

November 27, 2018

Becca Nash
Director
Legislative-Citizen Commission on Minnesota Resources
65 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, Minnesota 55155

Re: Prairie Bank Easement

Dear Ms. Nash,

The Nature Conservancy is in the process of acquiring approximately 305 acres in Winona County and 641 acres in Fillmore County, as shown on the attached map (the "Property"). The Property will be transferred to the MN DNR to become a Wildlife Management Area. Approximately 21,206 feet of Rush Creek and tributary streams to Rush Creek and other tributaries flow through the Property, considered one of the best Coldwater trout streams in the region.

The large size of this ownership, particularly with a large amount of non-farmland is very unusual in this region. With one transaction, this project will protect over 4 miles of Coldwater streams, with both banks included on all but one of those miles. It also includes the full floodplain for most of those stream miles, creating potential for future stream-bank restoration, or floodplain projects to restore wetland storage. Protecting perennial grassland in this floodplain, and potentially enhancing it through improved species composition, will help slow and/or store water in Rush Creek during flood events, helping protect the city of Rushford which lies less than 5 miles downstream. The woods and prairies on the bluff sides are in very good condition, as indicated by the 588 acres rated "outstanding" for biodiversity significance. Additionally, the Property is extremely accessible, located within minutes of Rushford, MN, with a county highway running through it, and several farm roads for access to ridge-top fields. It will provide significant recreational benefit to Rushford and provide an excellent setting for field tours or community hikes in the future.

The Property is adjacent to a parcel currently owned by the State, but that has not been assigned to a DNR division, because it has no access. This Property would allow DNR Wildlife to add that tract to the unit as well, creating an extra 206 acres that can be managed for natural communities.

The project allows The Nature Conservancy and Minnesota Department of Natural Resources to protect existing native habitats while restoring pastureland, floodplain and

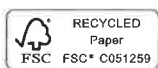
The Nature Conservancy

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stream channels to benefit fish and wildlife on the Property. Protecting and restoring habitat on the Property also improves fishing habitat and water quality downstream.

Acquisition of the Property will be funded with LSOHC grants through The Nature Conservancy's Southeast Minnesota Protection and Restoration Program in addition to private funds and MN Reinvest in Minnesota Critical Habitat Match funds.

The Property includes a Prairie Bank Easement of approximately 40.5 acres of Dry Bedrock Bluff Prairie (the "**Prairie Bank Easement**"). The protected property under the Prairie Bank Easement is original, unplowed native bluff prairie. The Prairie Bank Easement provides for the preservation and conservation of the native prairie, rare plants and rare animals and other natural features.

The easement was taken into consideration in the appraisal, by identifying the encumbrances to the Property and adjusting comparable sales.

The Prairie Bank easement was purchased in 2010 with Environmental and Natural Resources Trust Funds and provides for long term sustainable management of the native prairie. The two areas covered by the Prairie Bank Easement are integral to the character and contiguity of the Property. The prairies have been managed by the MNDNR since signing of the easement. Once the underlying fee ownership of the property is transferred to the State of Minnesota, the easement will be subsumed, no longer exist. A new Notice of Funding Restrictions will be placed on the property deed. The property will be managed by the MN DNR Division of Fish and Wildlife as a Wildlife Management Area as native prairie. Having the area as part of a larger conservation project will allow for continued management of the prairie consistent with the intent of the prairie bank easement.

If you require further information, please don't hesitate to contact me.

Sincerely,



Richard Biske
Freshwater Conservation Program Director
The Nature Conservancy

Enclosure: Map of Proposed Acquisition