximize the effectiveness of federal and state conservation program offerings. The FBAP Team will lead the hiring effort for the 30 FTEs under the FBAP. At the local level, SWCDs will partner with private-sector organizations including PF.

B. Timeline Requirements

FBAP technicians will be hired beginning summer 2013 and will begin contacting landowners and operators with expiring CRP contracts. BWSR will conduct an easement sign-up Summer and Fall of 2013 through which the most critical of parcels will be enrolled in permanent conservation easements. Although BWSR expects to have the majority of easement acquisition done by June 2015, it is possible that finalization of some acquisitions could take longer. Monitoring of permanent easements is an ongoing activity.

C. Long-Term Strategy and Future Funding Needs

Because this is a five-year effort, additional funds will be needed for implementation beyond FY12-13 in order to meet project goals. In addition to the ENRTF, BWSR is seeking funds through the Outdoor Heritage Fund (OHF), the Clean Water Fund (CWF) and Capital Investment Bonding.

2012-2013 Detailed Project Budget

PROJECT TITLE: RIM Reserve – Targeting Critically Vulnerable Expiring CRP Acres

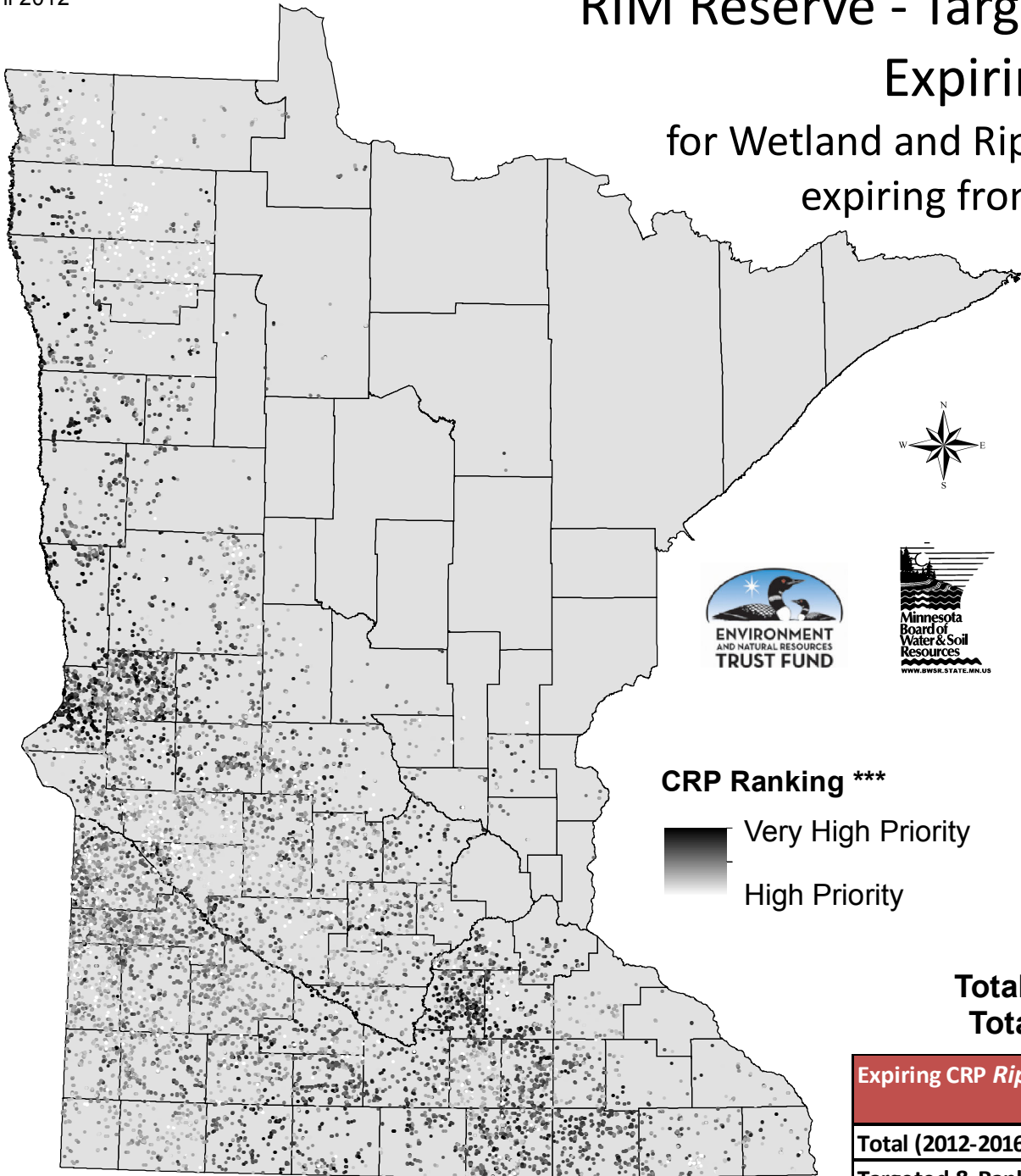
IV. TOTAL ENRTF REQUEST BUDGET: 3 years

<u>BUDGET ITEM</u>	<u>AMOUNT</u>
Personnel:	
Farm Bill Assistance Coordinator (2 years) - 1.0 FTE; 75% salary/25% benefits	150,000
Program manager (3 years) - .25 FTE, 75% salary/25% benefits	90,000
Field Operations Coordinator (3 years) - .25 FTE 75% salary/25% benefits	71,000
Easement Processors (3 years) -1.0 FTE 75%/25% benefits	200,000
Easement/GIS Processor (3 years) - .5 FTEs; 75% salary/25% benefits	64,000
Contracts:	
Contracts with SWCDs to employ 30 FTEs (Farm Bill Assistance Technicians) over a two year period from July 1, 2012 - June 30, 2014; 78,300 estimated hours over 2 years	3,000,000
SWCD RIM Services (LGU's portion of acquisition work) - 315 easements X \$2,000/easement	630,000
Title Services - 315 easements X \$1,500/easement	472,500
Acquisition (Permanent Easements):	
3,000 easement acres held by the Board of Water and Soil Resources	11,506,500
Travel: \$1,000 per SWCD per year to help defray field visit costs, i.e., vehicle fuel and maintenance, etc. 30 - SWCDs X \$1000 per year X 2 years	
	60,000
Additional Budget Items:	
Inspection and monitoring of existing easements - \$200 per inspection X 12 inspections X 315 easements, over 25 years	756,000
TOTAL ENVIRONMENT AND NATURAL RESOURCES TRUST FUND \$ REQUEST =	17,000,000.00

V. OTHER FUNDS

<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>	<u>Status</u>
Other Non-State \$ Being Applied to Project During Project Period:		
USDA CRP, CCRP funds (re-enroll in to new 10-15 year CRP contracts)	260,040,000 (estimated)	Pending new CRP contracts
Other State \$ Being Applied to Project During Project Period:		
Outdoor Heritage Funds Clean Water Funds Capital Bonding Funds	To be determined	Pending
In-kind Services During Project Period:		
30 SWCDs -- vehicles, office space, computers and equipment, phone, utilities, office and mailing supplies, administrative support, etc. (2 years)	600,000	Secured
Remaining \$ from Current ENRTF Appropriation (if applicable):		
Acceleration of MN Conservation Assistance: July 1, 2011 thru June 20, 2013 - \$625K	526,981	Obligated but not yet expended
Funding History:		
MN Farm Bill Assistance Work Program; July 1 2009 thru June 30, 2011	1,000,000	
RIM Reserve has a 25 year history of proven accomplishments and delivery to address Minnesota's most critical resource protection issues. <u>While not specific to expiring CRP as is this proposal's target</u> , over the last five years the program has received over \$98 million in funding.		
2009-11 Outdoor Heritage Funds - RIM-WRP Wetland Restoration Partnership	28,953,000.00	
2012 Outdoor Heritage Funds - RIM-WRP Wetland Restoration Partnership - (pending legislative approval)	13,810,000.00	
2011 Outdoor Heritage Funds - RIM Wildlife Buffers	2,249,000.00	
2010-13 Clean Water Funds - RIM Riparian Buffers	18,500,000.00	
2012-13 Clean Water Funds - Wellhead Protection Easements	4,900,000.00	
2010 Bonding - RIM Reserve Southern MN Flood Relief	10,000,000.00	
2011 Bonding - RIM Reserve RIM-WRP Target Areas	20,000,000.00	
USDA - MN CRP annual payments to landowners with CRP contracts	110,000,000.00	

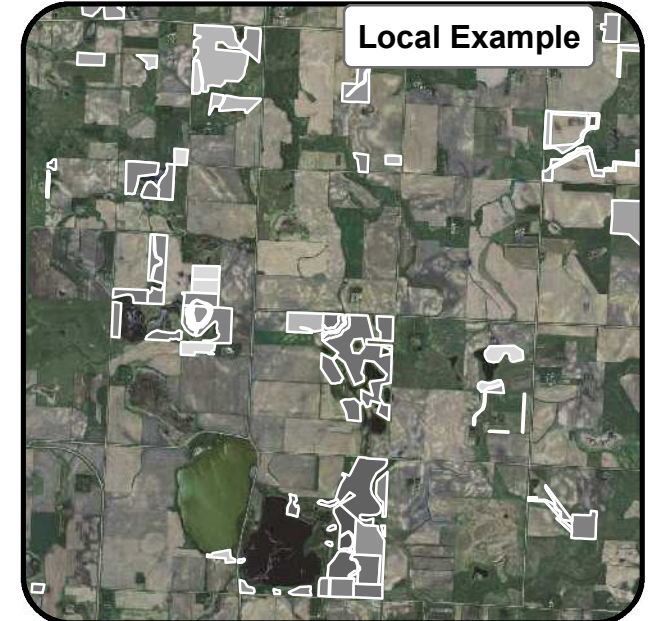
RIM Reserve - Targeting Critically Vulnerable Expiring CRP Acres for Wetland and Riparian Easements (Activity 2) expiring from 2012 through 2016



CRP Ranking ***

Very High Priority

High Priority



*** Expiring parcels were ranked using the Environmental Benefits Index (EBI) created by BWSR and partners through the ENRTF funded project Statewide Ecological Ranking of CRP and Other Critical Lands.

Total Expiring Acres = 822,953 Acres **
Total Targeted Acres = 142,920 Acres

Expiring CRP <i>Riparian Areas</i>	Acres*	Expiring CRP <i>Wetlands</i>	Acres*
Total (2012-2016)	110,918	Total (2012-2016)	208,998
Targeted & Ranked***	110,918	Targeted & Ranked**	32,002
Enrollment Goal	64,000	Enrollment Goal	16,000

* Based on 2007 CRP spatial data from the Farm Service Agency

** 05/03/2012 FSA acreage reported on the FSA website

Project Manager Qualifications/Organization Description

Kevin J. Lines, Project Manager

Since 2000, I have served as the Conservation Easement Section Manager (CESM) for the Minnesota Board of Water and Soil Resources. As the CESM I administer the state's private lands conservation easement programs and activities, including RIM Reserve, CREP, the Army Compatible Use Buffer program (ACUB), and RIM-WRP partnership. In addition, I serve as BWSR's principal liaison to federal and state agencies and local units of government on issues relating to wildlife and private land conservation in the State of Minnesota. In this capacity I have successfully administered and implemented, in concert with our partners and via several initiatives, approximately 3,000 conservation easements thereby protecting over 170,000 acres. Since 2000, the program has successfully partnered with the United States Department of Agriculture (USDA) on multiple programs to leverage over \$300 million federal dollars.

Current activities include the RIM-WRP Partnership, considered the nation's premier wetland restoration program; the Riparian Buffer Easement program and Wellhead Protection Area Conservation Easement programs both funded with Clean Water Fund dollars; The ACUB program (delivered on behalf of the National Guard and Camp Ripley); and others. Since 2008 our programs have received \$42 million in Outdoor Heritage Funds, \$23 million in Clean Water Funds and \$45 million in bonding.

From 1980 to 2000, I held numerous professional wildlife positions with the Minnesota Department of Natural Resources, Section of Wildlife (i.e., Lake Designation Coordinator 1980-1987; Area Wildlife Supervisor 1987-1990; Farm Land Wildlife Program Leader 1990-2000).

Organization Description

BWSR Mission: Improve and protect Minnesota's water and soil resources by working in partnership with local organizations and private landowners

BWSR is the state soil and water conservation agency, and it administers programs that prevent sediment and nutrients from entering our lakes, rivers, and streams; enhance fish and wildlife habitat; and protect wetlands. The 20-member board consists of representatives of local and state government agencies and citizens.