

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

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**Project Title:**

**ENRTF ID: 065-D**

Coldwater Fishery Lakes Protection Through Working Forest Easements

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**Topic Area:** D. Land Acquisition & Restoration

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**Total Project Budget:** \$ 3,785,000

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

**Other Non-State Funds:** \$ 0

**Summary:**

Acquire 3,000 acres of permanent working forest conservation easements in the watersheds of three coldwater fishery lakes targeted to maximize water quality protection by coordinating with existing publicly owned lands.

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**Name:** Jeff Hrubes

**Sponsoring Organization:** Board of Water and Soil Resources

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**Location**

**Region:** NE, Central

**County Name:** Becker, Beltrami, Cass, Crow Wing, Douglas, Hubbard, Itasca, Otter Tail

**City / Township:**

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<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: Coldwater Fishery Lakes Protection Through Working Forest Easements

#### I. PROJECT STATEMENT

This proposal is to develop and implement a pilot Re-Invest in Minnesota project for permanent working forest easements including forest management and harvest options in the watersheds of up to 3 deep coldwater Northern Minnesota lakes currently supporting a diverse fish community including sensitive species such as tullibee, lake whitefish and lake trout. Lakes identified in local water plans through screening and data assessment will be used for initial targeting. Focusing easement acquisition in the watershed away from lakeshore increases the cost-effectiveness of the public investment and contributes multiple long-term forestry and water quality benefits. The strategic location of these easements will be identified by adapting GIS analytical tools and models currently used for targeting water quality restoration actions to a water quality protection focus.

The pilot project will include watershed targeting analysis and the use of RIM procedures to identify and acquire easements on forested areas in Northern Minnesota that:

- ☐ Provide the greatest long term benefit to sensitive water quality habitat for fish;
- ☐ Are most likely at risk for future land use conversion;
- ☐ Are located to complement existing lands owned in common by the public in priority watersheds;
- ☐ Prioritizes the contributing watershed and tributaries rather than lakeshore.

Additional, long-term benefits of permanent forest management easements include maintaining private lands tax base, ensuring a reliable source of forest products for future use, reduction in forest parcelization and fragmentation and terrestrial habitat benefits such as travel corridors and habitat blocks integrated with the existing lands owned in common by the public in Northern Minnesota. Maintaining a forested landscape will require little or no design, engineering or BMP installation costs. Easement funds will go toward priority areas that maintain watershed integrity and long term lake water quality habitat. Forest management easements are also efficient because forested land values currently do not have the upward market pressure seen in other parts of the state.

Forests are an integral part of the existing clean water infrastructure surrounding Northern Minnesota lakes that protects all of the recreational and economic benefits they provide. Over time, incremental conversion of forests can have profound effects on the fish species composition in lakes. Runoff volume and phosphorus contribution from land cover types other than forest can be as much as 10 times higher on a per acre basis.

#### II. DESCRIPTION OF PROJECT ACTIVITIES

##### Activity 1: *Identify locations for strategic easement acquisition*

**Budget:** \$ 35,000

Advances in remote sensing technology and GIS targeting have been focused on fixing identified water quality problems. As a protection strategy, existing tools will be adapted to inform risk assessment strategies and targeting opportunities for long term water quality protection.

Outcome	Completion Date
1. <i>Adapt BWSR Environmental Benefits Index funded by LCCMR as a platform and include other remote sensing information such as LIDAR, land cover, ownership pattern, topography, watershed connections and others to target locations most likely to result in long-term lake water quality protection.</i>	1/1/14
2. <i>Identify parcels in lake watersheds prioritized by local comprehensive water plans of up to 3 exceptional Minnesota lakes supporting sensitive cold-water species, with input from DNR fisheries staff and other technical expertise.</i>	3/1/14

**Activity 2: Easement Processing for Willing Landowners****Budget:** \$ 525,000

This will be accomplished primarily by BWSR and SWCD staff familiar with RIM procedures through the Regular RIM, RIM-WRP partnership, ACUB (Army Compatible Use Buffer), and Shallow Wild Rice Lake Protection programs.

<b>Outcome</b>	<b>Completion Date</b>
<i>1. LGU partners contact landowners in selected watersheds with a target of obtaining 75 permanent conservation easements covering 3,000 acres using an average of \$2,000/easement to LGU partners for contact-information-marketing and \$5,000/easement to BWSR for initial screening and administrative and legal expenses for title searches, title insurance and recording.</i>	12/1/14
<i>2. Process easements from interested landowners in selected locations</i>	12/31/15

**Activity 3: Permanent Conservation Easements****Budget:** \$ 3,000,000

BWSR staff will use standard RIM acquisition procedures including title insurance, forest stewardship planning and attorney general review of all easements.

<b>Outcome</b>	<b>Completion Date</b>
<i>1. Acquire Permanent working forest conservation easements held by the State of Minnesota on approximately 3,000 targeted acres using a formula payment determined by the BWSR RIM Committee. Options include a straightforward percentage of estimated market value and a landowner submitted bid for inclusion. Formula based working lands easements are being successfully implemented in ACUB and Shallow Wild Rice Lakes easement projects. County estimated market value for non-lakeshore forested land in Northern Minnesota is estimated at \$ 1,666 per acre.</i>	6/30/16

**Activity 4: Long Term Easement Monitoring and Enforcement****Budget:** \$ 225,000

SWCD staff will conduct easement review and report status of easements in order to assure compliance. Enforcement of violations will be processed using established procedures including support from the Attorney General.

<b>Outcome</b>	<b>Completion Date</b>
<i>1. BWSR will enter into an agreement with Local Government partners for long-term inspection of acquired easements. Inspections of acquired easements will be conducted annually for the first five years and biannually over the next 20 years at an estimated cost of \$200 per inspection using established forms and procedures from the RIM program.</i>	

**III. PROJECT STRATEGY****A. Project Team/Partners**

BWSR will work with local SWCD partners in North Central and Northeast Minnesota to acquire permanent working forest conservation easements on private lands. BWSR and the LGUs, in consultation with DNR fisheries will target up to 3 lakes currently supporting sensitive cold-water fish species.

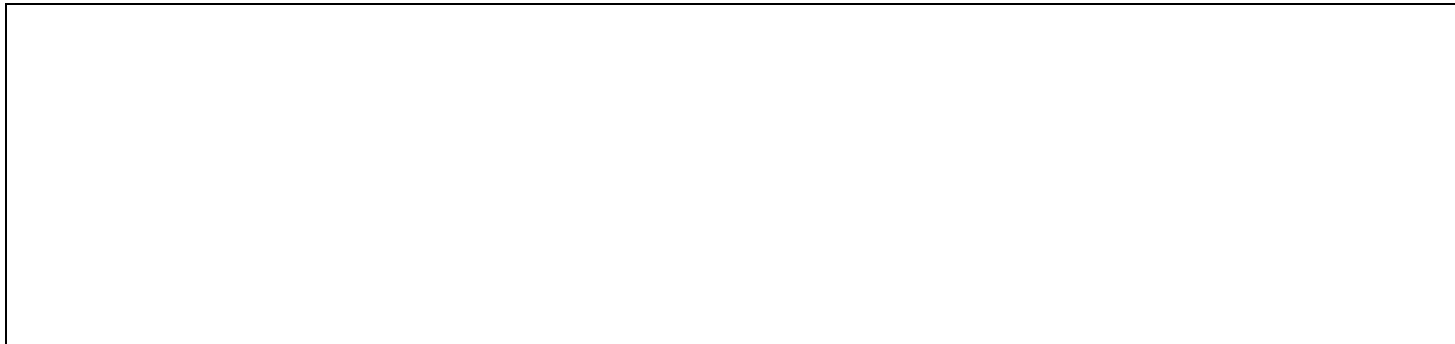
**B. Timeline Requirements**

Targeting, acquiring and processing easements on strategic parcels can be conducted within the grant framework. Long-term monitoring and enforcement of easement integrity must necessarily be conducted outside that framework.

**C. Long-Term Strategy and Future Funding Needs**

If the pilot project is successful, permanent lake protection in Minnesota could be significantly advanced by the infusion of \$3-4 Million annually for each of the next 10 years.

**2012-2013 Proposed Acquisition List**



**Project Title: Coldwater Fishery Lakes Protection Through Working Forest Easements**

**Project Manager Name:** Jeff Hrubes

**Environment and Natural Resources Trust Fund \$ Request:** \$ 3,785,000

#	Parcel Name	Acquisition Type (Fee Title or Conservation Easement)	County	Ecological Significance	Proposed # of Acres	Proposed # of Shoreline Miles (if applicable)	Proposed Fee Title or Easement Holder (if applicable)
1		Conservation Easement	Candidate Counties include Cass, Crow Wing, Beltrami, Becker, Douglas, Hubbard, Itasca, Ottertail	Forest protecting sensitive lake habitat	1,000		State of Mn
2		Conservation Easement	Candidate Counties include Cass, Crow Wing, Beltrami, Becker, Douglas, Hubbard, Itasca, Ottertail	Forest protecting sensitive lake habitat	1,000		State of Mn
3		Conservation Easement	Candidate Counties include Cass, Crow Wing, Beltrami, Becker, Douglas, Hubbard, Itasca, Ottertail	Forest protecting sensitive lake habitat	1,000		State of Mn

**NOTES:** At this time, individual counties, watersheds and parcels are not identified. Targeted individual parcels will be based on strategic locations identified through the following process: 1) Selection of candidate lakes supporting cold-water species in conjunction with MN DNR fisheries staff and local water management plan priorities; 2) analysis of watershed characteristics and ownership patterns for the targeted lakes to maximize coordination with existing ownership/management by federal, state and county land managers; 3) Use adapted modeling and GIS analytical tools to focus on watershed areas where forest conversion would have the most potential effect on the targeted water; 4) Solicit offers from willing landowners in identified critical areas to enter into working forest conservation easements. This pilot project would be not be targeted at owners of large-acreage industrial forest land, but at smaller acreages owned privately. Lakeshore parcels are not the primary target of this proposal, but land adjacent to tributaries may be prioritized.

## 2012-2013 Detailed Project Budget

### IV. TOTAL ENRTF REQUEST BUDGET : 3 years Easement Acquisition; 25 years Monitoring and Enforcement

<u>BUDGET ITEM</u>	<u>AMOUNT</u>
<b>Personnel:</b> BWSR GIS staff/intern: .3 FTE 75% salary 25% benefits. 1 staff person for approximately 6 months to adapt GIS tools such as the Environmental Benefits Index that have been developed for watershed restoration to a water quality protection focus	\$ 35,000
<b>Personnel:</b> BWSR Easement processing staff: 1.00 FTE 75% salary 25% benefits. 1 staff person for 3 years for easement processing title searches, title insurance and deed recording. 0.25 FTE for 3 years to facilitate initial easement screening and provide coordination with local government staff. Budget number is based on approximately 75 easements acquired at a rate of \$5,000 per easement.	\$ 375,000
<b>Contracts:</b> With Soil and Water Conservation Districts in Counties with selected high-priority lakes to promote and identify potential easements, assist landowners with the application process and assist with the initial screening and processing of easements. Budget number is based on approximately 75 easements acquired at rate of \$2,000 per easement.	\$ 150,000
<b>Contracts:</b> With Soil and Water Conservation Districts in Counties with selected high-priority lakes for long term easement monitoring and enforcement. Budget number is based on \$200 per parcel inspected. Easements will be monitored annually for the first five years and biannually for the next 20 years.	\$ 225,000
<b>Acquisition ( Permanent Easements):</b> Permanent working forest conservation easements on 3,000 acres with the State of Minnesota as easement holder. Easement size may vary, but the goal is equivalent to 75 40 acre parcels.	\$ 3,000,000
	\$ -
	\$ -
<b>TOTAL ENVIRONMENT AND NATURAL RESOURCES TRUST FUND \$ REQUEST =</b>	<b>\$ 3,785,000</b>

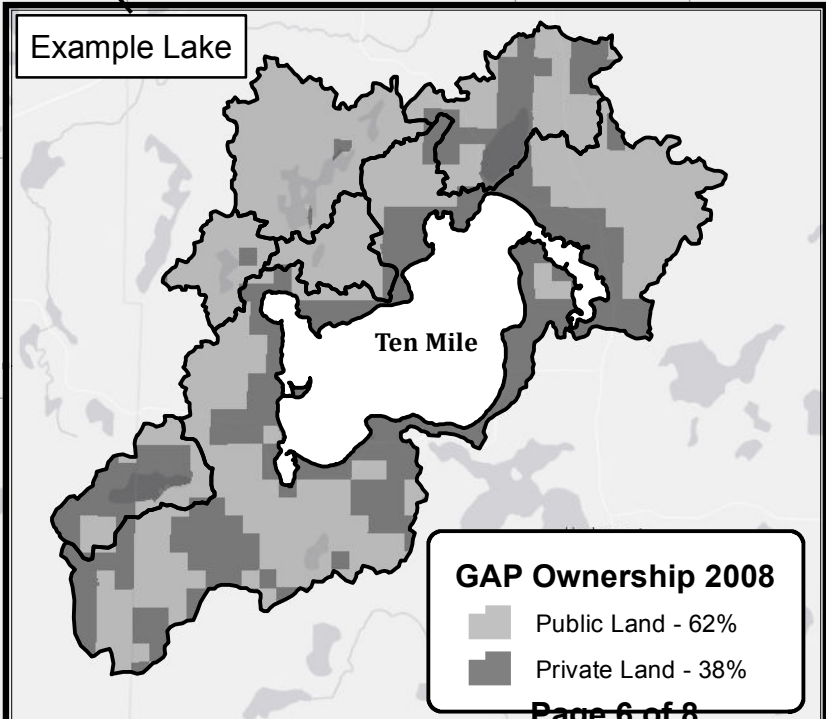
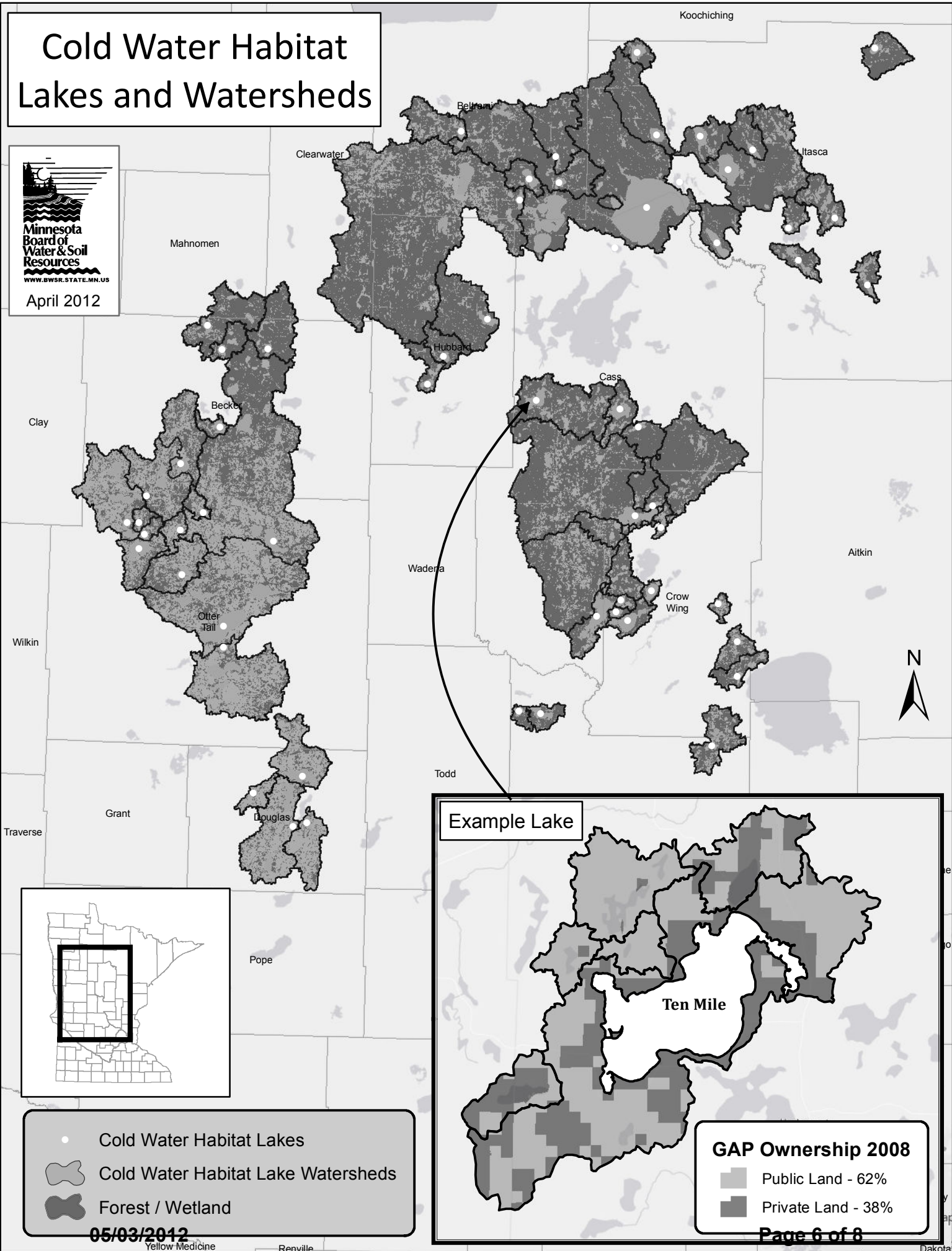
### V. OTHER FUNDS


<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>	<u>Status</u>
<b>Other Non-State \$ Being Applied to Project During Project Period:</b>	\$ -	
<b>Other State \$ Being Applied to Project During Project Period:</b>	\$ -	
<b>In-kind Services During Project Period:</b>	\$ -	
<b>Remaining \$ from Current ENRTF Appropriation (if applicable):</b>	\$ -	
<b>Funding History: Statewide Ecological Ranking of Conservation Reserve Program (CRP) and Other Critical Lands (2009 LCCMR)</b> The Environmental Benefits Index resulting from the successful completion of this project suggests adaptations that would be beneficial to targeting locations for permanent conservation easements in areas where watershed protection is the focus.	\$ 107,000	completed 6/30/11

# Cold Water Habitat Lakes and Watersheds



Minnesota  
Board of  
Water & Soil  
Resources  
www.bwsr.state.mn.us  
April 2012



- Cold Water Habitat Lakes
-  Cold Water Habitat Lake Watersheds
-  Forest / Wetland

**05/03/2012**

**GAP Ownership 2008**

-  Public Land - 62%
-  Private Land - 38%

**Project Manager Qualifications:**

The project manager for the grant will be Jeff Hrubes, BWSR Clean Water Specialist for the North Region of BWSR, located in the Brainerd BWSR office. Jeff has over 20 years of experience in implementing natural resource, water quality and conservation programs at the Beltrami SWCD, Minnesota Pollution Control Agency and the Board of Water and Soil Resources. Implementing successful conservation projects has required coordination with local, state and federal agencies as well as private landowners. Jeff is one of three Clean Water Specialists at BWSR acting as lead staff for oversight and implementation of the funds provided by the Clean Water Land and Legacy Amendment. Jeff has a Bachelor of Science degree from Bemidji State University in Aquatic Biology and Business Administration.

**Organization Description:**

The MN Board of Water and Soil Resources (BWSR) will serve as the lead state agency for this grant. The BWSR has experience in easement acquisition working through the local conservation delivery network of Soil and Water Conservation Districts. Reinvest in Minnesota just passed its 25 year anniversary. The RIM process is well-established and has been used in national models for resource conservation including the RIM-WRP partnership and the Army Compatible Use Buffer (ACUB) project around Camp Ripley.

