



Lessard-Sams Outdoor Heritage Council

Shell Rock River Watershed Habitat Restoration Program - Phase XIII
Laws of Minnesota 2024 Accomplishment Plan

General Information

Date: 06/26/2024

Project Title: Shell Rock River Watershed Habitat Restoration Program - Phase XIII

Funds Recommended: \$2,060,000

Legislative Citation: ML 2024, Ch. 106, Art. 1, Sec. 2, Subd. 5(d)

Appropriation Language: \$2,060,000 the second year is to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to acquire land in fee and restore and enhance habitat in the Shell Rock River watershed.

Manager Information

Manager's Name: Courtney Phillips

Title: Program and Project Manager

Organization: Shell Rock River Watershed District

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Location Information

County Location(s): Freeborn.

Eco regions in which work will take place:

- Prairie

Activity types:

- Protect in Fee
- Restore

Priority resources addressed by activity:

- Habitat

Narrative

Abstract

The Shell Rock River Watershed District (SRRWD) is seeking funding for the Habitat Restoration Program to restore and protect 104 acres of essential prairie upland, wetland and streambank habitat across the watershed. As a result, key biological functioning parcels will be permanently protected, streambank habitat will be enhanced, vegetation and feeding sources will be restored for migratory fowl habitat, and wetlands will be restored from row crop agriculture. These projects are critical for the benefit of fish, waterfowl, and wildlife populations, reversing the trend of wetland loss and habitat degradation in the prairie ecoregion.

Design and Scope of Work

The SRRWD created the Habitat Restoration Program to restore, protect, and enhance degraded habitat conditions by implementing projects on a lake-shed basis. Specifically, Phase XIII will contribute to the District's goals by:

- Habitat restoration on 20 acres of streambanks to improve floodplain connectivity and over-winter open water conditions, to prevent further sedimentation into the watercourse and to improve public access and benefit BIPOC communities.
- Acquire 42 acres from a willing landowner to expand an adjacent WMA.
- Wetland enhancement in the Panicum Prairie WMA, an important flyway that is critical to waterfowl, upland game, and wading bird species that is currently dominated by a single species canary grass.
- Restore 42 acres of wetland basins, reversing the trend of wetland loss and habitat degradation while improving nesting habitat and waterfowl food sources.

This proposal uses a programmatic approach to achieve protection, restoration, and enhancement of lakes, wetlands, streams and native prairie landscapes. The program includes projects that are prioritized on the significance of the benefits to aquatic habitat, urgency of the work, availability of leveraged funds, location of projects and agreements with relevant planning documents. All projects listed above have landowner support, who are eager to get funding. The SRRWD has a proven track record with the LSOHC and implementing projects that protect, restore and enhance natural resources. The SRRWD continues to receive strong support for these projects from landowners, local governments and sporting organizations.

The program outcomes will also interconnect and reestablish important flyway habitats within Minnesota. Once completed, the program will increase waterfowl and fish populations, increase habitat for wetland dependent wildlife, and recreate the wildlife mecca in southern Minnesota. Finally, this program will preserve an outdoor legacy for Minnesotans to use and enjoy for generations.

Explain how the plan addresses habitat protection, restoration, and/or enhancement for fish, game & wildlife, including threatened or endangered species conservation

When critical habitats are lost due to land use changes and other factors, restoring the habitat is imperative to the protection of species and their ecological processes. Important species are disappearing at an alarming rate and the SRRWD has the opportunity to protect their specific habitats. Many of the proposed projects are turning habitat dead zones, like row crop agricultural and vast reed canary areas, into multi-native species plantings that offer food, shelter, and breeding habitat for a wide array of species.

Using the Minnesota DNR tool for species in greatest conservation need by habitat, the SRRWD has identified

species of importance for the oak savanna landscape. Those species include the Marsh Wren and Common Moorhen for birds, mussels such as the Round Pigtoe, and amphibians including the Blanding's Turtle.

Citing the Minnesota Wildlife Action Plan, Blanding's turtles suffer from low reproductive rates and high nest predation, exacerbated by habitat loss and degradation. The proposal area has a known hotspot for Blanding's turtles identified in the Wildlife Action Network. Projects like the wetland enhancements and streambank restorations provide the needed wetland and upland habitats to complete the Blanding's turtle life cycle. The Common Moorhen is listed as special concern in the Oak Savanna habitat and can be attributed to the loss of well-vegetated ponds and wetlands. With the projects identified, wetland creation and vegetation enhancement can provide new habitat for both the Common Moorhen and March Wren.

One of the fastest declining populations in Minnesota has been the loss of native mussels. The District is focused on improving in-water features that will improve that quality of habitat for the threatened Round Pigtoe, and other endangered mussels.

All restoration projects will have vegetation management in low grounds that include bulrush, smartweed, and marsh milkweed species to provide habitat and food sources for migratory birds. Upland prairie mix will be established to promote pollinator success. Enhancement efforts of this large scale provides habitat for both spring and fall migration of waterfowl, overall increase the use days by migratory birds, and provides nesting habitat.

What are the elements of this plan that are critical from a timing perspective?

For acquisition projects, landowner willingness is a large factor in determining the urgency to be completed. Securing these properties, while having a willing landowner, is imperative to its success. Landowners often get frustrated if funding isn't available when they want to sell. Other factors such as financial situations can change, resulting in properties no longer being available. If a landowner approaches the District expressing to sell, the District acts as fast as possible. All acquisitions in this proposal have eager landowners.

With the extent of wetland, streambank, and in-lake habitat loss in Minnesota, restoration efforts are an issue that needs immediate attention. Degraded habitat and impairments remain that require action to restore and enhance habitat for many species. Science and resource-based planning have been utilized to strategically select projects that will advance restoration goals specified in the SRRWD's Restoration Program.

Describe how the plan expands habitat corridors or complexes and/or addresses habitat fragmentation:

This proposal is specifically requesting funds for the acquisition of 42 acres, known as the Sanderson property, to expand the adjacent Panicum Prairie WMA. The Panicum Prairie WMA is an 855-acre historic large marsh that was drained for farming. Over the years, conservation easements and acquisitions have secured lands to restore that historic marsh. The Sanderson property is currently agricultural ground surrounded by state ownership or conservation easements. Acquiring this property will directly expand habitat corridors.

For parcels that are not directly adjacent to current protected areas, the SRRWD utilizes precision conservation modeling with monitoring to identify Property Management Zones (PMZs) on a sub-watershed basis. The PMZs were a watershed wide parcel review where habitat areas were ranked on a 1 to 3 scale. This scale incorporated a variety of measures including size of the habitat complex to be protected, proximity to existing protection, and distance to a water source. Remaining parcels either ranked as a 1 or 2, which are high value locations. Implementing site specific habitat restorations projects are progressively improving populations of native fish, waterfowl and wildlife habitat to once again create a wildlife mecca.

Which top 2 Conservation Plans referenced in MS97A.056, subd. 3a are most applicable to this project?

- Minnesota's Wildlife Management Area Acquisition - The Next 50 Years
- North American Waterbird Conservation Plan

Explain how this plan will uniquely address habitat resilience to climate change and its anticipated effects on game, fish & wildlife species utilizing the protected or restored/enhanced habitat this proposal targets.

In many plantings, five different species types including wildflowers, legumes, warm-season grasses, cool-season grasses and sedges/rushes are planted to mimic a native plant community. To address the anticipated warmer temperatures, hardy species resistant to pests and diseases that are found in southern regions are selected. Doing this ensures that habitat needs such nesting, shelter, and native food sources, including pollen and seeds, will be available in changing climate conditions.

For streambank restorations, natural channel design that includes restoring a floodplain bench to accommodate higher flows reduces the likelihood of scour, severe undercutting, and erosion along streambanks and allows base flow to be maintained in a primary channel when water is low. By doing so, fish, mussel, and invertebrate habitats are more able to withstand extreme variability in water flow. Additionally, creating riffles and pools provides areas of refuge and maintains critical oxygen levels.

Which LSOHC section priorities are addressed in this program?

Prairie

- Restore or enhance habitat on public lands

Outcomes

Programs in prairie region:

- Remnant native prairies are part of large complexes of restored prairies, grasslands, and large and small wetlands ~ *Outcomes will be measured by evaluating the number of waterfowl use-day surveys, pheasant roadside surveys, and angler success. This will be measured against the MN Conservation Plan to track goals.*

Per MS 97A.056, Subd. 24, Please explain whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.

This request is not supplanting funding or substituting from any previous funding.

How will you sustain and/or maintain this work after the Outdoor Heritage Funds are expended?

The SRRWD has multiple funding sources including a citizen driven local option sales tax, local levy, and multiple public and private funding sources including previously LSOHC phased projects to assist in the District's restoration efforts. Following this LSOHC appropriation timeline, the District will use their general fund dollars for maintenance implementations.

Additionally, the SRRWD is authorized by Minnesota state statute 103D and operates under a series of 10 year Water Management Plans that are approved by the Minnesota Board of Soil and Water Resources (BWSR). These

plans include a comprehensive list detailing natural resource restoration, enhancement, along with protection and management strategies that can be used for funding in the future.

Actions to Maintain Project Outcomes

| Year | Source of Funds | Step 1 | Step 2 | Step 3 |
|-----------|---------------------------|-------------------------|-----------------------------|--------|
| 2029+ | Sales Tax | Maintenance Inspections | Maintenance Implementations | - |
| 2025-2028 | Sales Tax and LSOHC Funds | Construction | Vegetation Maintenance | - |

Provide an assessment of how your program celebrates cultural diversity or reaches diverse communities in Minnesota, including reaching low- and moderate-income households:

The SRRWD annually utilizes the Understanding Environmental Justice in Minnesota tool developed by the Minnesota Pollution Control Agency, to understand where BIPOC and underserved communities are present in the planning area. Projects identified in this proposal, specifically the Channel Restoration, are targeted to improve public lands that are located within, and heavily fished by, BIPOC and low-income communities.

Additionally the SRRWD has a digital option to view all completed work. Digital options give diverse community members an option to engage regardless of language, color, transportation, and gender.

Activity Details

Requirements

If funded, this program will meet all applicable criteria set forth in MS 97A.056?

Yes

Will county board or other local government approval be formally sought prior to acquisition, per 97A.056 subd 13(j)?**

Yes

Is the land you plan to acquire (fee title) free of any other permanent protection?

Yes

Will restoration and enhancement work follow best management practices including MS 84.973 Pollinator Habitat Program?

Yes

Is the restoration and enhancement activity on permanently protected land per 97A.056, Subd 13(f), tribal lands, and/or public waters per MS 103G.005, Subd. 15 or on lands to be acquired in this program?

Yes

Where does the activity take place?

- Public Waters
- WMA

Land Use

Will there be planting of any crop on OHF land purchased or restored in this program, either by the proposer or the end owner of the property, outside of the initial restoration of the land?

No

Will insecticides or fungicides (including neonicotinoid and fungicide treated seed) be used within any activities of this program either in the process of restoration or use as food plots?

No

Is this land currently open for hunting and fishing?

Yes

Describe any variation from the State of Minnesota regulations:

Public waters are open to state fishing regulations. Private lands are currently not open to public hunting but will be once acquired.

Will the land be open for hunting and fishing after completion?

Yes

Describe any variation from the State of Minnesota regulations:

Restoration within City limits will be open to public fishing, but not hunting.

Who will eventually own the fee title land?

- State of MN

Land acquired in fee will be designated as a:

- WMA

What is the anticipated number of closed acquisitions (range is fine) you plan to accomplish with this appropriation?

One acquisition is planned.

Are there currently trails or roads on any of the proposed acquisitions?

No

Will new trails or roads be developed or improved as a result of the OHF acquisition?

No

Will the acquired parcels be restored or enhanced within this appropriation?

Yes

The property will be seeded into natives, but wetland restoration will be limited.

Will the land that you acquire (fee or easement) be restored or enhanced within this program's funding and availability?

Yes

Timeline

| Activity Name | Estimated Completion Date |
|--------------------------------------------------------------------------------------|-------------------------------|
| Maintenance and monitoring of all restoration and habitat improvement projects. | Ongoing |
| Vegetation enhancement on restoration projects, complete final project construction. | July 2028 |
| Finalize acquisitions and start seeding the sites for restoration. | May 2027 |
| Begin restoration and enhancement projects during the | 2024-2026 Construction Season |

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 2024-2026 construction season following completion of design and permitting. | |
| Begin project planning, design, and permitting work for restorations and enhancements. Complete survey and appraisals for acquisitions. | Late 2024 |

Date of Final Report Submission: 06/30/2029

Availability of Appropriation: Subd. 7.

Availability of Appropriation

(a) Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Money appropriated for fee title acquisition of land may be used to restore, enhance, and provide for public use of the land acquired with the appropriation. Public-use facilities must have a minimal impact on habitat in acquired lands.

(b) Money appropriated in this section is available as follows:

- (1) money appropriated for acquiring real property is available until June 30, 2028;
- (2) money appropriated for restoring and enhancing land acquired with an appropriation in this section is available for four years after the acquisition date with a maximum end date of June 30, 2032;
- (3) money appropriated for restoring or enhancing other land is available until June 30, 2029;
- (4) notwithstanding clauses (1) to (3), money appropriated for a project that receives at least 15 percent of its funding from federal funds is available until a date sufficient to match the availability of federal funding to a maximum of six years if the federal funding was confirmed and included in the original approved draft accomplishment plan; and
- (5) money appropriated for other projects is available until the end of the fiscal year in which it is appropriated.

Budget

Budget reallocations up to 10% do not require an amendment to the Accomplishment Plan.

Totals

| Item | Funding Request | Leverage | Leverage Source | Total |
|-------------------------------|--------------------|------------------|--------------------|--------------------|
| Personnel | \$55,000 | - | - | \$55,000 |
| Contracts | \$1,469,000 | - | - | \$1,469,000 |
| Fee Acquisition w/ PILT | \$388,000 | - | - | \$388,000 |
| Fee Acquisition w/o PILT | - | - | - | - |
| Easement Acquisition | - | - | - | - |
| Easement Stewardship | - | - | - | - |
| Travel | - | - | - | - |
| Professional Services | \$148,000 | \$100,000 | City of Albert Lea | \$248,000 |
| Direct Support Services | - | - | - | - |
| DNR Land Acquisition Costs | - | - | - | - |
| Capital Equipment | - | - | - | - |
| Other Equipment/Tools | - | - | - | - |
| Supplies/Materials | - | - | - | - |
| DNR IDP | - | - | - | - |
| Grand Total | \$2,060,000 | \$100,000 | - | \$2,160,000 |

Personnel

| Position | Annual FTE | Years Working | Funding Request | Leverage | Leverage Source | Total |
|-------------------|------------|---------------|-----------------|----------|-----------------|----------|
| Program Manager | 0.43 | 5.0 | \$35,000 | - | - | \$35,000 |
| Program Assistant | 0.43 | 5.0 | \$20,000 | - | - | \$20,000 |

Amount of Request: \$2,060,000

Amount of Leverage: \$100,000

Leverage as a percent of the Request: 4.85%

DSS + Personnel: \$55,000

As a % of the total request: 2.67%

Easement Stewardship: -

As a % of the Easement Acquisition: -

How will this program accommodate the reduced appropriation recommendation from the original proposed requested amount?

The overall scope of projects was reduced from seven down to three. One acquisition was removed, as well as three restoration and enhancement projects.

Detail leverage sources and confirmation of funds:

Leverage sources include the City of Albert Lea. Funds are confirmed and may increase depending on final budgets.

Does this project have the ability to be scalable?

Yes

If the project received 50% of the requested funding

Describe how the scaling would affect acres/activities and if not proportionately reduced, why?

Although not ideal, funding would be centered on acquiring one key parcel to expand a current DNR WMA. The remaining funds would be centered on the Channel Restoration Project and phasing the Panicum Prairie Project, which could lead to higher costs later on.

Describe how personnel and DSS expenses would be adjusted and if not proportionately reduced, why?

The District does not use DSS. The grant funded personnel costs would be reduced to \$45,000 but the in-kind staff dollar amounts would be moved from personnel to professional expenses, creating a near proportionate reduction.

Personnel

Has funding for these positions been requested in the past?

Yes

Contracts

What is included in the contracts line?

All the work in the contracts line is centered on restoration construction costs minus professional services and staff time.

Professional Services

What is included in the Professional Services line?

- Appraisals
- Design/Engineering
- Surveys
- Title Insurance and Legal Fees

Fee Acquisition

What is the anticipated number of fee title acquisition transactions?

There is one fee title acquisition transaction that is split between two parcels.

Federal Funds

Do you anticipate federal funds as a match for this program?

No

Output Tables**Acres by Resource Type (Table 1)**

| Type | Wetland | Prairie | Forest | Habitat | Total Acres |
|------------------------------------------|---------|---------|--------|------------|-------------|
| Restore | - | - | - | 62 | 62 |
| Protect in Fee with State PILT Liability | - | - | - | 42 | 42 |
| Protect in Fee w/o State PILT Liability | - | - | - | 0 | 0 |
| Protect in Easement | - | - | - | - | - |
| Enhance | - | - | - | 0 | 0 |
| Total | - | - | - | 104 | 104 |

Total Requested Funding by Resource Type (Table 2)

| Type | Wetland | Prairie | Forest | Habitat | Total Funding |
|------------------------------------------|---------|---------|--------|--------------------|--------------------|
| Restore | - | - | - | \$1,620,000 | \$1,620,000 |
| Protect in Fee with State PILT Liability | - | - | - | \$440,000 | \$440,000 |
| Protect in Fee w/o State PILT Liability | - | - | - | - | - |
| Protect in Easement | - | - | - | - | - |
| Enhance | - | - | - | - | - |
| Total | - | - | - | \$2,060,000 | \$2,060,000 |

Acres within each Ecological Section (Table 3)

| Type | Metro/Urban | Forest/Prairie | SE Forest | Prairie | N. Forest | Total Acres |
|------------------------------------------|-------------|----------------|-----------|------------|-----------|-------------|
| Restore | - | - | - | 62 | - | 62 |
| Protect in Fee with State PILT Liability | - | - | - | 42 | - | 42 |
| Protect in Fee w/o State PILT Liability | - | - | - | 0 | - | 0 |
| Protect in Easement | - | - | - | - | - | - |
| Enhance | - | - | - | 0 | - | 0 |
| Total | - | - | - | 104 | - | 104 |

Total Requested Funding within each Ecological Section (Table 4)

| Type | Metro/Urban | Forest/Prairie | SE Forest | Prairie | N. Forest | Total Funding |
|------------------------------------------|-------------|----------------|-----------|--------------------|-----------|--------------------|
| Restore | - | - | - | \$1,620,000 | - | \$1,620,000 |
| Protect in Fee with State PILT Liability | - | - | - | \$440,000 | - | \$440,000 |
| Protect in Fee w/o State PILT Liability | - | - | - | - | - | - |
| Protect in Easement | - | - | - | - | - | - |
| Enhance | - | - | - | - | - | - |
| Total | - | - | - | \$2,060,000 | - | \$2,060,000 |

Average Cost per Acre by Resource Type (Table 5)

| Type | Wetland | Prairie | Forest | Habitat |
|------------------------------------------|---------|---------|--------|----------|
| Restore | - | - | - | \$26,129 |
| Protect in Fee with State PILT Liability | - | - | - | \$10,476 |
| Protect in Fee w/o State PILT Liability | - | - | - | - |
| Protect in Easement | - | - | - | - |
| Enhance | - | - | - | - |

Average Cost per Acre by Ecological Section (Table 6)

| Type | Metro/Urban | Forest/Prairie | SE Forest | Prairie | N. Forest |
|------------------------------------------|-------------|----------------|-----------|----------|-----------|
| Restore | - | - | - | \$26,129 | - |
| Protect in Fee with State PILT Liability | - | - | - | \$10,476 | - |

| | | | | | |
|--------------------------------------------|---|---|---|---|---|
| Protect in Fee w/o State PILT Liability | - | - | - | - | - |
| Protect in Easement | - | - | - | - | - |
| Enhance | - | - | - | - | - |

Target Lake/Stream/River Feet or Miles

22,000

Parcels

Parcel Information

Sign-up Criteria?

No

Explain the process used to identify, prioritize, and select the parcels on your list:

Parcels are selected using the Property Management Zones (PMZs). The PMZs are identified using precision conservation modeling, along with monitoring, and science-based targeting. Parcels are then prioritized and ranked based on the degree of habitat degradation, restoration potential, and landowner interest and support. All parcels listed below have willing landowners ready to initiate the projects if funding allows.

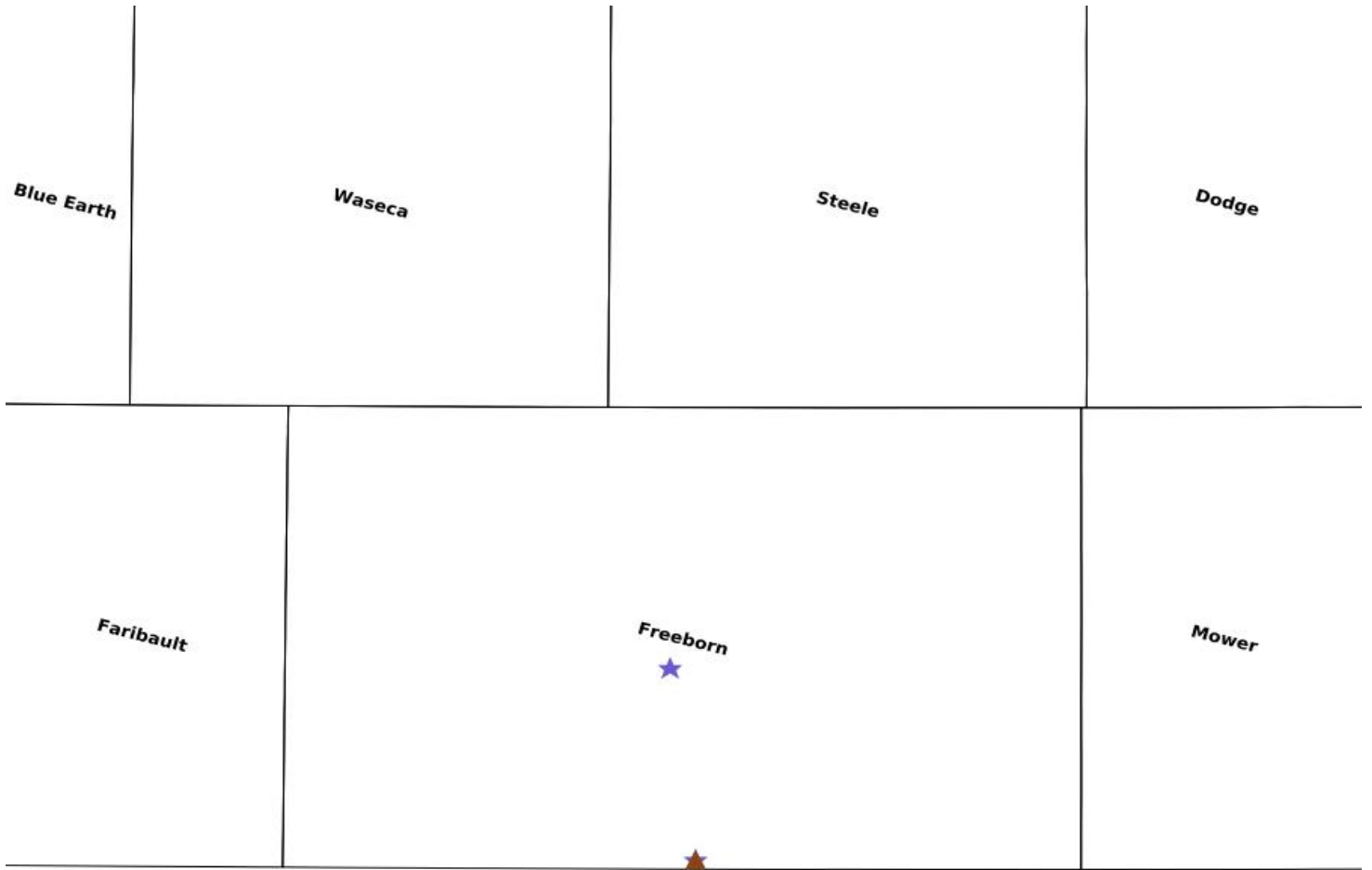
Restore / Enhance Parcels

| Name | County | TRDS | Acres | Est Cost | Existing Protection | Description |
|-----------------------|----------|----------|-------|-------------|---------------------|----------------------------------------------|
| Channel Restoration | Freeborn | 10221209 | 20 | \$1,611,000 | Yes | Parcel ID's: 341870291, 341870300, 341870280 |
| Sanderson Restoration | Freeborn | 10121234 | 42 | \$21,000 | Yes | Parcel ID's 030340031, 030340030 |

Fee Parcels

| Name | County | TRDS | Acres | Est Cost | Existing Protection |
|-----------------------------|----------|----------|-------|-----------|---------------------|
| Sanderson Property Purchase | Freeborn | 10121234 | 42 | \$440,000 | Yes |

Parcel Map



- Protect in Easement
- ▲ Protect in Fee with PILT
- Protect in Fee W/O PILT
- ★ Restore
- ✕ Enhance
- ⊕ Other

