

## **2010 Project Abstract**

For the Period Ending June 30, 2012

**TITLE:** Habitat Conservation Partnership (HCP) – Phase VI Supplemental Shorelands Protection Program – 3A  
**PROJECT MANAGER:** Sarah Strommen  
**ORGANIZATION:** Minnesota Land Trust  
**ADDRESS:** 2356 University Avenue West, Suite 240  
St. Paul, MN 55114  
**WEB SITE ADDRESS:** [www.mnland.org](http://www.mnland.org)  
**FUND:** Environmental and Natural Resources Trust Fund  
**LEGAL CITATION:** Minnesota Laws 2010, Chapter 362, Section 2, Subdivision 4(f)

**APPROPRIATION AMOUNT:** \$102,000

### **OVERALL PROJECT OUTCOME AND RESULTS**

This 2010 grant was supplemental to the sixth phase (2009) of our Shorelands Protection project. This grant provided acquisition capital needed to complete two urgent projects that otherwise we would not have been able to complete. One project protects important shoreline along Lake Superior, while the other project protects shoreline along the Little Pine River. Collectively, these two easements protect 99 acres of critical habitat and protect more than 7,000 feet of fragile shoreline.

Both easements were purchased at significant bargain prices. One of the projects (Lake Superior) also used some 2009 funding, so project details, including the funding breakdown, also were reported in our 2009 (Phase 6) final report.

Additionally, the Land Trust prepared baseline property reports for each easement, detailing the condition of the property for future monitoring and enforcement. To fund this required perpetual obligation, the Land Trust dedicated funds to its segregated Stewardship and Enforcement Fund for several completed projects. For these projects, we estimated the anticipated annual expenses of each project and the investment needed to generate annual income sufficient to cover these expenses in perpetuity – all in accordance with our internal policies and procedures as approved by LCCMR. We will report to LCCMR annually on the status of the Stewardship and Enforcement Fund and the easements acquired with funds from this grant.

An appraised value is known for only one of the easements. The donated value of this easement is \$515,000. Based on the estimate of value for the second easement, we believe the donated value of that easement is approximately \$53,000. Therefore, we were able to leverage significant private donation with the State's small investment in these projects.

Cumulatively, across all phases of the HCP program, the Land Trust has protected 7,549 acres of critical habitat and nearly 224,000 feet of shoreline, at a cost to the State of \$293 per acre.

The Land Trust's work on this project continues to demonstrate the cost effectiveness of working with conservation easements to protect natural and scenic resources along Minnesota's lakes, rivers, and streams, as the cost to the State was well below the cost to purchase land along our increasingly threatened shorelines. This grant continued to generate interest among landowners, and therefore, ongoing funding will be important to sustained success. Additionally, we believe that funds to purchase easements – even a small incentive – will be necessary in the future as work becomes more targeted, selective, and focused on building complexes of protected land.

### **PROJECT RESULTS USE AND DISSEMINATION**

The Land Trust disseminated information about the specific land protection projects completed under this grant through our newsletter, email updates, web site, and press releases. The Land Trust also shared information about conservation easements generally and our experience with our partner organizations, other easement holders, local communities, as well as policy makers including members of the LCCMR and LSOHC.

# Environment and Natural Resources Trust Fund (ENRTF) 2010 Work Program Final Report

**Date of Report:** August 1, 2012

**ENRTF 2010 Final Report**

**Date of Work Program Approval:** December 15, 2009

**Project Completion Date:** June 30, 2012

**I. PROJECT TITLE: Minnesota Land Trust: Shoreland Protection Project  
Minnesota's Habitat Conservation Partnership Phase VI  
Supplemental**

**Project Manager:** Sarah Strommen

**Affiliation:** Minnesota Land Trust

**Mailing Address:** 2356 University Avenue West, Suite 240

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**FAX Number:** 651-647-9769

**Web Site Address:** www.mnland.org

**Location:** HCP Project Areas 2, 4, 5, and 3-7-8

<b>Total ENRTF Project Budget:</b>	<b>ENRTF Appropriation</b>	<b>\$102,000</b>
	<b>Minus Amount Spent:</b>	<b><u>\$100,747</u></b>
	<b>Equal Balance:</b>	<b>\$ 1,253</b>

**Legal Citation:** ML 2010, Chap. 362, Sec. 2, Subd. 4f.

**Appropriation Language:**

\$1,344,000 is added to Laws 2009, chapter 143, section 2, subdivision 4, paragraph (e), from the trust fund for the acceleration of agency programs and cooperative agreements. Of this appropriation, \$308,000 is to the commissioner of natural resources for agency programs and \$1,036,000 is for agreements as follows: \$425,000 with Ducks Unlimited, Inc.; \$50,000 with National Wild Turkey Federation; \$164,000 with the Nature Conservancy; \$102,000 with Minnesota Land Trust; \$200,000 with the Trust for Public Land; \$45,000 with Friends of Detroit Lakes Wetland Management District; and \$50,000 to the Leech Lake Band of Ojibwe to plan, restore, and acquire fragmented landscape corridors that connect areas of quality habitat to sustain fish, wildlife, and plants. The United States Department of Agriculture Natural Resources Conservation Service is an authorized cooperating partner in the appropriation. Expenditures are limited to the project corridor areas as defined in the work program. Land acquired with this appropriation must be sufficiently improved to meet at least minimum habitat and facility management standards as determined by the commissioner of natural resources. This appropriation may not be used for the purchase of residential structures, unless expressly approved in the work program. All conservation easements must be perpetual and have a natural resource management plan. Any land acquired in fee title by the commissioner of natural resources with money from this appropriation

must be designated as an outdoor recreation unit under Minnesota Statutes, section 86A.07. The commissioner may similarly designate any lands acquired in less than fee title. A list of proposed restorations and fee title and easement acquisitions must be provided as part of the required work program. All funding for conservation easements must include a long-term stewardship plan and funding for monitoring and enforcing the agreement.

## **II. and III. FINAL PROJECT SUMMARY:**

This 2010 grant was supplemental to the sixth phase (2009) of our Shorelands Protection project. This grant provided acquisition capital needed to complete two urgent projects that otherwise we would not have been able to complete. One project protects important shoreline along Lake Superior, while the other project protects shoreline along the Little Pine River. Collectively, these two easements protect 99 acres of critical habitat and protect more than 7,000 feet of fragile shoreline.

Both easements were purchased at significant bargain prices. One of the projects (Lake Superior – 11 acres) also used some 2009 funding, so project details, including the funding breakdown, also were reported in our 2009 (Phase 6) final report.

Additionally, the Land Trust prepared baseline property reports for each easement, detailing the condition of the property for future monitoring and enforcement. To fund this required perpetual obligation, the Land Trust dedicated funds to its segregated Stewardship and Enforcement Fund for several completed projects. For these projects, we estimated the anticipated annual expenses of each project and the investment needed to generate annual income sufficient to cover these expenses in perpetuity – all in accordance with our internal policies and procedures as approved by LCCMR. We will report to LCCMR annually on the status of the Stewardship and Enforcement Fund and the easements acquired with funds from this grant.

An appraised value is known for only one of the easements. The donated value of this easement is \$515,000. Based on the estimate of value for the second easement, we believe the donated value of that easement is approximately \$53,000. Therefore, we were able to leverage significant private donation with the State's small investment in these projects.

Cumulatively, across all phases of the HCP program, the Land Trust has protected 7,549 acres of critical habitat and nearly 224,000 feet of shoreline, at a cost to the State of \$293 per acre.

The Land Trust's work on this project continues to demonstrate the cost effectiveness of working with conservation easements to protect natural and scenic resources along Minnesota's lakes, rivers, and streams, as the cost to the State was well below the cost to purchase land along our increasingly threatened shorelines. This grant continued to generate interest among landowners, and therefore, ongoing funding will be important to sustained success. Additionally, we believe that funds to purchase easements – even a small incentive – will be necessary in the future as work becomes more targeted, selective, and focused on building complexes of protected land.

**IV. OUTLINE OF PROJECT RESULTS:**

**RESULT 1: Protect Critical Shorelands through Conservation Easements**

**Description:** The Minnesota Land Trust will protect critical riparian habitats by negotiating and completing 1-2 perpetual conservation easements (including documenting property conditions and creating management plans as appropriate) on up to 100-150 acres of land and dedicating funds for long-term monitoring, management and enforcement of the easements.

These acreage and project numbers are estimated based upon the amount of time anticipated to complete the identified potential projects and the approximate acreage of those potential projects. Actual completed project acreages and numbers will vary.

This phase of the project anticipates purchasing easements (likely at a price below market value). We currently have identified three projects, as described on the attached list. One or more of these potential projects may not be completed at all as they are further evaluated by the Land Trust or as landowners choose not to pursue protection options. If other urgent projects are identified, the Land Trust may add them to the list according to the LCCMR list update process. We will continually evaluate all projects to maximize conservation.

<b>Summary Budget Information for Result 1:</b>	<b>ENRTF Budget:</b>	<b>\$102,000</b>
	<b>Amount Spent:</b>	<b>\$100,747</b>
	<b>Balance:</b>	<b>\$ 1,253</b>

<b>Deliverable</b>	<b>Completion Date</b>	<b>Budget</b>
<b>1.</b> Protect up to 100-150 acres of land by: <ul style="list-style-type: none"> <li>a. completing all components of 1-2 conservation easement projects</li> <li>b. dedicating funds to ensure long-term easement sustainability.</li> </ul>	Activity will be ongoing with projects completed by June 2012	\$102,000

**Completion Date:** June 30, 2012

**Final Report Summary:**

In the supplement to the sixth phase of our Shorelands Protection project, the Minnesota Land Trust continued to work with landowners to secure permanent conservation easements on quality habitat along or containing critical riparian lands. We completed two conservation easements that preserve 99 acres of land and protect more than 7,000 feet of fragile shoreline. The 11-acre Lake Superior project also used 2009 funds and results were reported in our 2009 final report. Therefore, the total number of new acres completed under this grant is 88 acres. Both easements completed involved significant bargain purchases.

Projects met the following selection criteria:

1. Habitat: quality and quantity of existing habitat on site; protects riparian areas and buffers water resources
2. Context: proximity and relationship to other protected lands
3. Opportunity: cost-benefit ratio: which landowners will participate now
4. Other Benefits: meeting multiple objectives, including visual and physical access, forestry goals, water quality, etc.

Additionally, the Land Trust spent funds for transaction expenses on two projects that will likely be completed with 2011 ENRTF funds. These two projects, Black Lake and Minnesota River, will collectively protect 564 acres of land and more than 16,000 feet of fragile shoreline.

Because many projects span multiple phases of the HCP program, the Land Trust does not allocate professional services expenses to specific conservation easement projects. Funding that is attributable to a specific project is described below and on the attached summary of purchased easements.

### ***Descriptions and Results by Area:***

#### Project Area 4: Central Lakes

Acres protected: 88

Easements completed: 1

Project: Little Pine River, Crow Wing County

Description: Located near the confluence of the Little Pine River and Pine River, this 88-acre property consists of forest, grassland, wetlands, and a large, open water pond. The property contains 3,100 feet of shoreline along Little Pine River and 2,340 feet of shoreline around the pond. The mix of forest, wetland and riparian areas on the property can provide habitat for a variety of species in greatest conservation need, including bald eagle, northern goshawk, Blanding's turtle, and wood thrush.

The easement prohibits division of the property, industrial use, and agricultural use. Residential use is limited.

The Land Trust purchased this easement for a bargain price of \$19,000. In addition, \$15,000 of 2010 HCP ENRTF funds were used to cover stewardship on this project.

#### Project Area 5: Lower St. Louis River

Acres protected: 11

Easements completed: 1

Project: Lake Superior, Lake County

Description: This 11-acre property lies along the north shore of Lake Superior, immediately to the northeast of the entrance to Split Rock Lighthouse State Park.

It consists primarily of forest and cobblestone beach along Lake Superior. The property is within an area ranked as high biodiversity significance by the Minnesota County Biological Survey for its Aspen-Birch Hardwood Forest and Dry Bedrock Shore native plant communities. There also is a primitive campsite for the Lake Superior Water Trail on the beach area, and the Gitchi-Gami State Trail passes along the property.

The conservation easement was purchased for \$125,000, an amount well below fair-market value of \$640,000. \$78,780 of the purchase price came from the 2009 HCP grant and the remainder of the funds (\$46,120) for the purchase price came from the 2010 HCP grant. \$15,000 of 2010 ENRTF funds were used to cover easement monitoring, management, and enforcement. As stated above, the acreage for this project was counted under the 2009 ENRTF grant, and will not be counted under the accomplishments for the 2010 supplemental grant. Additional detail is provided in the attached Summary of Acquired Easements.

The easement protects the conservation values of the property by prohibiting division of the property, prohibiting agricultural use, and limiting residential use. The easement also requires that the primitive campsite be available to the public as long as the Lake Superior Water Trail continues to exist.

## **V. TOTAL ENRTF PROJECT BUDGET:**

**Personnel:** \$ 0 from this phase. Consistent with our original proposal and work program, we used 2009 ENRTF dollars to cover personnel for these projects.

**Acquisition (Permanent Easements):** \$70,747 for the direct cost of acquiring easements for related transaction costs such as for appraisals, surveys, title work, mapping, etc.

**Travel:** \$0

**Easement Stewardship:** \$ 30,000 to be dedicated to the Stewardship and Enforcement Fund. Actual amounts committed for stewardship were determined based upon the number and nature of specific projects completed and the availability of other funds. Stewardship fund requests under this grant were 15,000 for each of the two projects.

**TOTAL ENRTF PROJECT BUDGET: \$102,000 appropriated; \$100,747 spent**

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

## **VI. PROJECT STRATEGY:**

**A. Project Partners:** This program is part of the Habitat Conservation Partnership Phase VI Supplemental. Please see the overall work program for a complete list of partners involved. In addition to these partners, the many private landowners of lands protected by conservation easements completed under this project remain responsible for the use and management of their lands to preserve and protect the identified

conservation values, making these landowners long-term partners in the preservation and protection of these critical areas.

**B. Project Impact and Long-term Strategy:** The focus of the Minnesota Land Trust's activities under this project was the protection of shorelands—fragile and ecologically important areas that have been recognized in the *Statewide Conservation and Preservation Plan* as among the most threatened natural systems in the State and in need of protection, conservation, and restoration.

This project also is a component of the Minnesota's Land Trust's long-term, strategic conservation agenda which guides the Land Trust's conservation work throughout the State. The conservation agenda sets out the specific conservation focus of the Land Trust which includes, among other things, the preservation of lakeshores, rivers and streams for their importance as habitat, for their relationship to water quality, and for the scenic values that have long been associated with Minnesota's beauty. The conservation agenda also identifies a suite of critical landscapes throughout the State that embody the natural and cultural features that make Minnesota unique. Many of these critical landscapes substantially overlap with the project areas identified by the Habitat Conservation Partnership.

Each individual conservation easement project completed by the Land Trust is evaluated to make sure that there are important conservation features that can be protected in perpetuity through the conservation easement being contemplated and that protection of these features provides significant public benefits. Additionally, the Land Trust places priority on projects that complement existing protected lands and connect important habitat areas, thereby amplifying the ecological value and public benefits achieved by an individual project.

**C. Other Funds Spent during the Project Period:** By purchasing easements at a bargain sale price, the Minnesota Land Trust was able to protect lands at a fraction of what it would cost to purchase comparable lands in fee. We leveraged more than \$500,000 in donated value from landowners in these two projects.

Because this project was supplemental to the 2009 grant, we used the 2009 grant to cover personnel costs and used the 2010 funds only for easement acquisition costs and easement stewardship. Additional funds were spent from the Land Trust's operating fund to cover costs associated with this project that are not covered by the grant.

**D. Spending History:** This project is part of the Land Trust's ongoing shoreland program. In addition to Land Trust operating funds spent on the project, we have received previous ENRTF appropriations over the past two years as follows: Minnesota Laws 2008, Chapter 367, Section 2, Subdivision 3(c): \$210,000; Minnesota Laws 2009, Chapter 143, Section 2, Subdivision 4(e): \$210,000.

**VII. DISSEMINATION:** The Land Trust disseminated information about the specific land protection projects completed under this grant through our newsletter, email updates, web site, and press releases. The Land Trust also shared information about conservation easements generally and our experience with our partner organizations,

other easement holders, local communities, as well as policy makers including members of the LCCMR and LSOHC.

**VIII. REPORTING REQUIREMENTS:** Periodic work program progress reports were submitted November 1 and May 1 of each year, starting in November 2010. This is the final work program report.

**IX. RESEARCH PROJECTS:** N/A

<b>Attachment A: Budget Detail for 2010 Projects</b>					
<b>Project Title:</b>					
Minnesota's Habitat Conservation Partnership--Phase 6 Supplemental Minnesota Land Trust - Shoreland Protection Project					
<b>Project Manager Name:</b> Sarah Strommen					
<b>Trust Fund Appropriation:</b> \$ 102,000					
<b>2010 Trust Fund Budget</b>	<b><u>Result 1 Budget</u></b> <b><u>Approved May 2012</u></b>	<b>Amount Spent</b> as of June 30, 2012	<b>Balance</b> as of June 30, 2012	<b>Total Budget</b>	<b>Total Balance</b>
	Protect Critical Shorelands through Conservation Easements				
<b>BUDGET ITEM</b>					
<b>Easement acquisition costs:</b> purchase price of conservation easement(s); title work, title insurance, and closing fees, etc.; maps, GIS (including project mapping by Community GIS); Other including appraisals and surveys	\$72,000	\$70,747	\$1,253	\$72,000	\$1,253
<b>Travel expenses in Minnesota</b>	\$0	\$0	\$0	\$0	\$0
<b>Easement Stewardship</b>	\$30,000	\$30,000	\$0	\$30,000	\$0
<b>COLUMN TOTAL</b>	<b>\$102,000</b>	<b>\$100,747</b>	<b>\$1,253</b>	<b>\$102,000</b>	<b>\$1,253</b>

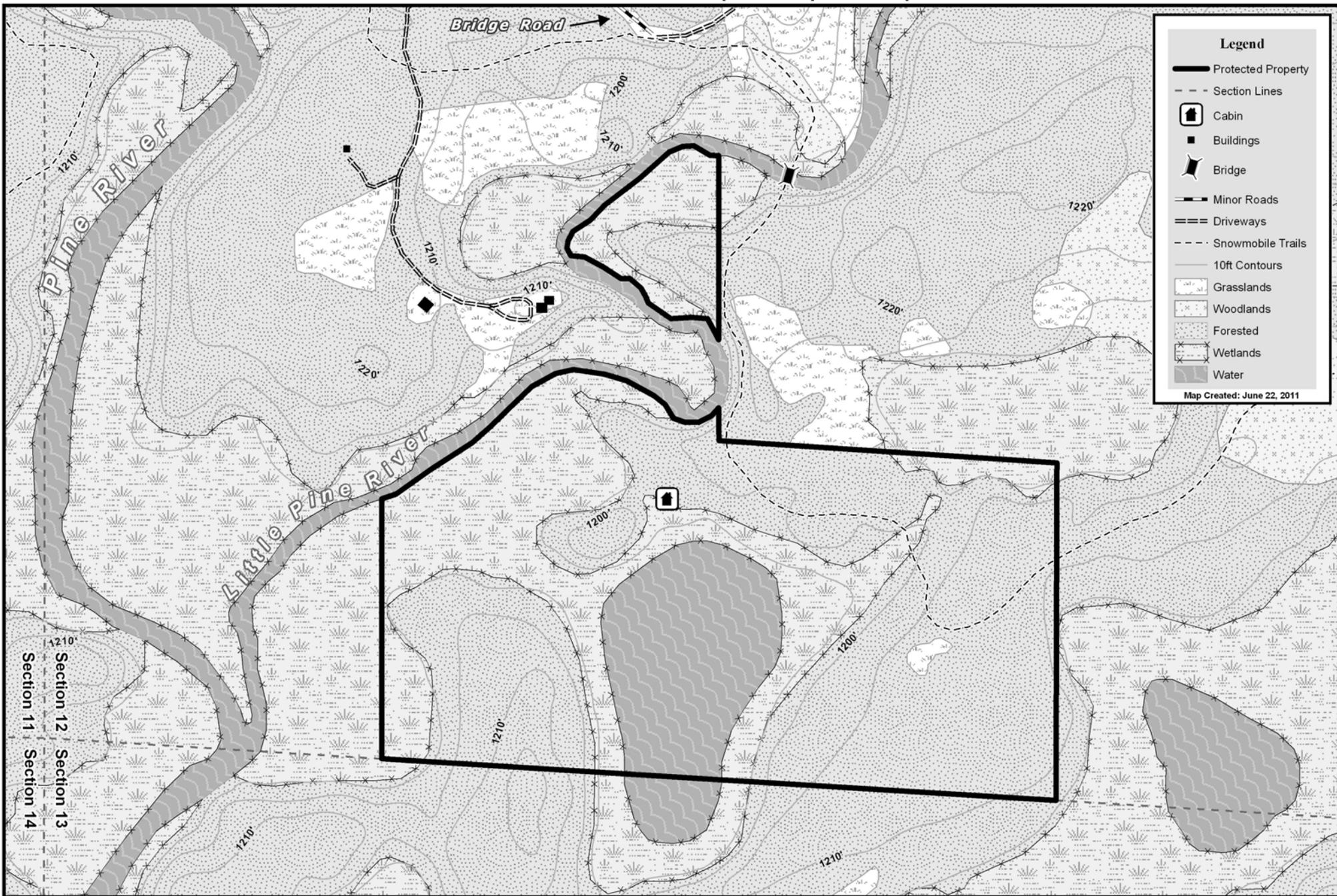
Minnesota Land Trust: Habitat Conservation Partnership –2010 (Phase 6 Supplemental)  
 Summary of Acquired Easements

**PURCHASED EASEMENTS**

<b>Project</b>	<b>Acres</b>	<b>Funding Type</b>	<b>Funds Use</b>	<b>Funding Amount</b>
Lake Superior Lake County	11	ENRTF – 2009 Land Trust allocation	Purchase price of conservation easement	\$78,780
		ENRTF – 2010 allocation	Purchase price of conservation easement	\$46,120
		ENRTF – 2010 Land Trust allocation	Stewardship	\$15,000
		Landowner donation	Donated value of conservation easement	\$515,000
Little Pine River Crow Wing County	88	ENRTF-2010 Land Trust allocation	Purchase price of conservation easement	\$19,000
		ENRTF – 2010 Land Trust allocation	Stewardship	\$15,000
		Landowner donation	Donated value of conservation easement	\$53,000

In addition to the expenses listed above, staff time and professional services expenses covering closing costs, title review, etc. were incurred and covered by the Land Trust’s 2009 and 2010 Habitat Conservation Partnership allocation. The Land Trust does not allocate staff time or professional services expenses to specific conservation projects.

# Exhibit B: Property Map



**Legend**

- Protected Property
- Section Lines
- Cabin
- Buildings
- Bridge
- Minor Roads
- Driveways
- Snowmobile Trails
- 10ft Contours
- Grasslands
- Woodlands
- Forested
- Wetlands
- Water

Map Created: June 22, 2011

**Map Resource Information**

Protected Property, Section Lines, Buildings, Roads, Driveways & Minor Roads, 10-Foot Contours, Grasslands, Forests, Woodlands, Wetlands, and Water created by Community GIS Services Inc.

Users of this map agree and acknowledge that Community GIS Services Inc. and the Minnesota Land Trust cannot be held liable for accuracy of GIS material provided. GIS materials should not be relied upon to establish legal title, boundary lines, or locations of improvements.



**Site: Little Pine River - Tract: Phillips**

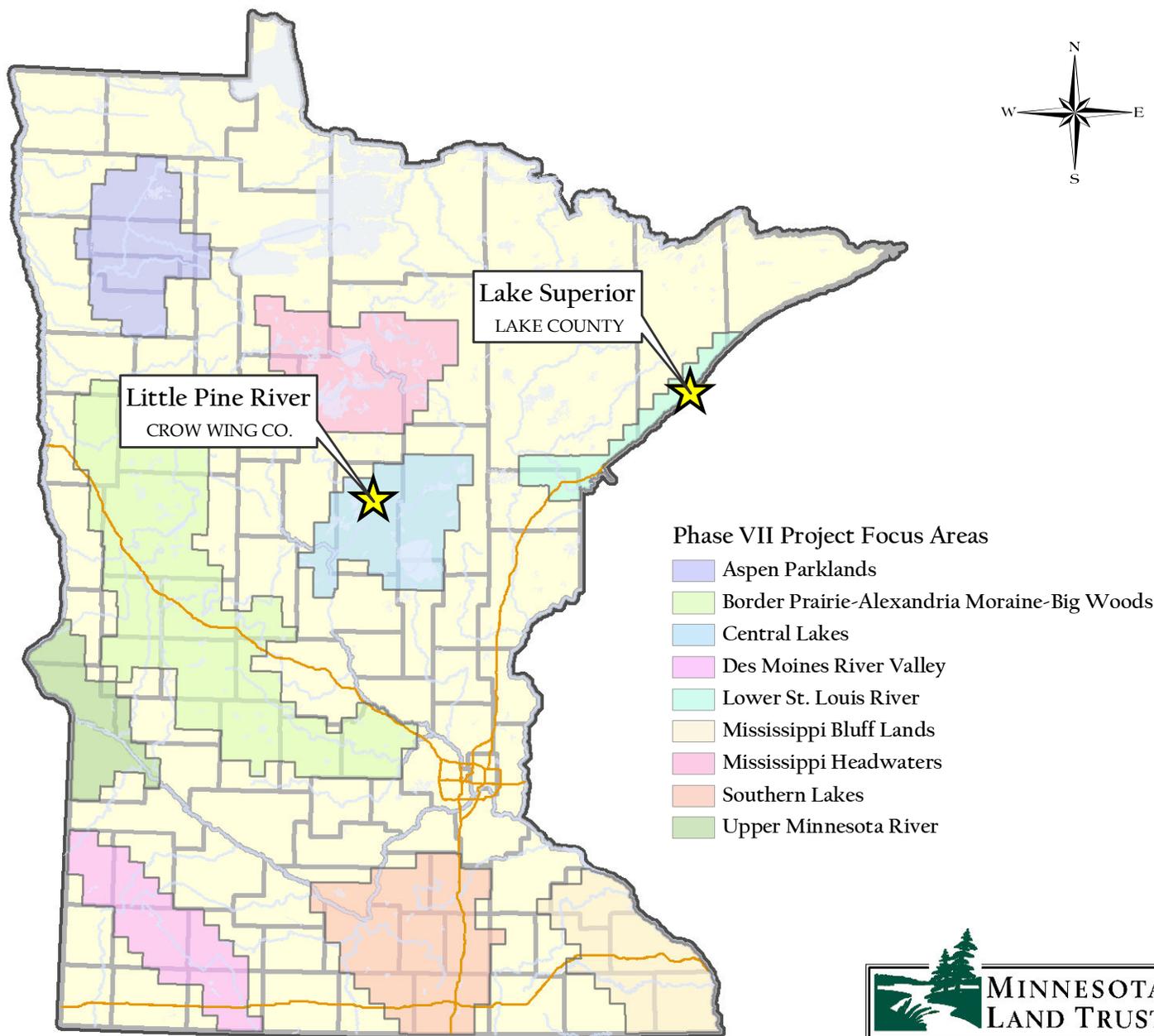
Crow Wing County - Twp. 136 N Rng. 27 W Sec. 12



**Scale:**  
1" = 500'

500 250 0 500 Feet

**Habitat Conservation Partnership  
Phase VI Supplemental  
MINNESOTA LAND TRUST COMPLETED PROJECTS**



**PROJECT:** Little Pine River, 88 acres  
**DESCRIPTION:** Located at the confluence of the Little Pine River and the Pine River, this 88-acre property consists of forest, grassland, wetlands, and a large, open water pond. The property contains 3,100 feet of shoreline along Little Pine River and 2,340 feet of shoreline around the pond. The mix of forest, wetland and riparian areas on the property can provide habitat for a variety of species in greatest conservation need, including bald eagles, northern goshawks, and Blanding’s turtles.

**PROJECT:** Lake Superior, 11 acres  
**DESCRIPTION:** This property lies along the north shore of Lake Superior, immediately to the northeast of the entrance to Split Rock Lighthouse State Park. It consists primarily of forest and cobblestone beach along Lake Superior. The property is within an area ranked as high biodiversity significance by the Minnesota County Biological Survey. There also is a primitive campsite for the Lake Superior Water Trail on the beach area. This project also used 2009 ENRTF funds.

