

**Environment and Natural Resources Trust Fund  
2016 Request for Proposals (RFP)**

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**Project Title:**

**ENRTF ID: 160-F**

CREP III Implementation - Phase 1

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**Category:** F. Methods to Protect, Restore, and Enhance Land, Water, and Habitat

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**Total Project Budget:** \$ 8,686,320

**Proposed Project Time Period for the Funding Requested:** 3 years, July 2016 to June 2019

**Summary:**

Assistance through SWCDs will be provided to 1,500 landowners to implement 40,000 acres of permanent protection through the Conservation Reserve Enhancement Program (CREP), leveraging \$240 million of federal CRP funding.

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**Location**

**Region:** Central, Metro, NW, SW, SE

**County Name:** Becker, Big Stone, Blue Earth, Brown, Carver, Chippewa, Clay, Cottonwood, Dakota, Dodge, Douglas, Faribault, Fillmore, Freeborn, Goodhue, Grant, Hennepin, Houston, Jackson, Kandiyohi, Lac qui Parle, Le Sueur, Lincoln, Lyon, Martin, McLeod, Meeker, Mower, Murray, Nicollet, Nobles, Olmsted, Otter Tail, Pipestone, Pope, Redwood, Renville, Rice, Rock, Scott, Sibley, Stearns, Steele, Stevens, Swift, Todd, Traverse, Wabasha, Waseca, Watonwan, Wilkin, Winona, Wright, Yellow

**City / Township:**

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**Alternate Text for Visual:**

CREP Map has been uploaded to the Visual or Map tab.

_____ Funding Priorities	_____ Multiple Benefits	_____ Outcomes	_____ Knowledge Base
_____ Extent of Impact	_____ Innovation	_____ Scientific/Tech Basis	_____ Urgency
_____ Capacity Readiness	_____ Leverage	_____ TOTAL	_____ %



**Environment and Natural Resources Trust Fund (ENRTF)**  
**2016 Main Proposal**  
**Project Title: CREP III Implementation Phase 1**

**PROJECT TITLE: CREP III Implementation Phase 1**

**I. PROJECT STATEMENT**

Upon final agreement between the State of MN and the United States Dept. of Agriculture, MN conservation agencies and partners will embark on a 7 year effort to implement a 3<sup>rd</sup> Conservation Reserve Enhancement Program (CREP) to benefit water quality by providing nutrient and sediment load reductions and wildlife habitat in 54 counties. The opportunity will be created to enroll 100,000 ac. of permanently protected **buffers, wetlands, floodplains and wellhead protection** easements using a combination of the USDA Conservation Reserve Program (CRP) and the Reinvest In Minnesota (RIM) Reserve easement program. These acres will be targeted utilizing LIDAR and the EBI Tool (both previously funded with ENTRF funds) and watershed planning and prioritization efforts. The incentive for MN is to be able to leverage conservation dollars at a ratio of up to 4:1. This effort will require a total of approximately \$800 million and every available conservation related funding source within MN will be needed to fund the state match requirements. An estimated 5,000 landowners will be assisted and 3,755 easements will need to be enrolled in a 5 year period with an additional 2 years for vegetation and hydrology restoration. **This will be the largest conservation initiative in MN history and will require a workforce that currently does not exist at the state and local level.**

One critical component for implementation of this program will be increased capacity within the local Soil and Water Conservation Districts (SWCD). This proposal requests funding for SWCD capacity to be increased for the first 2 years of this 7 year effort by a total of 57 new staff employed by SWCD's. This staffing need was determined after a comprehensive workload analysis was completed that identified key CREP tasks to be conducted, from application to restoration, including aspects related to the completion of the CRP contract and recording of the RIM easement. Existing SWCD staff, space and equipment will be utilized to its fullest extent as well in this process.

This new CREP III Implementation effort builds upon the very successful existing Conservation Assistance Acceleration Project (originally called the Farm Bill Partnership Program) and processes which currently is funded in part with ENTRF funding. The existing effort will continue during the CREP III period with the 35 fte's of SWCD staff currently on-the-ground providing much needed one-on-one assistance to landowners with non-permanent conservation options like stand-alone CRP and other Federal Farm Bill program assistance.

**II. PROJECT ACTIVITIES AND OUTCOMES**

**Activity 1:** Employ 57 SWCD CREP Technicians, Hire Coordinator, and implement the first two years of CREP III **Budget: \$8,686,320**

Employment of 57 CREP Technicians to facilitate the enrollment of 3,755 landowners and 100,000 ac. in CREP. This request is for two years of work that will yield 1,500 landowners implementing 40,000 acres of CREP projects. Average SWCD costs of \$40/billable hour for wage, benefits, space, vehicle, computer, and other associated overhead costs.  $2080\text{hr.} \times \$40/\text{hr.} = \$83,200/\text{yr.} \times 57 \text{ fte's} \times 2 \text{ year period} = \$9,484,800$  of which 90% is funded from LCCMR and the rest is funded locally. In addition, \$150,000 is for Project Coordination.



## Environment and Natural Resources Trust Fund (ENRTF)

### 2016 Main Proposal

#### Project Title: CREP III Implementation Phase 1

Outcome	Completion Date
1. 1,500 RIM easements/CRP contracts secured on 40,000 acres of prioritized and targeted water quality and wildlife habitat projects. The costs of landowner payments for CRP and RIM will be paid from non-ENTRF funding, including the following sources – USDA- FSA CRP and RIM from Bonding, Clean Water Fund and Outdoor Heritage Fund.	June 30, 2019
2. Leveraging of approximately \$240 million of Federal Farm Bill funding	June 30, 2019

### III. PROJECT STRATEGY

#### A. Project Team/Partners

CREP III has a broad base of federal, state, local government and NGO support. Under the leadership of Governor Dayton, Agency commissioners and directors from BWSR, DNR, MDA, MDH and MPCA convened a task force to identify key conservation issues that could be addressed with a new CREP initiative. Water quality concerns were identified as the primary resource concern in the CREP area with wildlife habitat being secondary. Nutrient and sediment reduction strategies, watershed planning and prioritization tools, the Minnesota Prairie Conservation Plan, and the Pheasant Action Plan will be utilized to provide prioritization for this effort.

The proposed staffing effort will be facilitated through the traditional relationship of the MN BWSR and the local SWCD grant process. BWSR will act as the fiscal agent and reimburse SWCD's for services related to marketing and implementing CREP III. SWCD's will hire or subcontract services to a partner agency or NGO as necessary to secure the level of staffing required. Staffing will be focused on all CREP tasks directly associated with securing CRP contracts and RIM easements and restoring each site.

#### B. Project Impact and Long-Term Strategy

Building on the past success of CREP I in MN which permanently secured 100,000 acres of RIM easements in the MN River Watershed, this project will provide for an additional 100,000 ac. of water quality protection and wildlife habitat in the 54 county target area. In total this will be a seven year effort, the first few years will be focused on enrollment with a gradual shift towards restoration as easements are recorded. At the completion of the project, BWSR will shift to the stewardship phase utilizing funding set up during easement acquisition (not ENTRF). This request for \$8.69 million is a small part of the projected \$320 million that will be utilized in the first two years of the project. Although small it is a significant and essential portion of the CREP in order to secure local staff to fully assist landowners and achieve the water quality and habitat outcomes of the CREP.

#### C. Timeline Requirements

Phase I of CREP III Implementation staffing will cover the first 2 years of the anticipated 7 year project. We are requesting a 3 year project window to accommodate start up delays and provide overlap or transition time. It is anticipated that the final agreement for a CREP III will be in place prior to July 1, 2016. Landowner enrollment will begin upon USDA approval of the CREP agreement with available resources. This accelerated staffing effort will need to occur as soon as the CREP agreement is signed to provide wide scale implementation of the program in all 54 counties. The hiring and training process will create delays, but every effort will be made to initiate things ahead of time as funding, using non-ENTRF funds and commitments are made.

## 2016 Detailed Project Budget

**Project Title: : CREP III Implementation Phase 1**

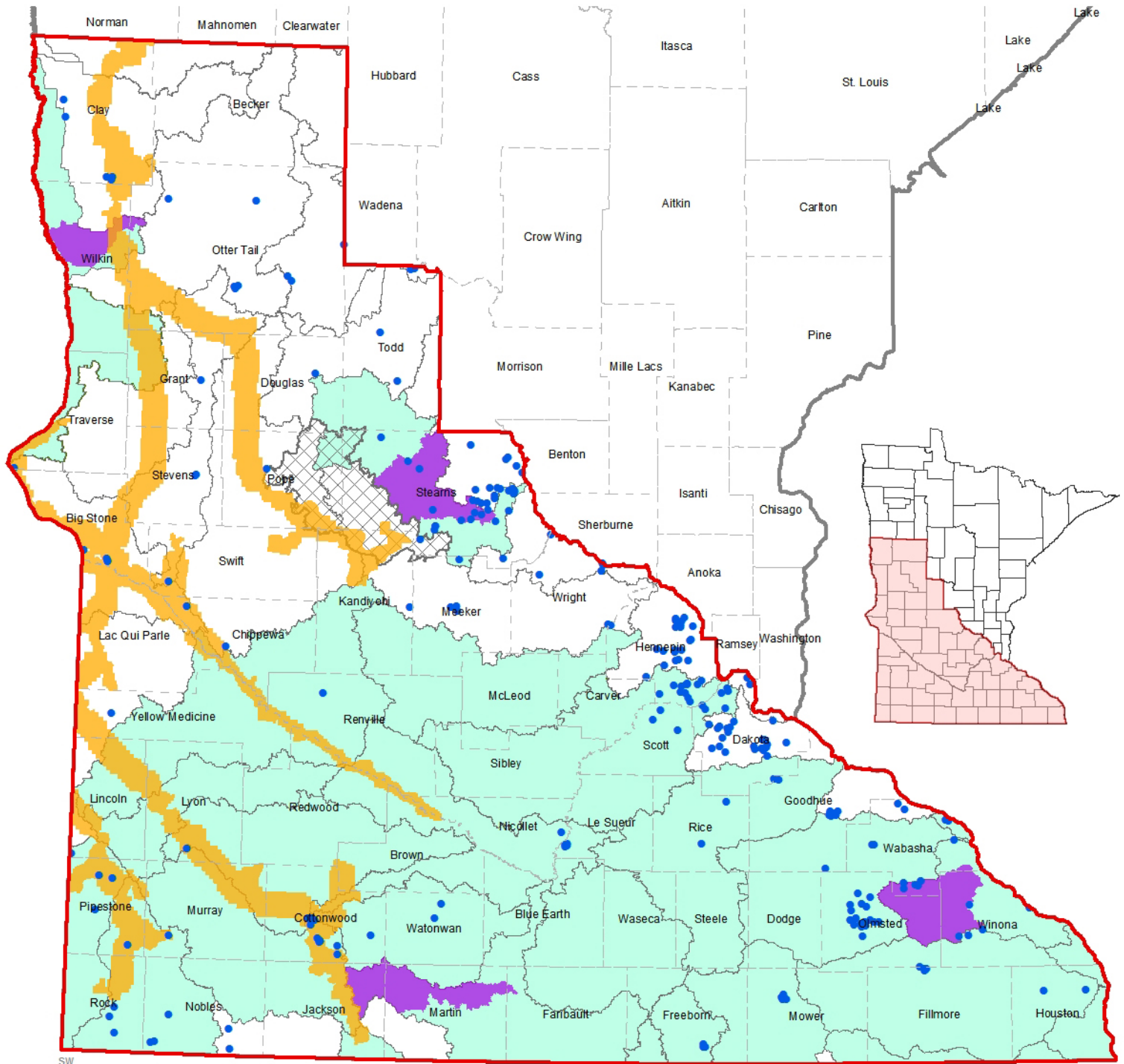
### IV. TOTAL ENRTF REQUEST BUDGET 3 years

<b>BUDGET ITEM</b>	<b>AMOUNT</b>
<b>Personnel:</b> 1.0 Full-Time Equivalents (FTE's) Coordination. Staff will provide leadership at the field level in hiring, training, and tracking and reporting all project activities.	\$ 150,000
<b>Contracts:</b> Contracts with SWCDs to employ 57 Full-Time Equivalents (FTE's) for Fy 17 & 18. Staff will be making direct landowner contacts and will assist them with the entire CRP and RIM process. We anticipate staff coverage in all of the 54 agricultural based CREP counties.	\$ 8,536,320
<b>TOTAL ENVIRONMENT AND NATURAL RESOURCES TRUST FUND \$ REQUEST =</b>	<b>\$ 8,686,320</b>

### V. OTHER FUNDS

<b>SOURCE OF FUNDS</b>	<b>AMOUNT</b>	<b>Status</b>
<b>Other Non-State \$ To Be Applied To Project During Project Period:</b> LGUs will be providing 10% match for the local positions (\$948,480) and USDA Federal Farm Bill CRP funding of \$240,000,000.	\$240,948,480	Pending
<b>Other State \$ To Be Applied To Project During Project Period:</b> State - Bonding, OHF and CWF CREP funding for the first two years	\$80,000,000	Pending
<b>In-kind Services To Be Applied To Project During Project Period:</b> N/A		
<b>Funding History:</b> N/A		
<b>Remaining \$ From Current ENRTF Appropriation:</b> N/A		

# MN CREP Proposed Project Area



**Project Manager Qualifications:**

The project manager for the grant will be Tabor Hoek, BWSR Private Lands Coordinator, located in the Marshall BWSR office. Tabor has over 22 years' experience in coordinating state conservation programs implemented by SWCD's. Tabor has been the lead agency contact for SWCD implementation of RIM and CREP that are the foundation for this grant request.

**Organization Description:**

The MN Board of Water and Soil Resources (BWSR) will serve as the lead state agency for this grant. The BWSR has the strongest connection with SWCD's and their implementation role of soil and water conservation practices in MN. The BWSR has an existing process to create, track and reimburse staffing efforts at the local level. We intend to use that existing process to provide financial and administrative oversight.