

2011 Project Abstract

For the Period Ending June 30, 2014

PROJECT TITLE: HCP VII - WMA/WPA Acquisition beyond Boundaries (4a)

PROJECT MANAGER: Eran Sandquist

AFFILIATION: Pheasants Forever, Inc.

MAILING ADDRESS: 410 Lincoln Avenue South

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FUNDING SOURCE: Environment and Natural Resources Trust Fund

LEGAL CITATION: M.L. 2011, First Special Session, Chp. 2, Art.3, Sec. 2, Subd. 04j4a

APPROPRIATION AMOUNT: \$434,000

Overall Project Outcome and Results

The objective of this work plan was to maximize benefits of fee-title acquisition by acquiring parcels where the footprint of the strategic acquisition is larger than the acquisition boundary itself. For example, the acquisition of a 40-acre WMA addition that allows for the restoration of an 80-acre drained wetland would bring benefits beyond the subject property boundary. This work plan set forth to protect and restore 141-acres of priority wildlife habitat (86 acres with ENRTF funds and 55 acres with non-state matching funds) falling within the project boundaries outlined by HCP. Despite numerous attempts, we were unsuccessful in fulfilling the requirements of this work plan. Some quality projects fell through due to unwilling sellers (e.g. Minnkota WMA Addition). Other projects considered under this work plan were completed using other funding mechanisms due to the high price tag. After consulting and coming to concurrence with LCCMR staff (please see the November 30, 2013 work plan update), it was decided that we not partially fund projects under this work plan with multiple state funding sources (e.g. Outdoor Heritage Fund). Thus, Pheasants Forever is returning the full \$434,000 appropriated to this work plan back to the ENRTF to be used for other worthy projects.

Project Results Use and Dissemination

There are no results under this work plan to disseminate.



Environment and Natural Resources Trust Fund (ENRTF) M.L. 2011 Work Plan Final Report

Date of Status Update:	10/13/2014	
Date of Next Status Update:	Final Report	
Date of Work Plan Approval:	8/11/2011	
Project Completion Date:	6/30/2014	Is this an amendment request? _____

Project Title: HCP VII - WMA/WPA Acquisition beyond Boundaries (4a)

Project Manager: Eran Sandquist
Affiliation: Pheasants Forever Inc
Address: 410 Lincoln Avenue S
City: South Haven **State:** MN **Zipcode:** 55382
Telephone Number: (763) 242-1273
Email Address: esandquist@pheasantsforever.org
Web Address: www.pheasantsforever.org

Location:

Counties Impacted: Lac qui Parle, LeSeur, Rice
Ecological Section Impacted: Minnesota and Northeast Iowa Morainal (222M), North Central Glaciated Plains (251B)

Total ENRTF Project Budget:	ENRTF Appropriation \$:	434,000
	Amount Spent \$:	0
	Balance \$:	434,000

Legal Citation: M.L. 2011, First Special Session, Chp. 2, Art.3, Sec. 2, Subd. 04j4a

Appropriation Language:

\$1,737,000 the first year and \$1,738,000 the second year are from the trust fund to the commissioner of natural resources for the acceleration of agency programs and cooperative agreements. Of this appropriation, \$125,000 the first year and \$125,000 the second year are to the commissioner of natural resources for agency programs and \$3,225,000 is for agreements as follows: \$637,000 the first year and \$638,000 the second year with Ducks Unlimited, Inc.; \$38,000 the first year and \$37,000 the second year with Friends of Detroit Lakes Wetland Management District; \$25,000 the first year and \$25,000 the second year with Leech Lake Band of Ojibwe; \$225,000 the first year and \$225,000 the second year with Minnesota Land Trust; \$200,000 the first year and \$200,000 the second year with Minnesota Valley National Wildlife Refuge Trust, Inc.; \$242,000 the first year and \$243,000 the second year with Pheasants Forever, Inc.; and \$245,000 the first year and \$245,000 the second year with The Trust for Public Land 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 habitable 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. An entity who acquires a conservation easement with appropriations from the trust fund must have a long-term stewardship plan for the easement and a fund established for monitoring and enforcing the agreement. Money appropriated from the trust fund for easement acquisition may be used to establish a monitoring, management, and enforcement fund as approved in the work program. An annual financial report is required for any monitoring, management, and enforcement fund established, including expenditures from the fund. This appropriation is available until June 30, 2014, by which time the project must be completed and final products delivered.

I. PROJECT TITLE: HCP VII – 4a – WMA/WPA Acquisition beyond Boundaries

II. FINAL PROJECT STATEMENT:

The objective of this work plan was to maximize benefits of fee-title acquisition by acquiring parcels where the footprint of the strategic acquisition is larger than the acquisition boundary itself. For example, the acquisition of a 40-acre WMA addition that allows for the restoration of an 80-acre drained wetland would bring benefits beyond the subject property boundary. This work plan set forth to protect and restore 141-acres of priority wildlife habitat (86 acres with ENRTF funds and 55 acres with non-state matching funds) falling within the project boundaries outlined by HCP. Despite numerous attempts, we were unsuccessful in fulfilling the requirements of this work plan. Some quality projects fell through due to unwilling sellers (e.g. Minnkota WMA Addition). Other projects considered under this work plan were completed using other funding mechanisms due to the high price tag. After consulting and coming to concurrence with LCCMR staff (please see the November 30, 2013 work plan update), it was decided that we not partially fund projects under this work plan with multiple state funding sources (e.g. Outdoor Heritage Fund). Thus, Pheasants Forever is returning the full \$434,000 appropriated to this work plan back to the ENRTF to be used for other worthy projects.

III. PROJECT STATUS UPDATES:

Project Status as of (November 30, 2011): Rising land prices and strong commodity prices are a major factor in the agricultural real estate market today. We have seen land prices increase in these areas, sometimes as much as 2% a month. Because of this, landowners are hesitant to sell knowing their investment in land is easily outgaining the stock markets. The strong markets will force NGO's and other government entities purchasing lands in fee-title to move quickly and efficiently to close deals.

We have started conversations with all three landowners and have completed an appraisal on one property. Depending on negotiations, one appraisal and subsequent acquisition will be all that is required to spend grant funds and complete the project

Project Status as of (May 31, 2012): Rising land prices and strong commodity prices continue to be major factors in the agricultural real estate market today. Land prices continue to rise and many counties are experiencing record high sale prices. Landowners are looking to get top dollar for their properties and in some cases appraisals are not able to keep up with current land sales.

An offer was made on the Minnkota property and was rejected because of differences in value. PF has started working on the Sanborn Lake WMA parcel.

Project Status as of (November 30, 2012): We have been largely unsuccessful at securing the identified high priority parcels. Our attempt at securing the second parcel was unsuccessful not because a purchase price couldn't be agreed upon, but because of the lack of available funding. Land prices continued to rise which resulted in a certified appraised value almost twice as much as funding is available in this entire grant (both match and ENRTF).

We will try to pursue the last remaining parcel on the list.

Project Status as of (May 31, 2013): We are happy to report that PF and the owners of the Erin Prairie WPA Addition parcel have come to an agreement and have entered into a purchase agreement. We will be diligently moving forward towards closing.

Project Status as of (November 30, 2013): Although we were able to close on the Erin Prairie WPA parcel, we were not able to use ENRTF funding because our matching funds for the project fell through. PF utilized OHF funds to complete the project. We did discuss possibility of using both ENRTF and OHF funds to complete the project, but concluded intermingling the funds would require more administrative work than we felt public funding should pay for.

We are continuing to look for replacement properties that meet the requirements of this grant and will request an amendment to the work plan when the best opportunity presents itself.

Project Status as of (May 31, 2014): A unique property meeting the grant criteria was identified and an offer has been made. We are waiting for a response from the seller. It is possible to close on this tract prior to the end of the grant period. We will ask for an accomplishment amendment only if the transaction can feasibly close before the June 30th deadline.

IV. PROJECT ACTIVITIES AND OUTCOMES:

ACTIVITY 1: Fee-Title Acquisition

Description: Within the designated HCP work areas, Pheasants Forever will acquire 86 acres in fee title and restore using ENRTF funds (an additional 55 acres will be acquired and restored with \$275,000 in non-state funds) with the footprint of each parcel larger than the legal property boundaries of the acquisitions. Acquired tracts will be transferred to the DNR as part of the Wildlife Management Area system or to the US Fish and Wildlife Service for enrollment into the National Wildlife Refuge System as Waterfowl Production Areas.

In addition to the footprint requirement, all acquisitions will provide public access and will meet one or more of the following criteria:

- Protect native remnant prairie.
- Protect wetland/prairie complexes.
- Adjacent to permanently protected lands and will provide connectivity.
- Will enable the restoration of croplands to wetland/prairie complexes.
- Will enable the restoration of adjacent permanently protected lands.

PF will work with DNR and/or USFWS land managers to develop and implement restoration and management plans that will meet all ENRTF requirements. Restoration of the acquired tracts will be funded with ENRTF grant dollars in this proposal. County board approval will be obtained for all acquisitions before closing and will have DNR Commissioner approval in writing. PF will record a notice of funding restriction on the acquired parcel and will complete land acquisition, transaction costs, and future costs analysis reports for all acquisitions.

Summary Budget Information for Activity 1:

ENRTF Budget: \$ 434,000
Amount Spent: \$ 0
Balance: \$ 434,000

Activity Completion Date:

Outcome	Completion Date	Budget
1. Acquire approximately 86 acres fee-title	June 30, 2013	\$ 394,000
2. Restore approximately 86 acres (acquired acres)	June 30, 2013	\$ 40,000

Activity Status as of (November 30, 2011):

Tract Name - Erin Prairie WPA Addition: The landowners have been contacted. Appraisal will be completed if Minnkota and Lake Sanborn projects fall through.

Tract Name - Lake Sanborn WMA: The landowners have been contacted. Appraisal will be completed if the Minnkota project falls through.

Tract Name - Minnkota WMA Addition: An appraisal has been completed on the property and landowners have been notified of the fair market value. The value for the property was much higher than anticipated requiring PF to secure additional funds if landowner agrees to a sale.

Activity Status as of (May 31, 2012):

Tract Name - Erin Prairie WPA Addition: Conversations have started with the landowner on starting the appraisal process.

Tract Name - Lake Sanborn WMA: Strong farmland prices continue to plague our ability to secure parcels. Because of high land prices the landowners decided to sell the entire parcel, changing the acreage from 160 acres to 217 acres. This acreage change combined with land prices brought the total appraised value significantly higher than what is in the budget for this appropriation. It would be nearly impossible to raise enough non-state matching funds to complete this project. PF may look into using our OHF appropriations to purchase this property.

Tract Name - Minnkota WMA Addition: PF's offer was rejected by the landowner. The project was put in abeyance.

Activity Status as of (November 30, 2012):

Tract Name - Erin Prairie WPA Addition: The appraisal process was initiated and we are hoping to make an offer to the landowner in the early part of 2013.

Tract Name - Lake Sanborn WMA: Because of the unanticipated high appraised value of this property, PF utilized OHF funds to successfully secure this tract. The final acreage for the parcel totaled 217 acres and was purchased for \$1,270,000.

Tract Name - Minnkota WMA Addition: Another contact was made with the landowner. The project is still in abeyance.

Activity Status as of (May 31, 2013):

Tract Name - Erin Prairie WPA Addition: An appraisal was completed on the parcel in the spring of 2013. The landowner recently accepted an offer from PF and both parties have entered into a purchase agreement. We are finalizing the funding package and are hoping to complete the transaction before the end of fiscal year.

Tract Name - Lake Sanborn WMA: Completed with other state funds not associated with this appropriation.

Tract Name - Minnkota WMA Addition: The project is in abeyance.

Activity Status as of (November 30, 2013):

Tract Name - Erin Prairie WPA Addition: Completed with other state funds not associated with this appropriation.

Tract Name - Lake Sanborn WMA: Completed with other state funds not associated with this appropriation.

Tract Name - Minnkota WMA Addition: The project is in abeyance.

Activity Status as of (May 31 2014):

No changes since last update.

Final Report Summary: All projects pursued under this agreement either fell through (fee-title acquisition requires a willing seller) or could only be partially purchased with the appropriated ENRTF funding provided under this work plan. After discussion with partners and LCCMR staff, it was

concluded to use other funding sources to accomplish the above parcels to avoid partially funding a project with multiple state funding sources. Thus, Pheasants Forever is turning back the entire \$434,000 to the ENRTF as the proposed projects either did not have a willing seller or the acquisition project was completed under a different program.

V. DISSEMINATION:

Description: All update and final reports will be available at www.mnhabitatcorridors.org . In addition, PF will work with LCCMR staff to promote accomplishments and projects completed through this partnership in the media. We will forward any media coverage to LCCMR staff for distribution.

Status as of (November 30, 2011): To date no accomplishments have been made for dissemination.

Status as of (May 31, 2012): To date no accomplishments have been made for dissemination.

Status as of (November 30, 2012): To date no accomplishments have been made for dissemination.

Status as of (May 31, 2013): To date no accomplishments have been made for dissemination.

Status as of (November 30, 2013): To date no accomplishments have been made for dissemination.

Status as of (May 31, 2014): To date no accomplishments have been made for dissemination.

Final Report Summary: This work plan produced no accomplishments to disseminate.

VI. PROJECT BUDGET SUMMARY:

A. ENRTF Budget:

Budget Category	\$ Amount	Explanation
Personnel:	\$ 25,000	Staff expenses including salaries and benefits (.18 FTE Total (1 yr) - 72% salary, 28% benefits)
		Director of Conservation/Field Coordinator (\$10,000) .05 FTE – (Program implementation, landowner meetings, realty work, restoration planning, project management, RFPs, etc.)
		Regional Biologists: (\$10,000) .08 FTE – (Program implementation, landowner meetings, realty work, restoration planning, project management, RFPs, etc.)
		Grants and Contracts Specialist (\$5,000) .05 FTE – (contract review e.g. purchase agreements, contract processing, PF to DNR transfer work)
Service Contracts	\$ 40,000	Restoration work for all acquired lands which may include prairie seeding, wetland restoration, tree removal, exotic species control, etc.
Fee Title Acquisition:	\$ 347,000	Acquisition of 86 acres
Professional Services for Acquisition:	\$ 20,000	Appraisals, lands surveys, title work, etc.
Travel Expenses in MN:	\$ 2,000	Mileage
TOTAL ENRTF BUDGET:	\$ 434,000	

Explanation of Use of Classified Staff: N/A

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

Number of Full-time Equivalent (FTE) funded with this ENRTF appropriation:

Director of Conservation/Field Coordinator: (\$10,000) .05 FTE

Regional Biologists: (\$10,000) .08 FTE

Grants and Contracts Specialist (\$5,000) .05 FTE

B. Other Funds:

Source of Funds	\$ Amount Proposed	\$ Amount Spent	Use of Other Funds
Non-state			
Private, Federal	\$ 275,000	\$ 0	Fee title acquisition, restoration
State			
	\$ 0	\$ 0	
TOTAL OTHER FUNDS:	\$ 275,000	\$ 0	

VII. PROJECT STRATEGY:

A. Project Partners: PF will work with other Habitat Conservation Partners to the extent practical. Pheasants Forever will continue to work closely with the MN DNR and the USFWS to ensure all land acquisition obligations are met. All aspects of the acquisition process will be managed and completed by Pheasants Forever. Additional funding partners include private land owners, local PF chapters, conservation groups, and various units of state and local government.

B. Project Impact and Long-term Strategy: This project is part of Pheasants Forever’s sustained effort of strategically acquiring WMAs and WPAs that provide high quality wildlife and habitat with multiple benefits that are open to the public for wildlife dependant recreation. All lands acquired will be donated to the State of Minnesota for enrollment into the WMA system or will be donated to the USFWS for enrollment into the National Wildlife Refuge System as Federal Waterfowl Production Areas. For each parcel, an IDP will be developed and implemented in collaboration with the appropriate land management agency and all ecological restoration will be completed through this grant.

These strategic acquisitions also move to address several goals outlined in existing habitat/resource plans including: Aquatic Management Area Plan, Wildlife Management Area Plan, Statewide Duck Recovery Plan, Minnesota Pheasant Plan, Statewide Conservation and Preservation Plan, and several others.

C. Spending History:

Funding Source	M.L. 2005 or FY 2006-07	M.L. 2007 or FY 2008	M.L. 2008 or FY 2009	M.L. 2009 or FY 2010	M.L. 2010 or FY 2011
ENRTF	\$404,300 Subd. 5(a)	\$450,000 Subd. 4(b)	\$350,000 Subd. 3(c)	\$350,000 Subd. 4(e)	\$0
Other Funds (non state)	\$485,758	\$361,150	\$428,446	\$350,000	\$0

VIII. ACQUISITION/RESTORATION LIST: NA

IX. MAP(S): NA

X. RESEARCH ADDENDUM: N/A

XI. REPORTING REQUIREMENTS:

Periodic work plan status update reports will be submitted not later than November 30th 2011, May 31st 2012, and November 30th, 2012. A final report and associated products will be submitted between June 30 and August 1, 2013 as requested by the LCCMR.

FINAL Attachment A: Budget Detail for M.L. 2011 (FY 2012-13) Environment and Natural Resources Trust Fund Projects

Project Title: HCP VII – 4a – WMA/WPA Acquisition beyond Boundaries					
Legal Citation: M.L. 2011, First Special Session, Chp. 2, Art.3, Sec. 2, Subd. 04j4a					
Project Manager: Joe Pavelko					
M.L. 2011 (FY 2012-13) ENRTF Appropriation: \$ 434,000					
Project Length and Completion Date: 3 years, June 30, 2014					
Date of Update: FINAL REPORT					

ENVIRONMENT AND NATURAL RESOURCES TRUST FUND BUDGET	Activity 1 Budget	Amount Spent	Balance	TOTAL BUDGET	TOTAL BALANCE
BUDGET ITEM	<i>Fee Title Acquisition</i>				
Personnel (Wages and Benefits) (72% salary, 28% benefits)	25,000	0	25,000	25,000	25,000
Director of Conservation/Field Coordinator: (\$10,000) .05 FTE – (Program implementation, landowner meetings, realty work, restoration planning, project management, RFPs, etc.)					
Regional Biologists: (\$10,000) .08 FTE – (Program implementation, landowner meetings, realty work, restoration planning, project management, RFPs, etc.)					
Grants and Contracts Specialist (\$5,000) .05 FTE - (Contract review e.g. purchase agreements, contract processing, PF to DNR transfer work)					
Service contracts Restoration work on acquired parcels. Work will include prairie seed installation, field prepping, mowing, burning, earthwork, tile breaks, water control structure installation etc. This work will be hired through private contractors.	40,000	0	40,000	40,000	40,000
Fee Title Acquisition (Acquisition of 86 acres)	347,000	0	347,000	347,000	347,000
Professional Services for Acquisition (Appraisals, lands surveys, title work, etc.)	20,000	0	20,000	20,000	20,000
Travel expenses in Minnesota Mileage	2,000	0	2,000	2,000	2,000
COLUMN TOTAL	\$434,000	\$0	434,000	434,000	434,000