

**Environment and Natural Resources Trust Fund
2017 Request for Proposals (RFP)**

Project Title:

ENRTF ID: 196-K

CREP Implementation Phase 1

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

Total Project Budget: \$ 8,761,320

Proposed Project Time Period for the Funding Requested: 3 July 2017 - July 2020

Summary:

CREP is the largest conservation initiative in Minnesota history. Utilizing \$8.76M of LCCMR funds over 3 years this proposal will fund 39 field staff to implement the \$500,000,000 CREP.

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Sponsoring Organization: BWSR

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Location

Region: Statewide

County Name: Statewide

City / Township:

Alternate Text for Visual:

MN CREP Proposed Project Area

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



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 3rd 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 **tens of thousands of acres** 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 **at least 2:1**. This effort will require a total of approximately **\$500** 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 3 years of this 7 year effort by a total of 38 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 (ending 7/1/16). The existing effort will continue during the CREP III period with the 29 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 38 SWCD CREP Technicians, Hire Coordinator, and implement the first three years of CREP III **Budget: \$8,761,320**

Employment of 38 CREP Technicians to facilitate the enrollment of an estimated 3,755 landowners in CREP. This request is for three years of work. Average SWCD costs of \$40/billable hour for wage, benefits, space, vehicle, computer, and other associated overhead costs. 2080hr.x \$40/hr. = \$83,200/yr. x 38 fte's x 3 year period=\$9,484,800 of which 90% is funded from LCCMR and the rest is funded locally. In addition, \$225,000 is for Project Coordination.



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-ENRTF funding, including the following sources – USDA- FSA CRP and RIM from Bonding, Clean Water Fund and Outdoor Heritage Fund.	June 30, 2021
2. Leveraging of approximately \$210 million of Federal Farm Bill funding	June 30, 2021

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. Over 75 partner organizations have signed on to a letter supporting CREP. This list includes environmental groups, hunting and fishing groups, watershed districts, soil and water conservation districts, and the Water Resources Center at the University of Minnesota to name a few.

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 tens of thousands of additional acres 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 ENRTF). This request for \$8.76 million is a small part of the projected \$300 million that will be utilized in the first three 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 3 years of the anticipated 7 year project. We are requesting a 4 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 by fall of 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



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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.

2017 Detailed Project Budget

Project Title : CREP Implementation Phase 1

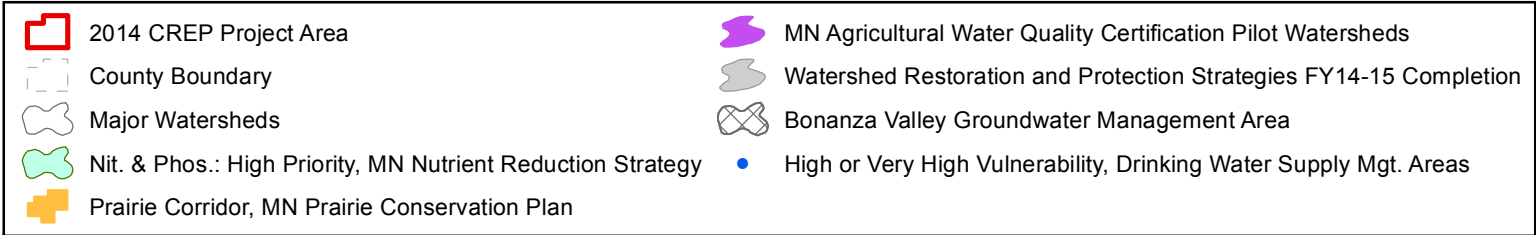
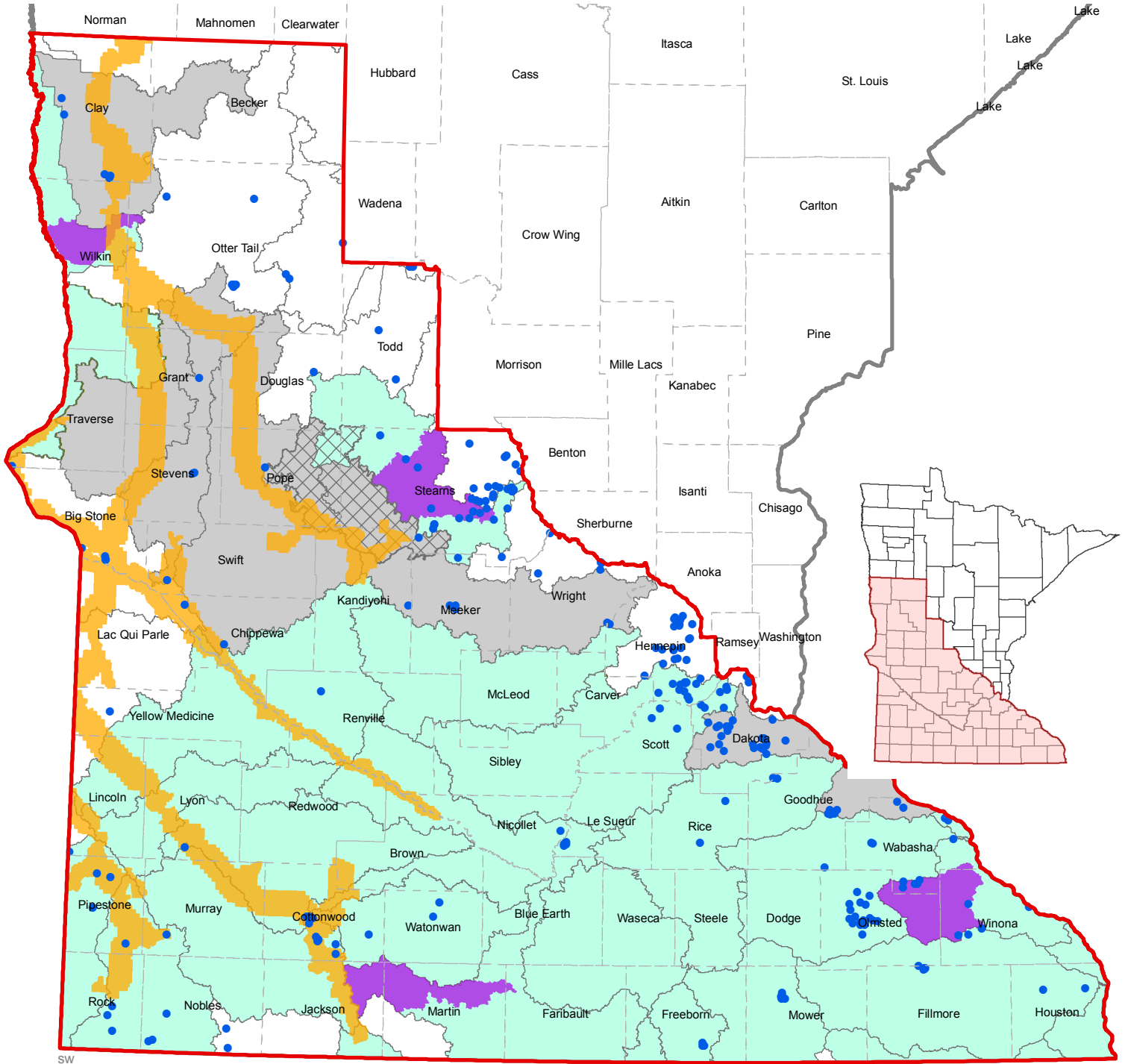
IV. TOTAL ENRTF REQUEST BUDGET 3 years

<u>BUDGET ITEM</u>	<u>AMOUNT</u>
Personnel: 1.0 Full-Time Equivalent (FTE's) Coordination for 3 yrs. Staff will provide leadership at the field level in hiring, training, and tracking and reporting all project activities.	\$ 225,000
Contracts: Contracts with SWCDs to employ 29 additional Full-Time Equivalent (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
TOTAL ENVIRONMENT AND NATURAL RESOURCES TRUST FUND \$ REQUEST =	\$ 8,761,320

V. OTHER FUNDS

<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>	<u>Status</u>
Other Non-State \$ To Be Applied To Project During Project Period: LGUs will be providing 10% match for the local positions (\$434,300) and USDA Federal Farm Bill CRP funding of \$210,000,000.	\$210,434,300	Pending
Other State \$ To Be Applied To Project During Project Period: State - OHF and CWF CREP funding for the first three years	\$54,000,000	Secured
In-kind Services To Be Applied To Project During Project Period: N/A		
Funding History: N/A		
Remaining \$ From Current ENRTF Appropriation: 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.

Minnesota Conservation Reserve Enhancement Program (CREP) Coalition

Supporting Organizations List as Assembled by Pheasants Forever

Audubon Minnesota
Conservation Minnesota
Ducks Unlimited, Inc.
Fergus Falls Fish & Game Club
Fish & Wildlife Legislative Alliance
Fox Lake Conservation League
Freshwater Society
Green Corridor, Inc.
Izaak Walton League
Land Stewardship Project
Martin County Conservation Club
Minnesota Backcountry Hunters & Anglers
Minnesota Conservation Federation
Minnesota Deer Hunters Association
Minnesota Environmental Partnership
Minnesota Lakes and Rivers Advocates
Minnesota Land Trust
Minnesota Outdoor Heritage Alliance
Minnesota Pheasants, Inc.
Minnesota Prairie Chicken Society
Minnesota Rural Water Association
Minnesota Sharp-Tailed Grouse Society
Minnesota Trappers Association
Minnesota Trout Association
Minnesota Waterfowl Association
Montgomery Sportsman's Club
Morgan Sportsmen's Club
National Wild Turkey Federation – MN Chapter
Natural Resources Club at Central Lakes College
New Prague Sportsman's Club
New Ulm Area Sport Fishermen
Nicollet Conservation Club
Osakis Sportsmen's Club
Pheasants Forever, Inc.
Quail Forever, Inc.
Sportsmen For Change
Swan Lake Area Wildlife Association
The Coalition For A Clean Minnesota River
The Conservation Fund
The MN Chapter of The Wildlife Society
The Nature Conservancy
The Trust For Public Land
Trout Unlimited
United Northern Sportsmen
Viking Sportsmen's Club
Water Resources Center - MN State University-Mankato
Water Resources Center - University of Minnesota
Worthington City Mayor - Mike Kuhle
Worthington Public Utilities Power & Light Commission
MN Association of Soil & Water Conservation Districts
Area II Minnesota River Basin Project
Buffalo-Red River Watershed District
Cannon River Watershed Partnership
Cedar River Watershed District
Clearwater Watershed District
Heron Lake Watershed District
Lac qui Parle/Yellow Bank Watershed District
Middle Fork Crow River Watershed District
Nine Mile Creek Watershed District
North Fork Crow River Watershed District
Okabena-Ocheda Watershed District
Redwood-Cottonwood Rivers Control Area
Sauk River Watershed District
Scott County Environmental Services Program
Shell Rock River Watershed District
Turtle Creek Watershed District
Upper MN River Watershed District
Vermillion River Watershed Joint Powers Org.
Yellow Medicine River Watershed District
Zumbro Watershed District