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PA 01    [2026 RIM Grasslands Reserve Phase VII](#)    John Voz    MN BWSR    \$10,345,000

Please see the response below for questions pertaining to Ducks Unlimited for this proposal.

**1. Comment from Chair Hartwell:** " The cost of DU staff per person per year is \$128,571 while BWSR's staff is \$37,308 per person per year - something does not make sense. Apx 4 staff to do 22 easements over 4 years - that is just one easement per person per year which seems not like much."

We did make an error on our FTE calculations in the original proposal; the DU staff FTE should have been 2.0 instead of 1.75. Ducks Unlimited hires professional biologists that are competitively compensated for their field with an annual salary and benefits package averaging \$88,000. While Ducks Unlimited's FTEs are based on salaries and costs to DU, it is our understanding that due to BWSR's accounting process, their FTE costs are based on a per contract payment to SWCDs that are not directly comparable to our salary and benefit costs.

Ducks Unlimited Grazing Biologists would be pivotal in promotion of the easement program directly to potential landowners, making site visits to assess the potential easement sites and develop the relationships with landowners needed to get the easement program delivered. In order to deliver the full program and all of the easements proposed, it will take visiting with hundreds of landowners. We estimate that for every 10 landowners we discuss the program with only 1 will go through with enrollment. This process is very time and labor intensive to conduct the initial outreach for delivery. The Biologists would then work with those landowners and BWSR staff to develop an acceptable grazing or forage management plan for the site that would meet the needs for habitat restoration and protection as well as the sustainable use of the forages by livestock.

**Ryan Diener**

Grazing and Grasslands Program Coordinator

Ducks Unlimited

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PA 03	<a href="#"><u>DNR WMA &amp; SNA Acquisition, Phase XVIII</u></a>	Jeff Tillma	MN DNR	\$8,975,000
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### **900 acres listed in scope and 1000 acres in climate section**

Unfortunate carry over from an earlier version of our proposal. We are planning to acquire 900 acres with our \$8.9M request.

### **0% scalable**

Our proposal is scalable. We'll reduce our acres acquired accordingly.

### **Unspent funds 2020 to 2022**

2020 - We've acquired 3 parcels for 194 acres (of 325 in accomplishment plan) and had one parcel fall through at the last minute that will cause us to fall short of our acre goals. Once we've completed restoration on those parcels we will be returning roughly \$600,000 in unspent funds. The landowner was unhappy with our appraisal and was asking for 110% of appraised value, which we declined. This is a rare occurrence for us, and we have a strong track record of meeting our accomplishment plan goals in past appropriations.

2021 – Since our proposal was submitted, we've closed on two parcels and spent 91% of our appropriation. We will have exceeded our accomplishment plan goals and used \$526K in match (33%) to purchase. Following restoration we should expend all our funding.

2022 – We have options to purchase on two parcels and a landowner considering our offer on another parcel. When we close on the two optioned parcels we will exceed our accomplishment plan goals and used \$530K (44%) in matching funds.

2023 – Closed on one parcel and have an option to purchase another. When we close on the second parcel we will have exceeded our accomplishment plan goals and used \$502K (24%) in matching funds.

2024 – Closed on a parcel, landowner is considering our offer on another and appraising a third parcel.

2025 – Have option on a parcel that will exceed goals and use \$963K (56%) in matching funds

### **No matching funds**

We do not list specific dollar amounts as leverage in our proposal because state agencies cannot commit to future spending of unobligated money. Listing a leverage amount may not constitute a true obligation, but we have taken a conservative approach on this. We do traditionally end up with significant leverage and from 2021 to 2025 have spent \$2.5 Million in leverage dollars to help acquire parcels.

**Cost per Acre is high approx.. \$10K/acre**

We're purchasing land in SW MN prairie region and this is a realistic number considering recent land values. Much depends on the individual parcel and this value is at the upper end of the range. Appraised value will determine what the actual cost/acre will be.

**Jeff Tillma**

Acquisition Coordinator | Division of Fish and Wildlife

Minnesota Department of Natural Resources

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PA 04	<a href="#">Martin County WMA Acquisition Phase 10</a>	Doug Hartke	Fox Lake Conservation League, Inc.	\$10,213,900
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To Suzanne Baird

**Q: How much land are you acquiring vs restoring? Output tables only reflect acquisition - no restoration. Budget accounts for restoring - very confusing**

A: We will be acquiring and restoring all the parcels we acquire. Grantees have been directed to only count the acres in one table to avoid double-counting, and these acres are usually counted in the Fee Acquisition table for our program. For example, if we buy 160 acres, and restore that 160 acres, this will only show up as 160 acres under our program, not 320 acres.

To David Hartwell

**Q: Asking for \$6M when that amount from previous appropriations are unspent is troublesome. Federal funding update is needed given the "Big Beautiful Bill." DU's staff cost is \$675,000 over 3 years with .8 FTE working on the project. That equates to an annual payment per person of \$281,250 which does not seem reasonable. Question about scalability is not answered - what would the personnel cost be at 50% and 30% of requested funding?**

We will be closing on a \$1.4 million acquisition in September 2025, which will spend the remaining acquisition funds in Phase 6 and part of Phase 7 grants. We have \$1.1 million in upcoming restorations for projects we have acquired and are about to close on in September. Restoration can take multiple years to deplete residual agricultural chemicals in the soil so a diversity of native species will grow. In addition, the survey, design and permitting of complex restorations takes a couple of years and involves engineers, neighbors, counties and the state.

The 0.8 FTE was a typo when we submitted and was not changed from the template. The requested total amount is correct. It should be 2.5 FTE's DU personnel for 4 years.

Luckily for this partnership, Federal funding related to this request has not been revoked or held up with recent changes in the administration. Further, we typically have to wait until we spend Outdoor Heritage Fund dollars to request federal funding for our projects, since federal funding requires robust guaranteed leverage. The North American Wetland Conservation Act (NAWCA) grant program is our main federal funding used for leverage in this program, and NAWCA continues to have strong bipartisan support and was recently renewed in congress to the full



amount it normally is. Further, our NGO groups have strong ties to the Capital and have been actively working to protect these federal funding sources for conservation.

Personnel costs would decrease if funding was scaled. However, personnel would be disproportionately decreased from other budget categories as the amount of time facilitating a project does not decrease proportionately with a decrease in size. Restoring a 50-acre parcel is typically the same amount of time planning and designing as restoring a 150-acre parcel.

To Matt Kucharski

**Q: Why such a high CPA? More than 10k. Good use of past funds**

Steppingstones and corridors of connected habitat are needed, especially for migrating wildlife, like waterfowl and declining bird species. Martin County, being in productive farm country, has some of the most expensive land values in Minnesota, ranging from \$7k-\$12k per acre just to acquire. Our program targets marginal lands that provide the greatest ecological benefit for the least expense, ensuring the best value for taxpayers, but these marginal acres are still expensive compared to other counties. After acquiring targeted land, we restore a high level of ecological diversity to ensure longevity of the habitat. In addition, we must balance water storage, wildlife habitat value, safety of our infrastructure, and strive to not inundate neighbors and roads. Watersheds are flashier and more complex than ever, and we must engineer solutions that consider both upstream and downstream risks. Most restorable wetlands have extensive tile systems, sometimes protected by state law (county tile), which require more time and money to restore than much of Minnesota. These factors make restoration expensive, increasing both personnel time/cost and infrastructure installed under contract expenses.

To Ron Schara

**Q: Cost per acre excessive? \$16,000 for prairie; \$18,000 for wetlands????**

Steppingstones and corridors of connected habitat are needed, especially for migrating wildlife, like waterfowl and declining bird species. Martin County, being in productive farm country, has some of the most expensive land values in Minnesota, ranging from \$7k-\$12k per acre just to acquire. Our program targets marginal lands that provide the greatest ecological benefit for the least expense, ensuring the best value for taxpayers, but these marginal acres are still expensive compared to other counties. After acquiring targeted land, we restore a high level of ecological diversity to ensure longevity of the habitat. In addition, we must balance water storage, wildlife habitat value, safety of our infrastructure, and strive to not inundate neighbors and roads. Watersheds are flashier and more complex than ever, and we must engineer solutions that

consider both upstream and downstream risks. Most restorable wetlands have extensive tile systems, sometimes protected by state law (county tile), which require more time and money to restore than much of Minnesota. These factors make restoration expensive, increasing both personnel time/cost and infrastructure installed under contract expenses.

**Doug Hartke**

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Fox Lake Conservation League

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PA 05	<a href="#">ML 2026 Northern Tallgrass Prairie National Wildlife Refuge Phase XVI</a>	Chris McGrath	The Nature Conservancy	\$9,886,200
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**Rep John Burkel: \*Comment: '7.25% - scalable, 13.73% DSS NC'**

Our Direct Support Services budget line helps to fund essential business functions including necessary Human Resources work on hiring and supporting full-time and seasonal staff who are dedicated to conducting this important work, TNC Legal involvement with land protection acquisitions and prevailing wage compliance, Finance support, and IT support. The amount of Direct Support Services costs included in this proposal represent 38% of those overall costs. TNC covers the remaining 62% of Direct Support Services costs through private fundraising which is essential to ensure the success and quality of our work. Since this private fundraising is essential to the work, we've listed it in the proposal as leverage for the Council's visibility.

**Kristin Eggerling: \*Comment: 'Unspent funds'**

Based on our history with the NTP NWR program, we know that the most accurate approach for predicting spenddown for open appropriations is to compare what has already happened in previous appropriations. Based on this, we know that the most likely and highly probable scenario is that 13 of 15 appropriations since our first acquisition in 2013 will be 99% spent down. The 2 appropriations affected by the combination of Covid and rapidly rising land values were 76% spent down. The following is an approximate breakdown of the \$12,978,400 available in our 5 open appropriations:

- Funds available in 5 open appropriations: \$12,978,400 less:
- Signed & probable\* commitments: -\$8,050,000
- Acquisition support costs: - \$1,800,000
- Restoration/Enhancement costs: - \$2,100,000
- Returned funds from 2 appropriations: - \$780,000
- Remaining funds for future acquisitions: **\$248,400**

\*We have \$3,500,000 in signed commitments and \$6,500,000 in active acquisition projects that we are working on getting signed commitments for. Based on our history with the NTP program we will most likely convert 70% of active acquisition projects to signed/committed projects, which is \$4,550,000. The total of signed and highly probable signed/committed projects is \$8,050,000.

The remaining \$248,400 we anticipate will likely be committed within 2 months since there is a continued high level of landowner interest in the NTP NWR program. This shortage of funds to meet landowner interest is the primary reason we submitted a proposal for ML 2026.

**Matt Kucharski: \*Comment: 'Will easements be open to the public. CPA is lower than most proposals Request 3-4x higher than previous grants'**

Although native prairie protected by a conservation easement is not open to the public since the landowner retains title to the property, the advantages of conservation easement protection include:

- A lower acquisition cost with the same level of protection. Conservation easement acquisitions are approximately 1/2 to 2/3rd the cost of fee acquisitions.
- Property taxes continue to be paid since the landowner retains title.
- Conservation easements provide a vehicle for land protection during times where landowners may be reluctant to sell in fee due to land market conditions.
- Conservation easements provide public benefits beyond the immediate property including carbon sequestration, improved water quality, and increasing wildlife corridors to support healthy wildlife populations.

The request amount reflects what we believe there is opportunity for and reflects appetite among willing landowners we would be able to work with if awarded that level of funding.

**Darrel Palmer: \*Comment: 'Mostly easements/some purchase, most acres not open to public use, 7% matching funds, \$6k/acre, but mostly restoration on easements?'**

There are 1,725 acres of proposed acquisitions and the fee & conservation easement acquisition budget is \$6,600,000, which results in an average price per acre of \$3,826 (purchase price only, does not include due diligence, professional services, and other costs directly associated with the acquisition).

There are 1,060 acres of restoration/enhancement proposed, and the restoration/enhancement budget is \$1,626,000, which results in a restoration/enhancement cost per acre of \$1,534 (contracts, supplies/materials, tools & equipment). The improved habitat resulting from the restoration/enhancement of native prairie protected by conservation easements provide public benefits beyond the immediate property including carbon sequestration, improved water quality, and increasing wildlife corridors to support healthy wildlife populations.

The mix of conservation easements & fee acquisitions included in this proposal are estimates based on current and projected land market conditions. Over the past 3 years most landowners have chosen the conservation easement as their preferred method of native prairie protection primarily due to rapidly rising land values over the same time period. Now that the land values have leveled off, we anticipate that fee acquisitions may become more prevalent in the coming years. Although land protected by a conservation easement is not open to the public since the landowner retains title to the property, the advantages of conservation easement protection include:

- A lower acquisition cost with the same level of protection. Conservation easement acquisitions are approximately 1/2 to 2/3rd the cost of fee acquisitions.
- Property taxes continue to be paid since the landowner retains title.
- Conservation easements provide a vehicle for land protection during times where most landowners won't sell in fee due to land market conditions.

**Ted Suss: \*Comment: 'Federal funds still available. State money to USFWS acquisition?'**

OHF funded fee acquisitions that are transferred to USFWS to own and manage are open to the public, just like OHF funded State of MN acquisitions, with the difference being that MN does not bear the cost for ongoing stewardship and management of fee lands transferred to USFWS. For conservation easement acquisitions transferred to USFWS, the State of MN does not bear the cost for ongoing monitoring and enforcement (if necessary).

**Chris McGrath**

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Council Staff and Members,

Thank you for the opportunity to address some of your questions on PRE02, the DNR Grassland Enhancement Phase 17 proposal.

We realize that there are unspent dollars in recent open appropriations. We have a couple explanations. It's been five years, but we are still seeing the lingering effects of the Covid period on earlier appropriations. With the slow-down during the Covid period, we fell behind, as everyone did. We have been charging a large percentage of our projects to these older appropriations to spend them down instead of spreading projects out across all open appropriations as we have done in the past.

Second, our Contract Coordinator has been pulled off to other assignments in recent months, due to unforeseen circumstances. (When on non-OHF projects he codes his time to other funds.) However, those vacancies have been filled and he is back working on OHF contracts full-time. We expect to quickly catch up with projects, dollars, and acres in the next few months. At the hearings we will provide updated budget information showing dollars spent and encumbered.

We have requested only two years of staff funding with this appropriation. As shown on the proposal handout, these staff work on all open Grassland Enhancement appropriations, not just this appropriation. Two of these positions are helping plan current and future restorations. They are also monitoring previous OHF funded restorations as a continuous improvement or quality assurance/quality control process. This information will be shared annually with all partners inside and outside the OHF community to assist everyone with improving our restorations. These staff are only allowed to work on OHF project acres. We have already turned down multiple requests for staff time because they were not on OHF project acres.

While the Roving Crew can handle a lot of projects, they can't handle everything. In some cases, they don't have a particular piece of heavy equipment needed for a project. In parts of the state that are a significant distance from any of the Crews, it's often more cost-effective to hire a local contractor to conduct the work compared to travel expenses for the Crews. DNR

staff have been working for years to determine the best way to integrate Crew projects and contractor projects and we feel like we have become efficient in identifying who conducts each project.

Thank you, Greg

**Greg Hoch**

Prairie Habitat Supervisor | Division of Fish and Wildlife

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PA 06	<a href="#">MN Prairie Recovery Program Phase 15</a>	Liz Beery	The Nature Conservancy	\$13,668,300
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Suzanne Baird:

**Q: Personnel costs are extremely high – some are needed but some in excess. Over 25% of the proposal is personnel and DSS. Would like to seed these costs reduced in proportion to work being completed.**

A: Through the MN Prairie Recovery Program, we are uniquely designed to supplement existing work that USFWS and MNDNR staff implement in the landscape. Our Prairie Recovery Biologists prioritize, scout, map, design, bid, contract, oversee, and evaluate the contracted project work that they implement. Some organizations lean heavily on USFWS and MNDNR staff to complete some of those time-consuming steps. Habitat Crews implement invasive species control, woody removal, and seed harvest for diverse prairie restoration, and prescribed fire (including firebreak installation, equipment preparation, safety training, prescription planning, and day-of fire operations). These projects occur across a wide range of land ownerships including USFWS WPAs and Refuges, TNC PRP tracts, and MNDNR WMAs and SNAs across several key prairie core areas in western MN. TNC staff crews enable us to be flexible and more responsive to small priority projects on the early detection and control of invasives and trees while we focus our contracted projects on larger scale work. Prairie Recovery Biologists also oversee Conservation Corps of MN crews via Contracts funds (not Personnel funds) to implement additional hand crew projects similar to those listed above to keep our personnel costs for seasonal staff reasonable. There are many habitat projects on sites that are not suited for heavy equipment and much more suited to hand crews due to high quality plant communities, topography, and wet/erodible soils. We have used contractors to implement some hand crew projects such as invasive species control and woody removal, but Prevailing Wage requirements make those projects extremely expensive compared to using TNC seasonal staff. We use OHF appropriations responsibly and some habitat projects are much more cost-effective using personnel.

Kristin Eggerling, David Hartwell, Ron Schara:

**Q: Explain unspent funds.**

A: I will provide a budget update in the handout for the upcoming August hearings, but to begin to address your questions with unspent funds: Of the \$9.9 million of unspent funds between MN PRP ML 2022, 2023, and 2025, \$7.0 million is obligated or allocated to projects in FY2026 (July 2025 - June 2026). We are working on a very large acquisition with a signed Purchase Agreement pending. Definition of Obligated Funds = already locked in via Purchase Agreement or signed Contract for Services, along with personnel, supplies, equipment, travel required to



support those projects. Definition of Allocated Funds = budgeted for planned projects that are in the design or bidding phase and will soon be obligated to Contracts for Services.

David Hartwell:

**Q: Explain overlap with Roving Crews.**

A: The MNDNR Roving Crews focus on MNDNR WMAs. They are regional crews that coordinate with local DNR Wildlife offices who submit project lists. Each Roving Crew implements many different projects throughout the year. They are skilled full-time MNDNR employees. By the nature of our work across USFWS WPAs and Refuges, TNC PRP tracts, and MNDNR WMAs and SNAs, we do not overlap with them except in rare circumstances where above average fire resources are needed on large DNR prescribed fire operations. The Roving Crews have many equipment resources to complete their work and are often utilizing specialized equipment on their projects. Our TNC Habitat Crew seasonal staff are usually young conservation professionals and most of their work is focused on hand projects using chainsaws, backpack sprayers, brushcutters, and other manual or motorized hand tools. We do not have the personnel funding to duplicate the Roving Crews and the Roving Crews do not have the ability to cover projects that TNC seasonals accomplish. We are completing enhancement and restoration work on different lands in different ways that benefit the overall prairie landscape.

**Q: Scaling answer of keeping all staffing at proposed levels but shorting the time period does not sit well with me.**

A: As a successful phased program, our staff have developed strong partnerships with MNDNR, USFWS, local agencies, NGOs, CCM, contractors, and landowners that enable their work to be implemented efficiently and cost-effectively. The concept of firing and rehiring staff as funding fluctuates year to year is detrimental to our ability to meet the goals listed within our proposal. We have the ability to scale our seasonal staff levels up and down as funding change over time.

**Q: Just because DOI has an approved indirect rate does not make that relevant to our situation and therefore the DSS [leverage] contribution from TNC seems exaggerated to me.**

A: Our Direct Support Services budget line funds essential business functions including Human Resources work on hiring and supporting full-time and seasonal staff; TNC Legal's involvement with acquisitions and Prevailing Wage; Finance Support; and IT Support. The amount of our Direct Support Services costs included in this proposal are 1/3<sup>rd</sup> of the actual costs based on The Nature Conservancy's US Office DSS rates. TNC covers the other 2/3rds of Direct Support Services costs through private fundraising, and this is essential to ensure the success and quality of our work. Since this private fundraising is supporting the work within this proposal, we listed it as leverage for Council's visibility.

Matt Kucharski:

**Q: Confused – can't reconcile whether it's enhancement or acquisition and how it connects with past grants funded.**

A: The work included within the MN Prairie Recovery Program Phase 15 proposal focuses on prairie acquisition, restoration, and enhancement. With the requested funding, we will be able to:

- Protect 700 acres of prairie, wetlands, grasslands, and savanna in Fee (owned by TNC or MNDNR).
- Restore 300 acres of cropland or intensive brome conversion that often includes tillage and thorough site preparation to ensure a successful diverse prairie restoration.
- Enhance 27,500 acres of grasslands/wetland complex including lands previously purchased with OHF funds (TNC PRP tracts); MNDNR WMAs, SNAs, Prairie Bank easements; USFWS WPAs, NWRs, and grassland/wetland easements. Enhancement includes prescribed fire, invasive species control, woody removal, interseeding, and conservation grazing/haying.
- To demonstrate our successful programmatic track record, here are statistics summarizing our work up to this point:
  - o Through previous phases of the MN Prairie Recovery Program, TNC has protected 8,179 acres of prairie, wetlands, grasslands and savannas; enhanced over 205,000 acres of permanently protected grasslands; and restored approximately 2,700 acres with diverse local ecotype native seed.

**Liz Beery**

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## PA 08 RIM Buffers for Wildlife and Water

**Date:** 08/14/2025

**To:** Members of the Lessard-Sams Outdoor Heritage Council

**From:** Dusty Van Thuyne, BWSR

### RE: Responses to Council Comments

Below are responses to Council Member comments that were written in Member evaluations on ML 2026 proposal PA 08 RIM Buffers for Wildlife and Water. Additional information will be shared during the August 26 hearing and in the hearing handout. If additional questions arise after the August 26 hearing, please contact Dusty Van Thuyne, [dusty.vanthuyne@state.mn.us](mailto:dusty.vanthuyne@state.mn.us).

**Comment: "120.56% ??? - scalable 4.77% DSS (BSWR)"**

**Response:** This program will utilize funds to the greatest extent possible by leveraging federal funding through the Minnesota Conservation Reserve Enhancement Program (MN CREP) when possible. The MN CREP Agreement was recently extended through 9/30/2039. The amount of federal match realized will depend on the number of easements and acres enrolled, as well as CRP soil rental rates. Federal match will also depend on the opportunity for landowners to enroll in Continuous CRP and the national CRP acreage cap. If a landowner is also receiving federal funds, it reduces the amount of funding provided by the state, making the state dollars go further.

**Comment: "unspent funds"**

**Response:** See pie chart on bottom of page 16 of [proposal](#). As of May 2025, less than \$186,000 in landowner payments was available from ML 2017 – 2022 appropriations. The landowner payment portion of ML 2025 is expected to be fully committed or encumbered after funding decisions are made on applications received July 2025 and applications that are received October 2025. **Committed** = easement funds assigned to specific easement(s) – RIM application funded. **Encumbered** = easement funds encumbered for specific easement(s) – RIM agreement signed.

### **Comment: “\$9M of prior appropriations still available. Is the federal match solid?”**

**Response:** See pie chart on bottom of page 16 of [proposal](#). As of May 2025, less than \$186,000 in landowner payments was available from ML 2017 – 2022 appropriations. The landowner payment portion of ML 2025 is expected to be fully committed or encumbered after funding decisions are made on applications received July 2025 and applications that are received October 2025. **Committed** = easement funds assigned to specific easement(s) – RIM application funded. **Encumbered** = easement funds encumbered for specific easement(s) – RIM agreement signed. The MN Conservation Reserve Enhancement Program (CREP) Agreement was recently extended through 9/30/2039. The amount of federal match realized will depend on the number of easements and acres enrolled, as well as CRP soil rental rates. Federal match will also depend on the opportunity for landowners to enroll in Continuous CRP and the national CRP acreage cap.

### **Comment: “Cost per acre track record is hard to understand -- 13.3k in 2025, 8.5k in 2015-18. Why different. Comparison to historical amounts?”**

**Response:** RIM rates have been updated annually 2023 - 2025. Prior to this, the RIM rates had not been updated since 2018. Cropland land value is determined using the township average estimated market value of tillable land as reported by the Minnesota Department of Revenue based on local assessors’ reporting of prior year land sales. Increases in RIM rates are a direct reflection of the increase in agricultural land value. Depending on data source, property location, and specific type of agricultural land, the value increase is approximately 60% over the last decade. In this program, BWSR uses the same project funds to both acquire and restore the easement. The Easement Acquisition line of the budget table includes funds for landowner payments and vegetative and wetland restoration. This proposal also accounts for prevailing wage for restoration, which for planning purposes, has significantly increased BWSR’s planned restoration cost.

### **Comment: “Need to explain unspent money”**

**Response:** See pie chart on bottom of page 16 of [proposal](#). As of May 2025, less than \$186,000 in landowner payments was available from ML 2017 – 2022 appropriations. The landowner payment portion of ML 2025 is expected to be fully committed or encumbered after funding decisions are made on applications received July 2025 and applications that are received October 2025. **Committed** = easement funds assigned to specific easement(s) – RIM application funded. **Encumbered** = easement funds encumbered for specific easement(s) – RIM agreement signed.

### **Comment: “Does this include any wetlands restoration? water storage for drainage possible?”**

**Response:** BWSR Engineering staff do review applications received for potential wetland restoration activities. Tile breaks, or other minor construction is typically what is accomplished given the location (e.g., within floodplain and/or adjacent to public waters) of sites enrolled. Larger wetland restoration activities and wetland restoration outside of the floodplain are completed through RIM Wetlands (Proposal ID: [WA 02](#)).

**Comment: “Easements. Not open to public use, 120% matching funds, \$28K/acre- WHY WOULD WE PAY THAT PER ACRE????”**

**Response:** Landowners have the option to enroll in the [Walk-In Access](#) program in select counties. This program will utilize funds to the greatest extent possible by leveraging federal funding through the Minnesota Conservation Reserve Enhancement Program (MN CREP) when possible. The MN CREP Agreement was recently extended through 9/30/2039. The amount of federal match realized will depend on the number of easements and acres enrolled, as well as CRP soil rental rates. Federal match will also depend on the opportunity for landowners to enroll in Continuous CRP and the national CRP acreage cap. If a landowner is also receiving federal funds, it reduces the amount of funding provided by the state, making the state dollars go further. **However, we did not account for federal funds when estimating the number of easements and acres for this proposal due to uncertainties in CRP soil rental rates and the national CRP acreage cap under the current farm bill.**

In this program, BWSR uses the same project funds to both acquire and restore the easement. The Easement Acquisition line of the budget table includes funds for landowner payments and vegetative and wetland restoration. Since the acres restored through this proposal are also placed under easement, the output tables of this proposal only include easement acres. Acres restored are not included in the output tables as to not double count the acres. This proposal also accounts for prevailing wage for restoration, which for planning purposes, has significantly increased BWSR’s planned restoration cost.

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**PRE 01**   [2026 Accelerating the USFWS Habitat Conservation Easement Program](#)   **Logan Shoup**   **Ducks Unlimited**   **\$13,200,000**

**1.      Comment from Chair Hartwell and Member Eggerling on unspent funds:**

- a.    I will touch on this more at the hearing, but we have been spending contract and personnel dollars quickly over the past year since the DU program has staffed back up to full capacity and staff have hit their stride in delivering habitat work. On top of that, DU is adding additional delivery capacity this fall, so our rate of spending these funds only looks to increase. Looking forward, we will be needing new funds come July of 2026. Our ML 25 grant is mostly unspent as we just awarded it, but we have already started work on some of those projects and anticipate ramping up work significantly over the next year.
- b.    The ML23 Grant, as of our July status update, has \$1,067,600 of \$5,077,000 spent out. However, between PF and DU we have an additional \$947,900 yet to be billed to the OHF, under contract, or out to bid. This is all work that should be completed by the end of Spring 2026. Not counting budgeted dollars that are not under contract, we have 60% of this grant left and are spending the dollars at a quick rate. A number of additional projects are designed and will be out to bid/construction over the next year.
- c.    The ML21 Grant is currently sitting at 91% spent out or under contract, and we only have a handful of projects left to complete.
- d.    The ML20 Grant currently only has \$180,100 left and all of those dollars are under contract. We anticipate closing out this grant this winter.

**2.      Comment from Member Kucharski "Sig higher than historical amounts. Private Lands:"**

- a.    Our ask this year is a big ask, but for perspective our historical asks have been in a similar neighborhood. ML26(current ask): \$13.2m. ML25: \$13.8m ask, awarded \$5.2m. ML23: \$10.4m ask, awarded \$5.1m. ML21: \$9.99m ask, awarded \$3.2m. We are asking to fund a large, five year program to restore and enhance a large amount of US Fish and Wildlife Service Easements.
- b.    This program is entirely focused on restoring and enhancing wildlife habitat on private lands (many of them working lands in the form of haying or grazing). These lands are generally not open to public access, but many are very near or adjacent to existing public lands. By improving private lands habitat in larger complexes we

aim to improve wildlife populations as a whole, which can lead to increase hunting opportunities on nearby public lands.

**3. Comment from Member Palmer "Enhance CURRENT easements. Not open to public use, 11% matching fund, \$4K/acre:"**

- a. This program aims to improve wildlife habitat and populations on current, already protected USFWS easements, not to acquire new ones.
- b. While the lands improved in this program are largely not open to the public, most of them exist in close proximity to public lands. By improving private lands habitat in larger complexes we aim to improve wildlife populations as a whole, which can lead to increase hunting opportunities on nearby public lands.
- c. In regard to the \$4k/acre number, that includes everything in this grant, not just contract dollars. While some activities we do are relatively inexpensive per acre, we also do lots of wetland work involving heavy dirtwork and engineering. This type of work is inherently much more pricey per acre than most upland work.

**4. Comment from Member Suss "federal funds still available? state funds for USFWS:"**

- a. Federal matching funds for this project have been committed, and come from the Migratory Bird Conservation Fund, otherwise known as Duck Stamp Dollars. These funds go directly to the USFWS for the permanent protection of duck breeding habitat. However, these dollars can only be used for the protection of such acres, not the restoration or enhancement of these acres. This is where our program fits in with the federal program. We provide for the restoration of important habitat that would be difficult to achieve otherwise. Additionally, these lands are often in habitat complexes including other federal, state, private, and nonprofit lands. By improving the federal acres, we make the whole complex better habitat.

**Logan Shoup**

Regional Biologist

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<b>FA 01</b>	<b><u>Northern Forests</u></b>	<b>Christine Ostern</b>	<b>MN DNR</b>	<b>\$25,105,400</b>
	<b><u>Legacy Project</u></b>			

Q: Scalability - is funding over 2 years possible?

A: Given the information we have, this project is not scalable. Through many conversations with the seller, it has been indicated to the project team that there is a deadline of Dec. 31, 2027 for holding these parcels for transfer to public ownership after which the parcels will need to go for sale on the open market. There is a waiting list of private buyers for these parcels. We have just recently proposed the possibility of a 2-year funding scenario and the seller has indicated the need for internal discussion before an answer can be given. We expect an answer soon.

There is also the consideration of finite local support. Currently, there is strong local support and resources for the proposal to move forwards under the proposed timeline. An extended timeline may not be as favorable or continue to have local support.

Q: What happens to funds generated from timber sales on this property after acquisition?

A: Forest lands that come into St. Louis County ownership will be county owned in fee title. Revenues, including timber proceeds, generated from county fee owned property are placed into the county's general fund. A portion of the generated revenue is eligible to be used as investments back into county fee owned lands for things like tree seedlings, other forest regeneration activities, and land acquisitions. Funding generated from these lands after being added to existing state forests will be added to the state's Forest Management Investment Account (FMIA) following State Statute 89.035 which makes funding available for future forest management.

Q: Where did the funding for Phase 1 come from?

A: DNR is largely using Reinvest in Minnesota Critical Habitat Program funding, which is generated from private sources, plus some general fund dollars to purchase phase 1 parcels. St. Louis County is using three different funding sources to purchase phase 1 parcels: 1) St. Louis County Land Acquisitions Fund, 2) St. Louis County Memorial Forest Fund, and 3) Mary C. Murphy Environmental Trust Fund.



Q: Professional services – includes paying property taxes to the county acquiring some of the property

A: A portion of the professional services costs in the proposal are for one-time, transition-related property taxes. DNR pays first year property taxes on land coming to DNR after which Payment In-Lieu of Taxes (PILT) payments are made instead of property taxes. Depending on the time of year in which the acquisition closes, property taxes may be more or less. The higher estimated property tax calculation was used in the budget; if the acquisition closes before the second half taxes are due, then less funding will be needed.

St. Louis County, as part of closing on the land, is required to pay its share of property taxes that were assessed while the land was still in private ownership. These pro-rated taxes are a standard part of real estate transactions. After the purchase, the county will apply for tax-exempt status through the Assessor's Office, and no further taxes will be assessed.

Other eligible professional services costs for both the DNR and St. Louis County included in the request are: appraisals, closing costs, recording fees, surveys, title insurance and legal fees. For a project of this magnitude, with two agencies, these costs are fairly large.

Q: Given that the exact amount per acre is determined and different for the county and state, are the appraisals already done?

A: No appraisals have been completed. Part of the professional services funding that is being requested by both DNR and St. Louis County will pay for the appraisals that need to be done.

Q: Estimated land costs per acre:

A: Both St. Louis County and DNR used best available information to prepare estimates of land purchase costs. The seller has offered to sell the property "at fair market value in 2026, subject to funding availability". DNR looked at land transactions of similar size and accessibility over the last several years to estimate a base average value and then determine a factor to add based on anticipated land value increases that are likely to occur over the time period between the funding request and anticipated closing dates. St. Louis County consulted appraisers familiar with the type of land being sought in the county on potential land costs for grant proposal purposes. If the proposal is funded, an independent fair-market appraisal will be done by both St. Louis County and DNR that will determine the appraised value of the land. The actual price per acre will not be available until after an appraisal is completed and reviewed/certified by the DNR Appraisal Management Unit according to DNR land acquisition procedures for the Outdoor Heritage Fund.

Q: Leverage explanation:

A: There are several sources of leverage for this proposal – *some are **match dollars** and the largest is **match acquisitions***. This proposal has two phases. Phase 1 is the purchase and protection of 9,762 acres by St. Louis County and DNR (4,643 acres by St. Louis County and 5,119 acres by DNR). Both agencies are using a combination funding for Phase 1, none of which is Outdoor Heritage Funding. The funding used for Phase 1 could likely total several millions of dollars. This 9,762 acres is a **match acquisition** to the Outdoor Heritage Funding request; the acquisition parcels are inter-connected and part of the same larger habitat complexes that are included in the project proposal.

The **match dollars** we have included in the proposal are a large (\$500,000) National Fish and Wildlife Foundation grant that will be applied to the St. Louis County portion and portions of a federal US Forest Service grant to DNR that pays for personnel time spent on the project that wouldn't otherwise be available to the project.

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<b>FA 01</b>	<b><u>Northern Forests</u></b>	<b>Christine Ostern</b>	<b>MN DNR</b>	<b>\$25,105,400</b>
	<b><u>Legacy Project</u></b>			

This provides a supplemental update to information that was already sent to Council Members for the FA01 Northern Forests Legacy proposal about feasibility of scaling the project.

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Scalability - is funding over 2 years possible?

We recently proposed the possibility of a 2-year funding scenario to the seller and the seller indicated the need for internal discussion before an answer could be given. We now have the answer from the seller and have also had the opportunity to discuss the possibility amongst our project team.

Being able to complete the project with a 1-year funding scenario is still preferable for many reasons including the consideration of finite local support, cost and time efficiencies in the due diligence work that is required, and a lower risk in being able to complete the full project. However, it does seem possible to phase the project over 2 years. Many questions, uncertainties and planning for a 2-year phased project will need to be addressed if that approach is selected.

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<b>FRE 01</b>	<b><u><a href="#">DNR Forest Restoration and Enhancement, Phase 6</a></u></b>	<b>Ted Dick</b>	<b>MN DNR</b>	<b>\$7,622,600</b>
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Council Members and Staff,

We thank you for the opportunity to address the questions and comments from council members on our recent grant application, FRE01, “DNR Forest Restoration and Enhancement, Phase 6”.

This grant request continues our past practice of seeking funding for fish and wildlife projects in forested habitats that DNR staff identify as a high priority, but do not have existing staff or funding to complete on the ground. This request is a joint effort between DNR’s Fish and Wildlife and Forestry divisions; Fish and Wildlife staff vet all projects to insure they enhance or restore fish and/or wildlife habitat.

Comment—No Matching Funds:

We do not list specific dollar amounts as leverage in our proposal because state agencies are not allowed to commit to future spending of unobligated money. However, sites and projects in the proposal were developed through the efforts of dozens of DNR staff working in forests across the state, and if funding is made available to implement the projects, many of the same staff will have a role in directing contractors to ensure the projects are carried out as envisioned.

Comment—Direct Support Services at 12.53%:

We aren’t sure where this came from, the direct support services request for this grant of \$125,400 is 1.65% of the total \$7,622,600 request.

Comment—0% scalable:

We do not understand this comment; as noted in our application, projects in this grant are scalable. As with past LSOHC grants, when less funding is received than requested, DNR can reduce the number of acres in individual projects.

Comment—Travel and Personnel expenses seem high:

Most of these costs are related to projects designed to expand the use of prescribed fire to improve forested habitat. Use of prescribed fire is a priority and favored technique for regeneration of some stands that are adapted to wildfire as a regeneration disturbance. Prescribed fire in this case has the effect of promoting regeneration while limiting competition and maintaining the natural diversity in stands, improving the soil, and contributing biological legacies such as snags and down logs. Other mechanical and/or chemical techniques are

costly, can negatively impact diversity, tend to limit or eliminate biological legacies and increase the chance of introduction of invasive species. While there are seasoned and suitable contract fire crews available to conduct prairie and less complex burns, suitable contractors for forest burns are lacking in the state. DNR's Forestry division is willing to provide experienced, trained staff and equipment to help accomplish these projects—but their available fire funding is largely tied to wildfire suppression use and suppression funds and can't be converted to aid in overtime costs for staff and costs for using DNR equipment on the burns. Available funds for regeneration are derived from state bonding, which comes with restrictions on use for personnel and equipment costs. Travel costs in this grant request reflect costs of use of DNR fire suppression equipment. The personnel cost request for fire projects comes for the need to fund overtime for DNR personnel working on prescribed burns. Using grant funds to cover these costs while using DNR staff with fire experience to cover regular hours on the burns allows us to complete these burns safely and efficiently.

Comment & question- Prescribed foresters—1/4 time for 4 years or one full time person ebullient but they are then being paid \$380,000 per year which does not make sense. And does it really take one person full time to oversee the contracts?

The personnel cost request is intended to cover two things. The first is anticipated overtime costs for DNR personnel conducting prescribed burns—costs which other funding sources are not allowed to cover (see above). It is routine for prescribed burns to require work outside of normal work hours and into the evening.

The \$380,000 request is not for each year but covers the full term of the grant. Secondly, it provides funds to cover multiple grants over several years for our habitat/grant management coordinator, who is largely responsible for day-to-day management and instrumental in success of the grant. This position assists with gathering site proposals, ensures cost estimates fall within known costs for similar work and that the work meets the intent and purpose of the grant, bid package assembly, communication with contractors, maintaining budgets and approving expenditures, and provides data for accomplishment reporting.

Comment-Request is way higher than past allocation:

The addition of prescribed fire funding at the scale asked for is new this year. Also, for some years staffing in DNR offices within the forest has been down due to various factors. With less staff, area offices were unwilling/unable to propose as many projects due to lack of capacity to develop them and aid contractors in their work. As most offices have been able to fill their open positions recently, this led to increased capacity and a desire to suggest more projects.

Question—What are you spending the \$223,100 in the supplies line on?

The supply request covers purchase of trees and shrubs for planting, protection from deer for those trees and shrubs, and the cost of herbicides for invasive species control projects.

Question—How would this project affect the prairie, metro/urban, southeast sections outlined in the proposal?

The request includes one project in the prairie section, which involves invasive species control near a lake that will both control invasives and provide better access to the lake by hunters. Southeast section projects include invasive species control and work within forested stands to release and favor species of high wildlife value, such as oak. There are currently no metro/urban projects in the request. Because DNR has numerous sites across the state in each grant request, it is not uncommon for some projects to not be accomplished or be conducted using other funding sources that were not available at the time of grant submission. Because we are bound to work within the sections listed in grant statute language, we list all potential sections where work might be conducted to cover potential dropping and replacement of sites.

Question—I do not understand how this project would improve water quality or maintain wet forest ecosystems by increasing tree species diversity ahead of emerald ash borer?

Many of Minnesota's ash stands are heavily dominated by ash, with little diversity of other tree species. Ash stands take up huge quantities of water—it's not uncommon to see water levels in ash dominated stands drop by several feet as ash enters the growing season. Significant loss of ash due to Emerald Ash Borer will lead to much less water taken up by trees, which over time will alter the sites from forested to a wetland condition with few to no trees. This in turn often leads to an increase in runoff and flooding, less filtering by trees of the water no longer taken up, and an overall decrease in water quality. In addition, ash stands along north shore trout streams aid trout by supporting a fluctuating water table through the seasons. If they convert to open non-forested wetlands due to emerald ash borer influenced mortality, water temperatures feeding such streams are likely to warm and have negative impacts on cold water fish species. Projects designed to combat this will build on existing experience and research planting water tolerant species other than ash to replace ash that is likely to die as Emerald Ash Borer hits the stands.

**Ted Dick**

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# **Patriot Restoration OPS (PROPS) Responses to LSOHC Comments on FRE 02 - Enhancing Critical Wildlife Forest Habitats and Watersheds on Superior National Forest**

## **Background information on PROPS**

### ***1) Who is Patriot Restoration OPS (PROPS)?***

Patriot Restoration OPS (PROPS) is a national veteran-driven environmental conservation non-profit. PROPS' unique mission is to improve landscape-scale ecosystems by providing work and training opportunities in forestry and wildlife habitat restoration to dedicated individuals and returning/transitioning military personnel and their spouses.

PROPS engages and reestablishes work forces through training and partnerships with returning U.S. veterans, tribes, critical industries such as timber, prescribed fire crews, railways, businesses, and others to restore critical ecosystems and wildlife habitat.

We take pride in what we do and recognize the value of incorporating, training, and supporting driven individuals, our veterans, and their families to expand our national workforce and improve our nation's lands.

In summary, PROPS' three main pillars/goals are focused on:

- 1) Restoring Critical Ecosystems
- 2) Reestablishing Work Forces
- 3) Reconnecting Wildlife Habitat



### ***2) Where is PROPS based out of?***

PROPS was created in California by a group of dedicated individuals who recognized the larger national need to restore ecosystems, reconnect wildlife habitat, and reestablish the work forces and industries needed to perform this critical ecosystem restoration work.



### 3) What is PROPS' track record?

PROPS is a 501(C)3 veteran-driven wildlife conservation non-profit that is working throughout the nation alongside a variety of federal, state, local, and tribal partners on public and private lands from Minnesota to California. PROPS' restoration team has a variety of unique and cross-trained skillsets such as performing habitat restoration projects from design to implementation for over 30 years, sought and implemented different funding types, and been a previous national grant funder.

PROPS has restored thousands of ecosystem and wildlife habitat acres across the country. We have completed habitat restoration from beginning to end stages (unit layout through restoration) in a short amount of time to very high standards that have been evaluated and was well received by landowner partners such as the US Forest Service (USFS).

PROPS has a deep knowledge and expertise in planning, designing, and implementing habitat and wildlife restoration. On the Project Planning side, we conducted NEPA planning, resource surveys, public and tribal outreach, and secured millions in restoration grant funding and administration. On the Project Restoration Implementation side, we performed tasks such as unit layout, mechanical and hand treatment, prescribed burning, reforestation, revegetation, wildlife migratory corridor restoration, cone collection, hydrologic restoration, fence removal, biomass haul and removal, project monitoring, and quality assurance/quality control (QA/QC). We have also performed Restoration Education and Outreach via docuseries productions, social media, partnership releases, educational materials, press releases, and public newsletters.



Our staff have worked on restoration projects such as this unique wildlife migratory corridor enhancement site around difficult resources such as powerlines.

Note the forest habitat thinning treatment (left), powerlines (middle), and unique undulating treatments along powerlines (right). The untreated forest on the right represents the initial density on the left before treatment.





*PROPS staff and partners working to enhance wildlife habitat.*

#### **4) How does PROPS help returning veterans? What is the connection between restoration contractors and veterans?**

PROPS' mission is to improve wildlife habitat by providing work and training opportunities in forestry and wildlife habitat restoration to driven individuals, returning military personnel, and their spouses. We look forward to providing opportunities to grow organically with dedicated individuals and our returning veterans to transition their skillsets to improve habitat restoration, wildlife associated industries, and reduce community and infrastructure risks from wildfires, floods, and other threats.

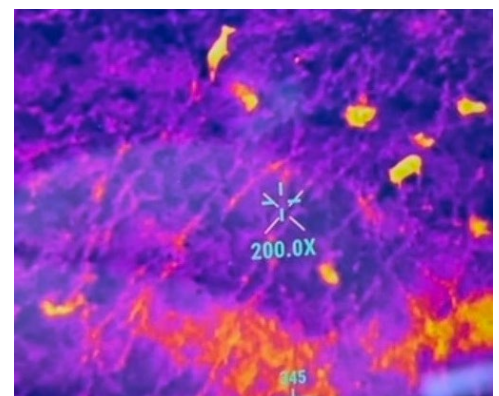
The PROPS' President is a veteran and an avid outdoorsman that is intimately familiar with the state of our wildlife ecosystems and the challenges and opportunities that veterans transitioning out of the military face. We also recently hired two highly skilled staff members, including one with a military background.

PROPS listens to and understands local industry and community needs. PROPS is committed to funding and implementing Minnesota habitat and restoration for the long term, which is why we are first time LSOHC applicants. We have heard from our Minnesota partners that there is not always enough local capacity or mechanical equipment to handle certain restoration projects. We hire local restoration contractors whenever feasible and have experienced the need and ability to bring in our own certified restoration contractors and equipment to expand industry capacity.

Many of our industry partners and restoration contractors are either veteran owned and/or have many veterans within their workforce. Whenever possible, we provide introductions to other industry partners and help place returning veterans even outside of our organization as we work throughout the nation and across landscapes. Furthermore, we are working on developing a dedicated "strike team" of 20 veterans and committed individuals that can be deployed nationally to work on short and/or long-term restoration projects.



*Aerial seeding by plane (left) and inventorying wildlife by drone (right).*



## 5) Does PROPS have a 990?

PROPS included our FY2023 990 in the LSOHC proposal of the Required Attachments in the Financial Capacity section (page 22). If LSOHC is unable to access the FY2023 990 from the proposal we will be happy to share it directly with LSOHC if requested. We are also working on our FY2024 990.

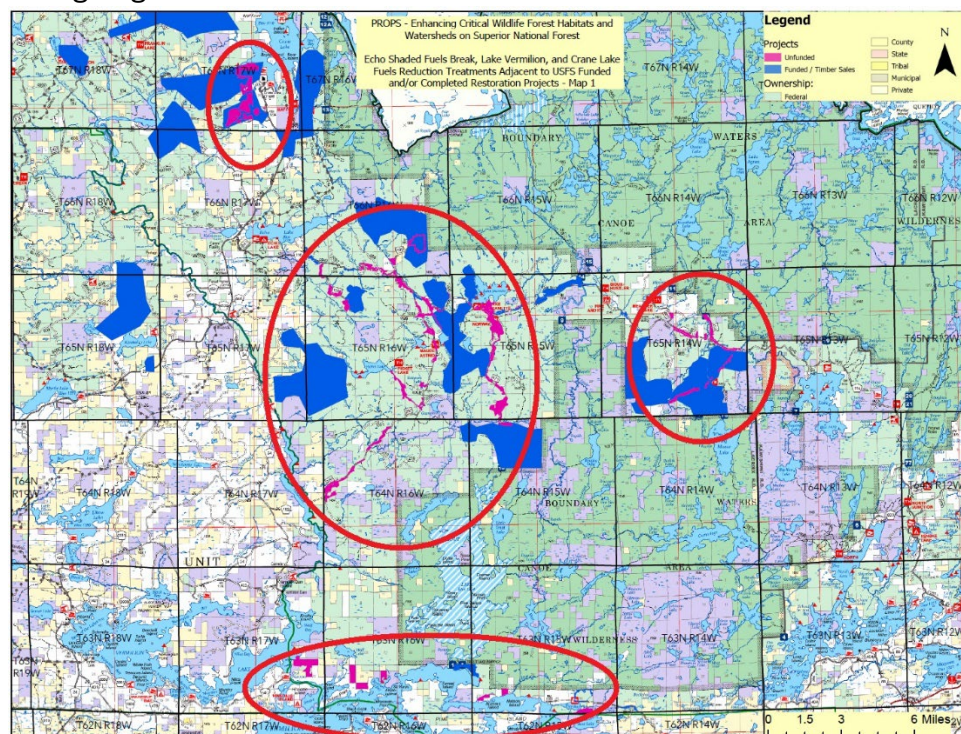
## Additional LSOHC project details

### 6) Can you provide more details about the project?

#### Project site selection

The scalable proposed habitat resilience and wildlife restoration project were identified by the Superior National Forest as high priority restoration projects on the LaCroix Ranger District in St. Louis County. The US Forest Service chose Echo Shaded Fuels Break, Lake Vermilion, and Crane Lake since they could improve forest and habitat for wildlife and game by providing many direct public benefits on 2,630 acres and up to 3,419 acres.

Combined, these three sites are scattered across and a part of larger ongoing USFS and mixed ownership partner treatment landscapes totaling over 643,000 acres. These larger landscape treatments are ongoing and have a variety of vested landowners and communities such as federal, state, county, local, tribal, private, and communities who want to see these landscapes improved. For years, the USFS and partners have been working to assess, prioritize, fund, and treat restoration sites in these larger landscapes and have an ongoing commitment to maintain and treat additional sites.



The main project sites are circled in red and include Crane Lake (top), Echo Shaded Fuels Break (two middle), and Lake Vermilion (bottom) with the acres to be treated (pink). The treatments will build upon adjacent restoration areas (blue) that is already funded and/or included in timber sales. This project builds upon larger landscape restoration efforts.

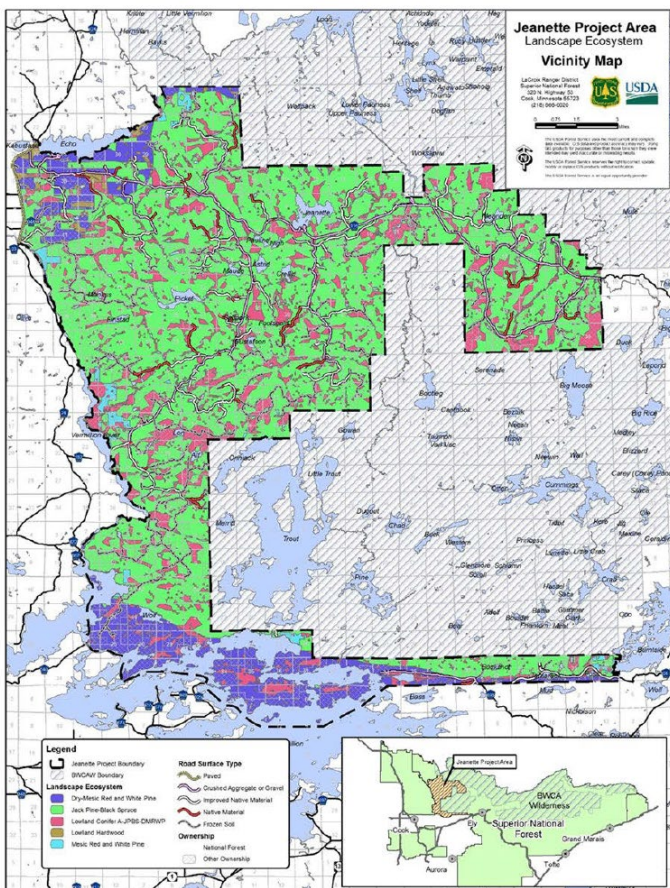


### **Project site acres and cost per acre**

The forest and wildlife habitat restoration project will improve a minimum of 2,630 acres and up to 3,419 acres. Each project site's line item cost is listed as the maximum/top end cost estimate that is a not-to-exceed (NTE) price per project site (Echo Shaded Fuels Break, Lake Vermilion, and Crane Lake).

Due to a variety of different environmental clearances and terrains that we may encounter, the maximum amount needed to treat each site is listed. If some costs per site are under the maximum amount request per site, then we will put the difference back on the ground to treat additional acres. The cost NTE flexibility allows PROPS and USFS to restore the most urgent forest and habitat sites that will secondarily reduce adjacent WUI community risks. Based on PROPS' experience on other restoration projects, we have put the cost NTE difference back on-the-ground and treated more acres than what was originally allocated and anticipated by the funder and/or landowner.

If fully awarded, \$4,728,000 for a minimum 2,630 acres equates to \$1,798 per acre. The maximum line item cost per site allows for flexibility to potentially treat more acres if the on-the-ground site conditions ends up being a cheaper cost. Therefore, PROPS and USFS have identified 30% or 789 more additional acres that could be treated if on-site restoration costs and conditions allow. If site conditions allow, then up to 3,419 acres could be treated equating to \$1,383 per acre.



This is Lake Vermilion's NEPA map (left) and aerial view (right) which demonstrates the unique challenges to treat these sites such as required boat access, hand treatment crews, and mixed land ownership.

PROPS has requested a maximum cost not-to-exceed per each restoration site. If a restoration site comes in under budget due to variable conditions, then we look forward to treating more acres.

## **Scalable costs and public outreach**

This entire habitat and restoration project has the ability to be scalable. If funded, we look forward to adjusting the proposal accordingly to LSOHC guidance and award amount.

The public outreach line item was included to promote the LSOHC restoration project work and partnerships both locally and widely. If this is not of interest, we will gladly remove this line item. Regardless of LSOHC funding, USFS will still perform public outreach around these projects to inform the public and PROPS will engage the public as needed.

While implementing other restoration work, we have received local community interest and inquiries and are always happy to take the time to explain what we are doing and why. This spring 2025, PROPS was treating forest and habitat restoration on separate adjacent sites at Lake Vermilion on USFS land and received several inquiries from curious visitors and landowners. We took the time to explain how, why, and what we were doing which led to several other neighboring landowners wanting to partner with us independently to improve their private lands and habitats.

## **Project scope of work details**

This scalable forest and habitat restoration project will directly restore three project sites totaling 2,630 public USFS acres, with the potential of treating up to 3,419 acres (as site conditions allow). The three project sites are Echo Shaded Fuels Break, Lake Vermilion, and Crane Lake, which are all popular recreational public sites.

Similar activities will be performed at each site including: 1) unit layout, 2) forest and habitat restoration (via forest fuels thinning/reduction), and 3) evaluation and monitoring of treatment site before, during, and after treatment. Depending on LSOHC funding, public outreach will either be conducted by PROPS and partners (if funded) or by USFS and with PROPS support (if not funded).

Throughout the project, LSOHC will be provided with regular updates through required reports, photos, and other inquiries as requested. At other restoration sites we have hosted project site visits for Congress and Representatives, funders, media, and the public. We gladly look forward to extending the invitation to host and showcase these project sites to LSOHC, Congress and Representatives, the media, and other interested parties.

### **1) Unit layout**

Project boundaries and important resources (e.g. cultural, historic, tribal, water streams etc.) will be marked/flagged along with project boundaries before restoration implementation. This is a standard practice that will help guide restoration contractors to stay within project boundaries, reduce critical resource impacts, help track and assess treated acre progress, and will be verified by PROPS and USFS throughout the project.



An example of marking/flagging project resources and boundaries.



## 2) Forest and habitat restoration

Using each site's specific NEPA guidelines and USFS guidance, PROPS will oversee restoration contractors as they improve forest and habitat restoration. These project sites require NEPA-outlined fuels reduction activities that state which mechanical and/or hand treatments are allowed such as cut/pile, mastication, and other treatments.

PROPS will track and assess treated acre progress per site which will be verified by PROPS and USFS throughout the project. Once treated, USFS will be able to more easily maintain these project sites in the future and return prescribed fire as needed.



Mechanical restoration treatments and cut/piles at another restoration project site.



Separate neighboring Lake Vermilion sites that PROPS treated in May 2025.

Before (left) and during (right) wildlife habitat enhancement via hand crews.

## 3) Restoration evaluation and monitoring

Each site will be evaluated and monitored before, during, and after post-restoration treatment. Progress of acres treated and completed will be tracked throughout the project. At other restoration sites, we have documented via pictures, videos, and anecdotal stories the rapid return of wildlife once restoration treatment has occurred. As the project landowner, USFS will also be able to perform long term restoration monitoring and maintenance beyond the grant period with PROPS support as requested.



**Separate neighboring  
Lake Vermilion sites  
completed May 2025.**

Before (top) and  
after (bottom)  
restoration treatment.

The water in the  
foreground represents  
the difficulty in  
accessing unique  
treatment sites that  
require boats. PROPS  
has the ability and  
expertise to provide  
contractors and boats  
to treat these difficult  
sites.



These photos represent the rapid return of fawn and wildlife recruitment  
post-restoration at our other restoration projects.

### **Project benefits related to LSOHC goals**

This scalable forest and habitat restoration project will directly restore three project sites totaling 2,630 public USFS acres, with the potential of treating up to 3,419 acres (as site conditions allow). This project will provide a wide range of direct and indirect forest, habitat, wildlife improvement, and other secondary benefits.

#### **Direct benefits:**

- 1) reduce and thin overstocked forests,
- 2) reduce spruce budworm spread,
- 3) reduce high fuel loads,
- 4) improve a variety of wildlife habitat for moose, bald eagle, Canada lynx, song birds, neotropical migratory birds, game, pollinators, and over 40 sensitive wildlife and vegetation species,
- 5) increase sunlight to forest floor allowing for better wildlife forage and bedding,
- 6) reduce tree density that reduces predation risks,
- 7) treat high priority restoration sites that are difficult to access, and
- 8) improve habitat biodiversity, quality, quantity, and resilience.

#### **Indirect benefits:**

- 1) increase water quality,
- 2) increase water quantity,
- 3) improve forest, wildlife habitat, and watershed health and resilience,
- 4) reduce wildfire, sediment, and flood risks to Vermilion River watershed (Eligible Wild, Scenic, and Recreational River),
- 5) increase resilience for adjacent treated and/or funded habitat sites,
- 6) reduce USFS/public maintenance costs for habitat project sites once treated,
- 7) increase USFS ability to reintroduce prescribed fire at treated sites which benefit wildlife and habitat,
- 8) reduce wildfire risks for wildland-urban interface (WUI) communities,
- 9) reduce risks and costs to adjacent high mixed landowners (federal, state, county, local, and private), and
- 10) improve several community and visitor ingress/egress routes and public access.

The “Private Land Conservation” attachment from Minnesota Land Trust is intended to accompany written responses for the following proposals:

WA 04	<a href="#"><u>Wetland Habitat Protection and Restoration Program - Phase 11</u></a>	Wayne Ostlie	Minnesota Land Trust	\$14,336,000
HA 04	<a href="#"><u>Washington County Habitat Protection and Restoration Partnership - Phase 2</u></a>	Serena Rath	Washington County	\$6,917,000
HA 07	<a href="#"><u>Hardwood Hills Habitat Conservation Program - Phase 3</u></a>	Wayne Ostlie	Minnesota Land Trust	\$5,554,000
HA 19	<a href="#"><u>Upper Mississippi Flyway Habitat Conservation Program</u></a>	Wayne Ostlie	Minnesota Land Trust	\$5,169,800





# Private Lands in Wildlife Conservation

**To:** Lessard-Sams Outdoor Heritage Council  
**From:** Wayne Ostlie, Director of Land Protection  
**Date:** August 12, 2025

From time-to-time, the Minnesota Land Trust gets asked about the role private lands play in preserving Minnesota's exceptional natural heritage. This memo is intended to outline some of the important functions private lands play in protecting and restoring wildlife habitat throughout the state. At the core, private land conservation and public land conservation are both essential strategies that must be utilized if we are to preserve Minnesota's conservation estate. This is especially true when the goal is to preserve an entire habitat system such as the Prairie Pothole region or our cold-water lakes versus just a single parcel.



This summer, the Lessard-Sams Outdoor Heritage Council had the opportunity to tour and learn about the monumental efforts underway in western Minnesota to protect and rebuild the prairie and wetland matrix historical to that part of the state. The message delivered was one of partnership and collaboration, the layering of conservation tools and strategies one upon another, and the rich tapestry of conservation success that has emanated from those strategies playing out on public and private lands alike.

In Minnesota, 75% of the state is in private ownership; this climbs to 95% in some regions of the state. Rare plants, migratory birds, endangered species often depend on habitats found on ranches, farms, and private forestland. Healthy private lands filter drinking water, reduce flooding, provide clean air, sequester carbon, and provide enhanced outdoor recreation.

The simple fact is that no conservation success story in Minnesota can be realized without a strong private lands component. Wildlife does not know borders. Also, many landowners across the state are very interested in participating in the State's larger conservation goals; however, most do not want to sell the property outright.



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Without private land stewardship, we can lose the missing pieces needed to connect public lands into functioning ecosystems. Partnerships with private owners (through conservation easements and other tools) protect far more acres for less money. Conservation easements can prevent the destruction of important natural resources and aid in the restoration of degraded habitats, while at the same time allowing productive economic uses of the land such as farming, ranching, and forestry. This, in turn, supports rural economies and the local tax base while safeguarding open space and food production.

Moreover, and perhaps most importantly, private landowners become part of the solution as long-term partners in caring for the land for the public good. This is why state-wide

conservation strategies such as the Prairie Plan, Duck Plan, and Pheasant Plan all recognize conservation easements as essential tools to achieving our common conservation goals.

### **Minnesota Land Trust's Work and our Private Lands**

Beyond the inherent conservation benefits supplied by private lands, Minnesota Land Trust works with landowners to provide additional benefits in the form of public use and access.

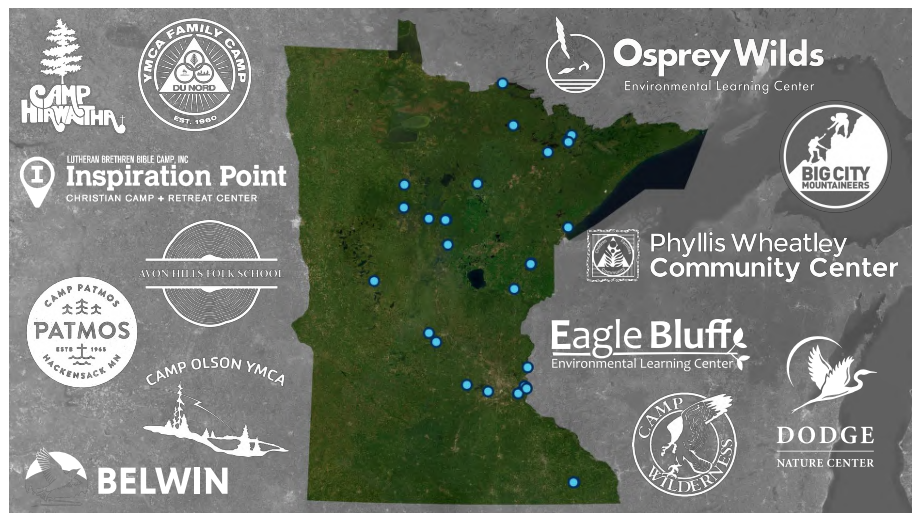
1. Building upon prior public investments. In order to create larger blocks of habitat that are more resilient and provide for the varied habitat needs of the species found there, the Land Trust prioritizes through our project ranking system conservation easement projects that are adjacent to or near existing public lands. Moreover, buffering public lands enhances the user experiences of people visiting those public lands.
2. Protecting private lands with public access. Some of our properties protected through conservation easement have a degree of public access or use in the form of trout stream easements, or have public trails that wind through or alongside them, such as the Superior Hiking Trail. Protecting these private lands preserves the public's experience as they enjoy these trails and access points.
3. Protecting private properties with informal public use. The Land Trust has protected more than 20 private camps, nature centers, and similar properties that provide access and use by the public. Not only do these institutions have some of the best habitat remaining in Minnesota, they



*Frontenac State Park as seen from a neighboring conservation easement protected and restored thanks to funding recommended by the Lessard-Sams Outdoor Heritage Council.*



are also enormously important in developing the conservation ethic of future generations. Examples include YMCA's Camp du Nord and Camp Olson, Osprey Wilds Environmental Learning Center, Phyllis Wheatley Community Center's Camp Katherine Parsons, Science Museum of Minnesota's St. Croix Watershed Research Station, Belwin Conservancy, and Avon Hills Folk School.



*Camps and nature centers protected with Minnesota Land Trust conservation easements.*

4. Conservation easements as a bridge to public ownership. More than 50 properties initially protected through conservation easement by the Land Trust are now in public ownership. Lands sought as public property aren't always available for fee acquisition; easements ensure that the opportunity for public use in the future remains through wise conservation of private land now. It is not uncommon for a landowner with an easement to transfer their property to a public entity later in their lives, subject to the terms of the easement. Examples include properties owned by the city of Red Wing, Otter Tail County, Three Rivers Park District, and 15 properties owned and managed by the MN DNR.



Private landowners welcoming the public. Some of our landowners offer some level of public access to their lands for a variety of purposes. A number provide hunting access for wounded veteran hunting programs and various mentored adult and youth hunts. The Land Trust has connected landowners with birdwatching groups like the Urban Bird Collective, with environmental education entities like Urban Roots, and with organizations such as Modern Carnivore who organize youth-mentored hunts on our protected properties.

We would be happy to answer any questions the Council may have about private lands protection and restoration, as we feel these are essential to ensuring Minnesota's wildlife can thrive and critical to the success of the Outdoor Heritage Fund as a whole.

The Wetlands Habitat Protection and Restoration Program - Phase 11 proposal received comments from council members concerning the status of unspent funds. The current status of Spent, Committed and Unspent funds by grant for the program is depicted in Table 1 below. Let us further address this question for both Protection and Restoration / Enhancement portions of the program.

**Table 1. Spent, Committed and Uncommitted Funds by Grant**



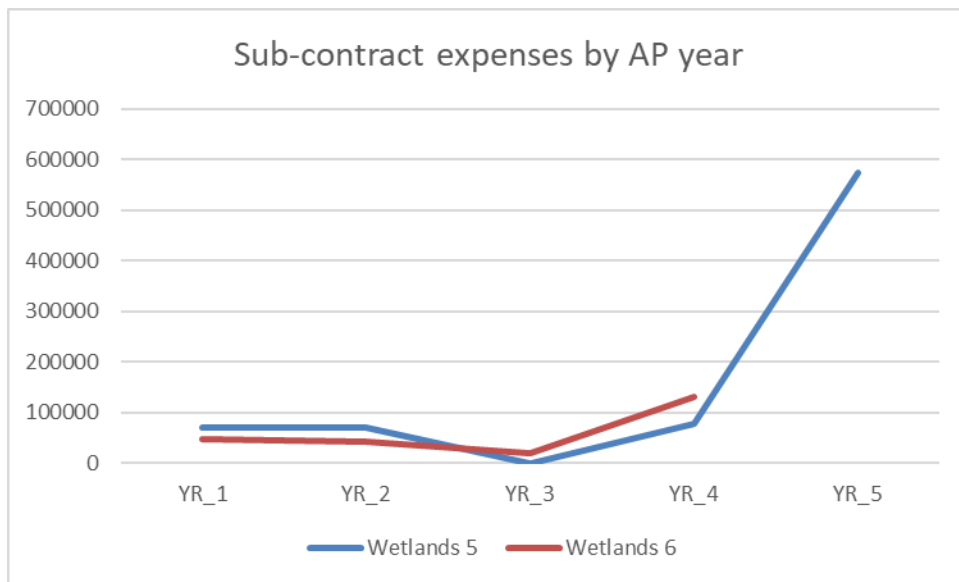
## Restoration and Enhancement

At this time, we are working with a complete set of projects under each open grant; all remaining R/E funds are committed to 41 active projects across five open appropriations. Each grant has an identified suite of R/E projects moving forward, each with an associated set of prescribed activities and associated budget. The delivery of prescribed activities and the expenditure of monies for each project/grant follows a specific plan that ensures delivery of the entire package at the end of the 5-year restoration window allotted for each grant.

The spend-down of R/E monies within a grant is not linear. It is typical for our Wetlands program to spend the bulk of the R/E funds in the latter half of an appropriation. Minnesota Land Trust, U.S. Fish & Wildlife Service, and other R/E partners involved in the Wetlands Program begin final design specifications for R/E projects after the grant funds come online. For larger, more complex projects with multiple wetland basins and phases of work, this process can take 2-3 field seasons to collect the survey data and complete the designs, scopes of work, and bid packages. This results in construction of the larger, more expensive, projects occurring in the later years of a grant.

We provide in Table 1 below a graph that illustrates the expenditure of R/E funds across two grants – one active and one recently closed – in line with the process laid out above.

**Table 2. Actual restoration spend-down for two Wetlands appropriations.**



### Land Protection

All funds allocated for easement acquisition through the 2024 appropriation year are spent or committed to projects currently in development. For the 2025 appropriation that became active in July, 83% of funds allocated for conservation easement acquisitions have already been committed to specific projects that are currently in development. We expect to have all acquisition funds in this grant allocated by the end of the 2025 calendar year and a minimum of 50% of the 2025 appropriation spent within one year from now.

The funding we have requested in our current proposal will allow us to continue responding to demand for conservation easements that is greater than our available resources.

### Chad Kingstrom

Program Manager

Minnesota Land Trust

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<b>WRE 01</b>	<b><u>DNR Wetland Habitat Team</u></b>	<b>Ricky Lien</b>	<b>MN DNR</b>	<b>\$3,628,500</b>
<b>WRE 04</b>	<b><u>Shallow Lakes and Wetland Enhancements Phase 18</u></b>	<b>Ricky Lien</b>	<b>MN DNR</b>	<b>\$20,166,500</b>
<b>WRE 05</b>	<b><u>Talcot Lake</u></b>	<b>Ricky Lien</b>	<b>MN DNR</b>	<b>\$20,166,500</b>

Council Members and Staff,

Thank you for the opportunity to address some of the comments on WRE01, WRE04 and WRE05, proposals from the Minnesota Department of Natural Resources which seek to improve wetland and shallow lake habitats.

Common to all proposals were comments about unspent balances that remain in past appropriations. For the multiple phases of the Shallow Lake and Wetlands Enhancement proposals, expenditures for personnel expenses, which are typically the smaller part of any proposal, progress at steady rates throughout the life of a proposal. Wetland and shallow lakes projects involve phases. The first phase is water control structure or wetland restoration and enhancement project involves engineering design, followed by permitting and then finally construction. Design and permitting cannot start before funds for the work have been secured. Once an appropriation has been made, this design and permitting process starts. Expenses during this initial phase are much less than project construction costs. Once the design is finalized and permits are obtained, construction is completed so the bulk of the funds are spent often in the last 2 years of appropriations. This pattern of slow initial spending followed by dramatic expenditures in the last years of an appropriation is typical for all our programmatic OHF proposals. Every year we request funds for a list of specific projects and our proposals only receive a small portion of our request, so we must cut projects. Therefore, we have a backlog of potential projects that need funding so the need for additional funding remains.

Comments were submitted regarding the separation of our traditional programmatic Shallow Lake and Wetlands Enhancement proposal into two individual proposals, WRE01 DNR Wetland Habitat Team and WRE04 Shallow Lakes and Wetland Enhancements, Phase 18. The intent of this approach was to follow what has been done for several years with DNR Roving Crews and to be transparent with how many Wetland Program Staff are funded with OHF. There are ten wetland and shallow lake staff who have been employed solely through several previous OHF appropriations. The funding for these staff is expiring. The second proposal was for a slate of wetland and shallow lake habitat restoration and enhancement projects. Four years ago, funding for the Roving Habitat Crews was secured through a stand-alone appropriation that covered staffing and expenses for two years. The WRE01 Wetland Habitat Team proposal submitted this year is analogous to what was done for Roving Habitat Crews. The funds for the roving crews also used to be incorporated into the project proposals but caused a lot of confusion and thus was separated to make it clear how many crews were funded. If approved,

future OHF proposals for Roving Habitat Crew and wetland and shallow lake staff would have been submitted every two years in alternating years.

**Comments specific to individual proposals:**

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<b>WRE 01</b>	<b><u>DNR Wetland Habitat Team</u></b>	<b>Ricky Lien</b>	<b>MN DNR</b>	<b>\$3,628,500</b>
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Comment: 75.53% DSS

Response: Direct Support Services in the Budget Table only represents 6.7% of the total request

Comment: DNR staff costs [=] \$181K/yr

Response: The cost per year shown in the comment includes salary, professional services, travel costs, Direct Support Services, and the minimal supplies and equipment needed for the ten wetland and shallow lake staff who are funded with OHF money.

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<b>WRE 04</b>	<b><u>Shallow Lakes and Wetland Enhancements Phase 18</u></b>	<b>Ricky Lien</b>	<b>MN DNR</b>	<b>\$20,166,500</b>
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Comment: 5x historical

Response: Last year's Phase 17 request was \$12 million+ and was the largest request at that time. This year's Phase 18 request, while not 5x past historical requests is admittedly large, but reflective of finally having a fully-staffed program. Requests for wetland and shallow lake project money originate from DNR Wildlife Management staff. Much of the work being identified is a result of having fully staffed DNR Shallow Lakes and Wetland Management Program staff who are actively identifying habitat enhancement and restoration projects. As one Wetland Management Program staff person put it, "We've been dropped into a target-rich environment," and, "We'll visit a WMA planning to assess two existing wetlands and discover 5 others that were never restored." The fact that we are asking for significant funds now a reflection that our current OHF-funded are only now available to identify the amount of work that exists on the landscape to restore and enhance wetlands.

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<b>WRE 05</b>	<b><u>Talcot Lake</u></b>	<b>Ricky Lien</b>	<b>MN DNR</b>	<b>\$20,166,500</b>
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Comment: "Engineering costs seem high..."

Response: A typical rule of thumb for estimating engineering costs for wetland and shallow lake projects is to plan for 20-25% of the project cost to be needed for

engineering expenses but can vary (usually to higher numbers!) based on any of a number of circumstances. Based on our current project cost estimate an engineering cost of \$1 million is conservative. The total project cost was based on a review by an engineer specializing in rock riffle weirs and a construction manager with experience in similar projects

Comment: A number of comments refer to past funding.

Response: This project has not received OHF funding in the past. The confusion may stem from the proposal question that asks, "Have you received OHF dollars through LSOHC in the past?" The answer to this question is yes and I listed the currently open OHF appropriations, but none of these appropriations provided funding to Talcot Lake.

Comment: Could project allow carp into Talcot Lake?

Response: Carp already have access to Talcot Lake and are already in Talcot Lake. This lake is at the bottom of a large watershed and has carp coming in from all directions. This project will enhance fish connectivity for native fish species that are impacted by the current dam far more than carp. Shallow lake management has progressed to a point in which an evaluation of lakes and management options takes into account whether complete removal of undesirable fish is feasible and cost effective. There are lakes and wetlands in which complete removal of undesirable fish is a goal. But it is now also accepted that in some systems, because of where they sit in a watershed, the number of tributaries, or other physical features of the system, complete eradication of undesirable fish is unfeasible and better approach is to implement management that attempts to keep undesirable fish at an acceptable level. A benefit of this approach is that it opens-up management options that include the passage of native fish whose presence may provide benefits to the system and to people for recreation. Another example of a lake with this type of management is Marsh Lake.

Thanks for the opportunity to respond to these comments. Please let me know if you have further questions.

Ricky Lien

**Ricky Lien**

Wetland Habitat Team Supervisor

Minnesota Department of Natural Resources

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WRE 02	<a href="#"><u>Howard Lake Habitat Restoration</u></a>	Alicia O'Hare	Wright Soil and Water Conservation District	\$711,500
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Hello,

I wanted to take the opportunity to answer some questions and concerns from the Council Members regarding the Howard Lake Habitat restoration project. I hope the below remarks provide a bit more context. I will also be prepared to answer these questions and others at the hearing.

- 1) Several members noted that the project is not scalable. This is true the project is limited by the size of the lake. We did not include other lakes because they either didn't meet our requirements or do not yet have the preliminary data required. However, it would be repeatable. I feel that it is worth noting that we have been working with the DNR and the University of Minnesota on this as a potential project. They have expressed interest in conducting activities that would not be covered under the Outdoor Heritage Council appropriation but would expand knowledge related to the project.
- 2) Member David Hartwell had a question about future financial commitments. The City of Howard Lake and the Howard Lake Watershed Alliance have worked together for several years to treat aquatic invasive species in the lake. However, the scale of the problem has only allowed them to maintain recreation, rather than improve habitat. Once this project is completed, they have agreed to maintain that long term commitment and maintain funds going forward. Their current combined annual budget is approximately \$5,000. We have had conversations of local contributions during the project period. I will meet with partners and give an update at the hearing.
- 3) Member David Hartwell had a question in his comments about our federal funding security and Member Ted Sus noted the same during the meeting on July 30. Our federal funding comes from the Small Watershed 319 Fund. It is a federal grant from the EPA that is administered locally by MPCA. In April, we were instructed to submit a grant activity proposal for approximately \$300,000. We submitted it including \$150,000 for this project on May 1. Later in May the EPA released the Presidential Budget Proposal which proposed no funding for the 319 program. This budget has not yet been passed. The EPA is required to respond to our grant proposal by August 30. Congress is required to act by September 30. If I have an update at the time of the hearing I will provide it

then. I would also like to take the opportunity to note that this project can go forward without the federal dollars.

- 4) Member Ron Schara asked to know about the chemicals we will be using. Our current proposal is to use fluoridone, a long contact

herbicide, to treat the entire lake during the first two years. There is no restriction to recreation on the lake during the treatment time. There are no known mortality issues related to fish for this herbicide. Future years we will use a more typical spot treatment chemical to treat remaining populations such as endothall.

- 5) Member Ted Sus commented that 50% carp removal is “futile” and the carp will return. Our plan is to watch the carp population during the project and add removals if necessary. The theory is that with improved native fish diversity, carp will be further suppressed. For example, blue gills are known predators of carp eggs. The reduction in carp will also help the regrowth of native plant species.

Thank you for the opportunity to address these comments. It is a rare gift in grant applications. I look forward to seeing you all at the hearing.

Best,

Alicia O'Hare

Water Resource Specialist – Wright Soil and Water Conservation District

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<b>WRE 03</b>	<b><u>Living Shallow Lakes and Wetlands Enhancement &amp; Restoration Initiative</u></b>	<b>John Lindstrom</b>	<b>Ducks Unlimited</b>	<b>\$14,975,000</b>
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**1. Comment from Chair Hartwell:** "Scaling question on personnel was not answered directly. Need a concrete answer."

a. At a 50% recommendation level, funding for Personnel would be scaled proportionately as we have done in the past for this program. It is written the way it is so that if we were recommended for a smaller percentage of our ask (<30%), we would need to be strategic with how much to reduce staff funding so as to not jeopardize the projects we have in the works, some of which take over a decade to come to fruition. We will get more specific and differentiate the 50% vs. 30% answers on our next proposal.

**2. Comment from Member Kucharski:** "3+X historic amounts, easement? Public access?"

a. I have information for our updated spending on #4 below. Work through this program occurs on a variety of permanently protected properties such as state, federal, and municipal public lands as well as private lands easements that do not have any public access. These permanently protected private lands are critical to the conservation of waterfowl.

**3. Comment from Member Palmer:** "Enhance/Restore. Looks to be all land open to public. Main \$\$ for water control structures. 10% matching funds. \$7k/acre Phase 12"

a. As I point out in #2, some of this work will occur on private land that is not open to public hunting.

**4. Comment from Member Suss:** "huge money on hand from prior years"

a. For the 5/28/25 meeting, LSOHC Staff developed handouts that listed OHF Program Spending/Completion by Year. This document showed this program having \$18,956,100 in unspent funds. Right now we have approximately \$15,000,000 in unspent funds, including the ML25 funding that just came on line 7/1/2025. In addition to that, we also have over \$4,000,000 in signed contracts for wetland work that is to be completed before winter. To complete this work, we will also need support from the other budget categories. This means that by the end of 2025, We expect to have under \$10,000,000 in unspent funds, most of which will be the ML25 funding that just came on line.

## **John Lindstrom**

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<b>WRE 06</b>	<b><u>Roseau Lake Rehabilitation:</u></b>	<b>Tracy Halstensgard</b>	<b>Roseau River</b>	<b>\$8,685,000</b>
	<b><u>Phase III</u></b>		<b>Watershed District</b>	

**Chairman Hartwell's funding question:**

- 1) Of the approximate \$18M currently allocated, nearly \$12.1M have come from flood damage reduction sources such as the Red River Watershed Management Board, local construction levy, and the Flood Hazard Mitigation program.
- 2) As of the last reimbursement submitted for the previously allocation, we are at about 58% spent. We expect to have this grant completely spent by the end of the year, or early next year at the latest (weather dependent). Construction of this phase is ongoing.

**Council member Palmer's last sentence**

I believe this is referring to the River Restoration allocation, not the 2023 allocation for the Roseau Lake project. We are currently at about 58% spent on the 2023 (SWIFT/PO 256384/3000262305) allocation.

**Tracy Halstensgard**

Administrator

Roseau River Watershed District

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HA 19	<a href="#"><u>Upper Mississippi Flyway Habitat Conservation Program</u></a>	Wayne Ostlie	Minnesota Land Trust	\$5,169,800
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Response to comment by Darrel Palmer: *“Restore/Enhance @ \$21,040/acre. Spendy restoration.”*

The Nature Conservancy (TNC) will work with professional, licensed engineers and on-the-ground contractors to design and implement wetland restoration projects under this proposal. We anticipate restoring four (4) wetlands averaging 5-acres/wetland, for a proposed 20 acres on permanently protected properties. We estimate a cost of approximately \$60,000 per wetland for full design and implementation costs based on our experience in contracting for such work and 2025 collaboration with Isanti County for third-party engineering design and implementation of three wetland restorations. This calculates to \$12,000/acre per the Contracts line in the proposal which is competitive in the private/engineering marketplace. TNC will be overseeing contracts and will not be directly designing or doing on-the-ground construction. Rather, TNC will manage all contracting, assist with engineering design development, and ensure that a licensed engineer will be on-site for construction for outcomes that provide the highest ecological benefits for each wetland restoration project, noting that incorporating ecological elements further increases the full design-implementation cost.

TNC has requested \$145,000 for personnel, travel, and DSS to manage these activities over the proposed four-year project period, averaging \$36,250 per year. This includes salary and benefits support for two TNC staff: a lead Restoration Ecologist (37% FTE) and Grants Administration (5% FTE), as well as a portion of Direct Support Services. We understand that there are scenarios where some agencies/entities, such as the USFWS, are able to implement certain wetland restoration projects without the need for professional engineering or construction services due to permitting agreements, staff with Professional Engineering certification, existing equipment, etc. TNC does not have those resources or permitting agreements and, like other entities, believe that professional contracting provides the best option for these proposed wetland restoration projects because of the potentially unique design elements to be included (see below), assurance full permitting compliance, and maximizing multiple wetland benefits that may require more complex design and implementation.

TNC will design and implement wetland restoration projects using nature-based, state-of-the-engineering techniques for maximum beneficial outcomes for fish and wildlife resources at each project site. For example, BWSR’s 2012 “Minnesota Wetland Restoration

Guide, 2nd Edition” provides strong framework for incorporating nature-based approaches into wetland restoration design such as its guidance for vegetation establishment. We intend to design wetland projects that will specifically benefit birds as well as reptiles and amphibians, the latter two of which are particularly climate sensitive and have suffered habitat loss. Design elements that incorporate bioengineering such as incorporating large woody material for basking and predator protection, engineering greater littoral zone areas for juvenile frog growth and development, scraping 2-3 feet of topsoil to remove invasive species seed banks, and sandy soil piles for nesting specifically to benefit reptiles and amphibians and are not included in typical wetland restorations. We will use these and other nature-based practices and incorporate them into engineering designs tailored for the needs and predicted benefits at each wetland restoration site.

**Leah Hall**

Senior Program Manager

Minnesota Land Trust

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HA 02     [Cannon River Watershed Habitat Protection and Restoration Program - 15](#)     Jennifer Tonko Clean River Partners \$11,769,800

Thank you for the opportunity to address Council comments. Please see our responses below:

*Prior appropriations and unspent funds*

Restoration and Enhancement projects are on different parcels in each funding round. Funds are 100% committed/obligated through agreements within the first several months of grant implementation. Projects are designed to span the full 5 years of funding to provide successful restoration and enhancement for the public steward to maintain. All acquisition funds and associated personnel/professional services are committed to two acquisitions under purchase contracts (Circle Lake and Somerset WMA additions). The urgency of this funding is critical as the Somerset WMA addition needs an additional \$250k from this ML26 proposal request to complete. Without funding, this acquisition opportunity, along with the Horseshoe Lake WMA and Circle Lake WMA additions will be lost.

In all, 92% of unspent funds are committed to acquisition or restoration projects, with the remaining unspent funds associated with personnel.

*Project cost and restoration budget*

Great River Greening's restoration and enhancement project budgets are based on similar projects in the region and conversations with service providers that have been contracted in the past two years in relation to prevailing wage rates. Projects are designed to span the full 5 years of funding to provide successful restoration and enhancement for the public steward to maintain. In relation to Kaplan's Woods, due to terrain, access, and habitat sensitivity, the site is not amenable to machine access and needs to be completed by hand crews.

*Program management costs and scalability*

Clean River Partners' administrative and outreach costs are tied to the baseline level of personnel time needed to successfully deliver this program. This includes coordinating the partnership, working with partners to identify priority habitat areas, reporting on activities, and responding to requests for information. It also includes outreach to keep the program visible to potential participants and the public — for example, developing and maintaining landowner contact lists, creating informational materials, issuing press releases, writing op-eds, and sharing updates across communication platforms.

We've found that this level of outreach generates enough qualified interest to keep a healthy number of acquisitions moving toward our shared long-term goal of protecting roughly 30% of the land in our area, while staying in step with the Council's broader funding priorities. Scaling this work up significantly could generate more interest than available funding can support; scaling it down risks the program losing public visibility and landowners not thinking of us as a partner when they are ready to act.

Our approach aims to strike the right balance — keeping the pipeline full and efficient, maximizing the impact of the Council's investment, and ensuring the program remains viable over the long term.

**Jennifer Tonko**

Executive Director

Clean River Partners

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HA 03	<a href="#"><u>DNR AMA Fee-Title and Trout Stream Easement Acquisition</u></a>	Rick Walsh	MN DNR	\$6,450,000
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#### **0% scalable comment from member Burkel**

Our proposal is scalable. We'll reduce our acres acquired accordingly.

#### **Trout stream open to hunting question from Chair Hartwell**

This was an error on the parcel list entry. There was one easement where I checked the wrong box. It should be "Not applicable"

#### **Comments from member Palmer**

- **No matching funds.** We do not list specific dollar amounts as leverage in our proposal because state agencies cannot commit to future spending of unobligated money. Listing a leverage amount may not constitute a true obligation, but we have taken a conservative approach on this. But we do traditionally end up with significant leverage. Spending on trout stream easement acquisitions from FY20 to FY25 from non-OHF sources was over \$1.1M (almost 45% of our OHF funding during that period).
- **\$19K/acre to purchase - \$8K/acre for easements.** The \$19,000/acre is reflective of actual fee-title AMA purchases in the past five years. A very recent example is a 20-acre parcel in Beltrami County that was appraised at over \$370,000 (\$18,500/acre). Lakeshore is very expensive land. Stream easement values of \$8,000/acre are also actual data. Easement values are based on average land values within a township. In SE MN land values can approach \$8,000/acre.
- **Note – spending \$40K/acre to purchase 30 acres??? Phase 6??** We do not understand these questions. If we went back to the beginning of OHF, we have sought trout stream easement funding over ten times.

#### **Per acre price of land...Uffdah? Need explanation comment from member Schara**

See response above regarding \$19,000/acre land for lakeshore. These figures are based real market data on recent AMA acquisitions.

#### **How is the stream opened to the public? Does the easement include access along stream edge? From member Suss**

Easements are shown on the DNR website and other publications. Easements are posted with signs on the ground. If the stream easement does not touch a public road (or another easement up or down stream), we also acquire a narrow "walk-in" easement corridor so the public can access the stream from a nearby road.

**Rick Walsh**

Land Acquisition Consultant | Division of Fish and Wildlife

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HA 04	<u>Washington County Habitat Protection and Restoration Partnership - Phase 2</u>	Serena Rath	Washington County	\$6,917,000
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**Suzanne Baird:** *Very little specifics on what exactly is planned related to "enhancement". This makes it difficult to determine if budget is reasonable. Estimate on donated easement value seems high and no information to support - thus inflating the leverage number.*

**Response:**

Washington County leads the restoration/enhancement portion of the proposal. Proposed activities include 970 acres of enhancement that will be completed on County-held conservation easements in the City of Woodbury and within the County's protected Regional Parks System including:

- 80 acres of habitat enhancement on County-held conservation easements over the City of Woodbury's Prairie Ridge Park, Valley Creek Park and La Lake Park. Activities will be focused on forest, prairie and wetland areas and include invasive species removal, canopy thinning, native interseeding and wetland grading improvements.
- 890 acres of habitat enhancement on 6 protected County Regional Parks as described in the proposed parcel list. Activities will be focused on undeveloped forest and grassland areas within these parks and include invasive species removal, canopy thinning, native interseeding, and prescribed burning.

Enhancement budgets were determined based on conservative professional estimates of the cost/acre using best practices for the proposed activities and County Parks natural resources staff who will be fully dedicated to the implementation of proposed County Regional Park enhancement activities. Budgets include leverage from the City of Woodbury (\$47,000) and Washington County (\$225,350).

Minnesota Land Trust anticipates receiving \$420,000 in donative easement value from landowners, which represents 10% of the overall easement acquisition funding request. This is a conservative estimate of what we expect to receive over the course of the grant. We routinely receive landowner donation of easement value in excess of 10% through grants.

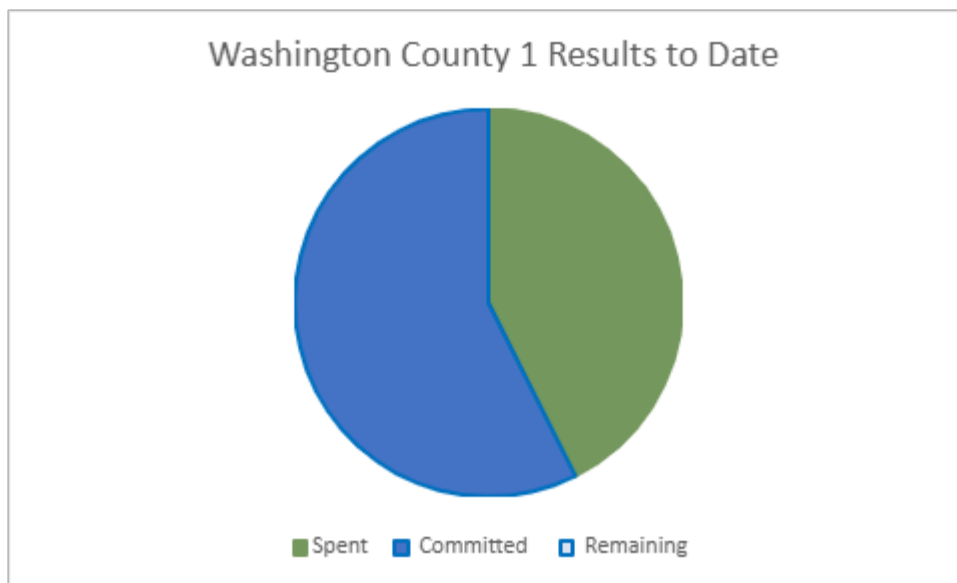
**Rep. John Burkel:** *10.01% - scalable, 17.29% DSS (Washington County)*

**David Hartwell:** *How much of the remaining 2023 appropriation is committed?*

**Response:** To date, the Partnership has spent \$1,826,291 of the \$4,288,000 allocated through the 2022 appropriation. All remaining funds are committed to work that is in progress.

On the Protection side, Minnesota Land Trust has spent \$1,445,000 of the \$3,320,000 awarded. Of the \$2,440,000 allocated for conservation easement acquisition, \$1,215,556 (49.8%) has already been spent and the remaining \$1,224,444 is committed to in-progress projects.

Washington County has spent \$344,000 of the \$968,000 awarded. Of the \$618,000 allocated to contracts for restoration and enhancement, \$194,500 has been spent, \$431,400 is committed, and \$84,500 is still uncommitted.



**Matt Kucharski:** *Important area for water quality - higher budget requests, easements not open to public*

**Response:** Our proposal budget reflects the conservation need and project opportunities program partners have before them in Washington County. Increasing land values in the County also necessitate higher acquisition requests, which is a significant proportion of the budget request. The Land Trust and County recognize that the Council cannot fund all proposals in full and thus the awarded amount is ultimately up to the Council to determine.

**Darrel Palmer:** *Easements 385 acres(and staff??)/Enhance 970 acres. Not open to public. 10% matching fund. \$1.1 Mil of \$7.6 Mil request is for staff costs). Easements \$14.4K/acre - Enhance \$1400/acre. Phase 2*

Response: See document attached regarding private conservation easements. ("MLT: Private Land Conservation")

**Ted Suss:** *significant unspent.*

**Response:** Same as to Hartwell

**Serena Raths**

Planner II

Washington County

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**Phone:** (651) 430-6024

HA 06    [Greenbelt Phase 1](#)    Emily Heinz    Comfort Lake-Forest Lake Watershed District    \$3,300,000

Question/Comment	Answer/Response
4.55% - scalable 0.0% DSS (Comfort Lake/Forest Lake Watershed)	<p>Leverage as a percent of request: 4.55%</p> <p>All CLFLWD staff time will be funded by local CLFLWD tax levy and billed using billing rates determined by the Board of Water and Soil Resources billing rate calculator.</p>
Seems to be a lot of emphasis on flood mitigation and not habitat protection.	Habitat benefits will be the top priority for LSOHF funds. This project will result in multiple benefits. The CLFLWD prioritizes its projects to maximize multiple benefits. The District will report on habitat protection benefits achieved through easements and acquisitions.
<p>Protection of wetlands when I believe they are already not buildable is confusing.</p> <p>Are wetlands not already protected by state law.</p>	<p>This area is developing at a steady rate, and developers often propose wetland fill in order to construct their projects. While the Wetland Conservation Act provides protection, it also allows for wetland bank credits to be used in order to fill wetlands. There are currently no wetland bank credits in our bank area (bank area 6). This means that wetland habitat benefits are being taken away from our area and outsourced to other areas of the state. We need to protect wetland habitats in our area while we still can.</p> <p>Wetlands in our area have historically been altered. Wetlands have been ditched and drained. There are 27.5 miles of altered watercourses within the CLFLWD. We will re-establish wetland functionality using restoration/enhancement techniques in future phases of the project, after easements and/or acquisitions are acquired. Securing land rights, whether through easements or acquisitions, is critical to ultimately restoring these altered wetlands.</p>

<p>Fee and easement cost is the same which is confusing and does not make sense.</p>	<p>They are the same because we estimate they are similar in value. Easements commonly represent 80-90% of the land fee value. The easement restrictions limit the future use of the property, however property owners will maintain some rights. All easements and acquisitions will adhere to LSOHF requirements and land use restrictions.</p> <p>The cost per acre are ballpark figures based on recent sales in the District of wetland/prairie properties. We anticipate some variability of purchase costs.</p>
<p>Also, if it is wetlands that are being acquired that are not therefore buildable, the price seems high.</p> <p>5% matching funds. \$11k/acre purchase/Easements \$11k/acre???</p> <p>What is the per acre value of undevelopable wetlands?</p>	<p>The cost per acre are ballpark figures based on recent sales in the District of wetland/prairie properties. Some properties in the priority area are riverfront properties on the Sunrise River, possibly warranting a higher land value. We anticipate some variability of purchase costs.</p> <p>Each property will be appraised to determine fair market value. Wetland value is variable based on location, surrounding development, and recreational value. We anticipate approximately 20% of acquired acres will be upland/prairie, thus increasing the average cost per acre.</p>
<p>Purchase 200 acres/Easements 100 acres. Protect wetlands in Comfort Lake-Forest Lake Watershed. Open to public but use decided on site by site basis with hunting &amp; Fishing governed by local municipal - not Mn DNR.</p>	<p>In our area, development is closing in around natural open spaces. With this proposal, we seek to protect what high value open spaces still exist. Hunting and fishing are governed by local municipalities. There is a demand for other recreational uses as well, such as hiking and particularly for bird watching.</p> <p>According to user data on eBird.org, our area is a popular birding area. Even more specifically, the proposed project area around Forest Lake and the Sunrise River shows significant birding activity. On a broader scale, we are part of the Mississippi/St. Croix flyway, providing essential stopover sites for migratory birds. Anecdotally, some species of special concern have been observed in our area, such as Trumpeter Swans and American White Pelicans.</p>

<p>2023 money not spent, no money 2024. Would like to understand this one.</p> <p>Phase 2. Recvd \$1.9 Mil in 2023 and have spent \$0. ??Let them spend the \$1.9 Mil and then come back for more?</p>	<p>The 2023 grant will be fully spent by yearend. The entirety of this grant is dedicated to acquisition of one site – the Bone Lake South site. We executed the purchase agreement with the current landowner on June 5, 2025. Getting to this point took us longer than anticipated due to extensive landowner negotiations with the original landowner. The original landowner unexpectedly passed away last fall. We have handled landowner communications sensitively since that point, and we have now reached an agreement with the current landowner. We expect to close on the property before yearend.</p>
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**Emily Heinz**

Planning Coordinator

Comfort Lake-Forest Lake Watershed District

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Phone: (651) 395-5856



HA 07	<u>Hardwood Hills Habitat Conservation Program - Phase 3</u>	Wayne Ostlie	Minnesota Land Trust	\$5,554,000
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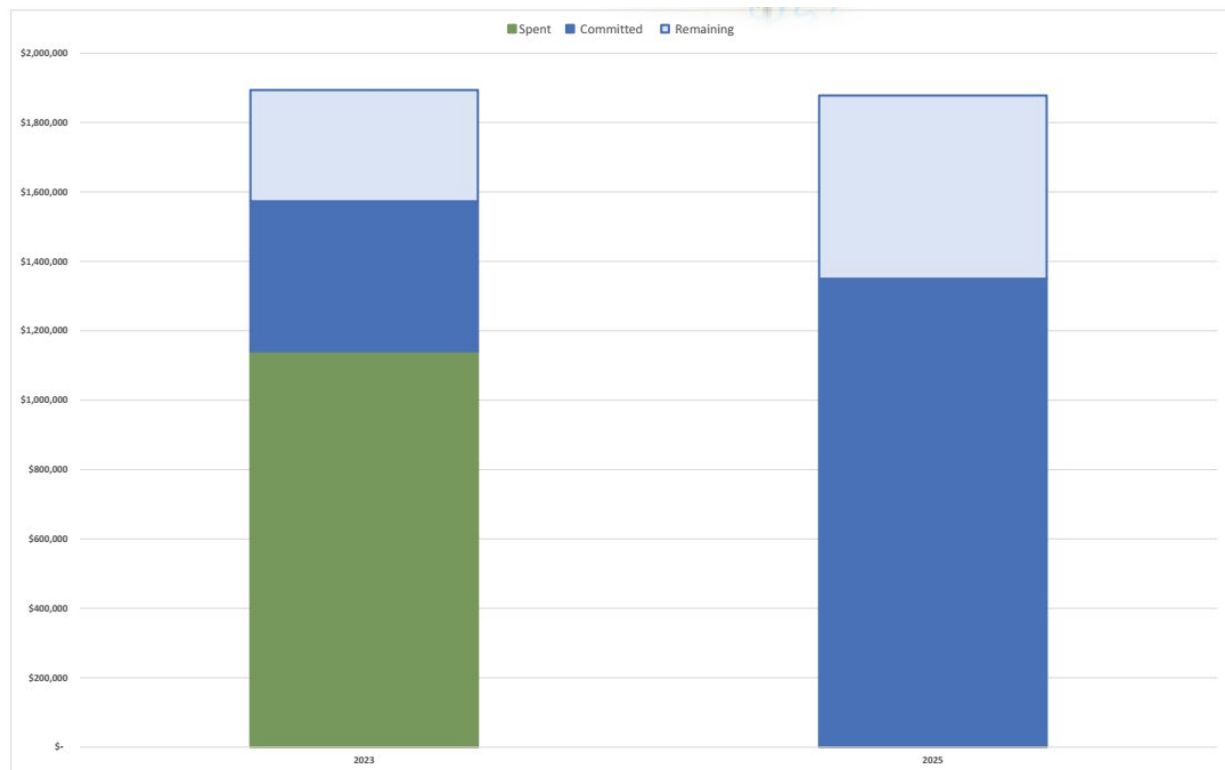
Response to Comments by Matt Kurcharski: *"Can't understand why the ask is for \$5.5 m when past amounts have been \$1.8 m and not fully spent. Would be good to know whether public lands are prioritized."*

Through all of our past and current requests, program partners have consistently asked for the level of funding we felt we could place on the ground over the duration of the grant, nothing more. Once a proposal is received, the LSOHC evaluates the proposal against all others submitted and makes recommendations for funding. Since the cumulative total request across all submitted proposals is substantially higher than what is available, most applicants (if successful) receive a portion of their request. This is our breakdown by grant showing proposed and awarded amounts:

Year	Amount Proposed	Amount Awarded
ML 2023	\$4,203,000	\$1,894,000
ML 2025	\$5,145,000	\$1,803,000
ML 2026	\$5,554,000	TBD

We are showing a modest increase in our requests, proposal by proposal. Our ML 2026 proposal shows a slight increase from last year due to the addition of Stearns Conservation District as a funded partner on the proposal. They are asking for \$354,000 to complete restoration/enhancement work. Our prior two proposals did not include a request for restoration/enhancement funding; however, as our program has matured, we have seen a lot of interest in and need for restoration/enhancement support within this geography.

Below is a graph showing grant funding received, spent, and committed to projects by grant for your review, up to date as of mid-August 2025. We have spent or committed all ML 2023 funding on completed and in-progress projects. The ML 2025 grant came online July 1, 2025, and we have already committed most of that funding to 7 identified projects. We are very well positioned for another ask this year.



Per statute (97A.056, Subd. 9. Lands in the Public Domain), the Land Trust cannot – without approval by a supermajority of the LSOHC – use OHF dollars for purchase of a conservation easement on lands in the public domain. We have pulled together and provide for your benefit a more thorough reply that addresses the importance of private lands conservation in Minnesota, and the role of conservation easements play in providing broader public benefits to all Minnesotans. Also, note that restoration/enhancement funds requested in this proposal may be spent on permanently protected public and private lands.

**Leah Hall**

Senior Program Manager

Minnesota Land Trust

Email: [LHall@mnland.org](mailto:LHall@mnland.org)

Phone : (651) 240-7878

## HA 08 RIM Integrating Habitat and Clean Water

**Date:** 08/14/2025

**To:** Members of the Lessard-Sams Outdoor Heritage Council

**From:** Kevin Roth, BWSR

### **RE: Responses to Council Comments**

Below are responses to Council Member comments that were written in Member evaluations on ML 2026 proposal HA 08 RIM Integrating Habitat and Clean Water. Additional information will be shared for select comments during the August 26 and 27 hearings, or in the handout to be provided. If additional questions arise after the August hearings, please contact Kevin Roth, [kevin.roth@state.mn.us](mailto:kevin.roth@state.mn.us).

### **Comment: “The proposal discusses leveraging CWF but the proposal has no leverage identified.”**

#### **Response:**

Since FY18, the CWF has invested \$159 million in implementing practices that compliment comprehensive watershed management plans (CWMPs). While this investment is is not direct leverage, CWF has supported the priorities and goals the CWMPs have identified at the watershed level through CWMPs.

This BWSR easement program targets the same priority landscapes and goals, helping to advance both habitat and water quality objectives identified in the plans. By focusing on these priority areas, investments from CWF and the Outdoor Heritage Fund (OHF) work together to maximize Legacy benefits for both habitat and clean water—reflecting the intent behind the program’s original name.

Since FY23, OHF has invested \$2,358,000 (ML22), \$3,269,000 (ML23), and \$2,691,000 (ML25) toward easement payments for the RIM Integrating Habitat and Clean Water program.

### **Comment: “unspent funds”**

#### **Response:**

The landowner payment portion of ML 2022, 2023, and 2025 is fully committed or encumbered. Easements are currently proceeding through our standard acquisition process, and there is no funding available to take new applications again until July 2026, pending the ML26 appropriation. Applications for this program are typically accepted on a quarterly basis, when funds are available.

The first application period for the ML25 appropriation (July 2025) received 29 applications covering over 1,300 acres, totaling more than \$7 million in requests for an available \$2,691,000. The 2026 application period is expected to be even more competitive, as unfunded applications from 2025 will reapply alongside new 2026 submissions. Graphics will be included in the hearing handout to help explain this information.

**Committed** = easement funds assigned to specific easement(s) – RIM application has been funded.

The LSOHC tracking system does not show spent funds the same way BWSR considers funding to be available for new easement applications. Once funds have been committed to a new easement, BWSR considers that funding no longer available to take additional applications. The LSOHC tracking system continues to show that funding as “unspent” until easement payments are made to the landowner – a process that typically takes an average of 9-12 months after BWSR accepts an application.

### **Comment: “Proposal states funding is fully committed but then the 2023 funding provided shows only 2% is spent. Explain and identify the time between commitment and completion - and what is being done to shorten this. Scaling answer of “we will keep all staff in place regardless of funding amount is concerning.”**

#### **Response:**

The landowner payment portion of ML 2022, 2023, and 2025 is fully committed or encumbered. Easements are currently proceeding through our standard acquisition process, and there is no funding available to take new applications again until July 2026, pending the ML26 appropriation. Applications for this program are typically accepted on a quarterly basis, when funds are available.

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**Comment: “Ask is for 10m, past amounts are in 2-3m range. Easements underway.”**

**Response:**

There is very high demand for the BWSR RIM program. For ML25, \$10 million was requested, but only \$2,691,000 was awarded. As of the hearings in August 2025, BWSR anticipated having no funds available for new easements starting in October 2024—which ultimately proved to be the case.

The first application period for the ML25 appropriation (July 2025) received 29 applications covering over 1,300 acres, totaling more than \$7 million in requests—an average of just over \$5,000 per acre. Among those was an 80-acre CRP parcel along a stream system in Cottonwood County that narrowly missed the funding cutoff.

I anticipate similar, if not higher, demand next year. Many of the 2025 applicants are expected to reapply, along with a large number of new applicants in 2026. A full \$10 million appropriation—or even more—would significantly benefit the RIM Integrating Habitat and Clean Water program.

**Comment: One Watershed One Plan with BWSR. Not open to public. No matching funds. \$6.6k/acre. Phase 3??”**

**Response:**

In 2024, Over 4,400 acres of BWSR easements were enrolled in the Walk-In Access (WIA) program, allowing for increased access to private land for hunting and recreational purposes.

BWSR easement applications will now include a checkbox for landowners to indicate whether they are interested in participating in the WIA program. This will support and improve marketing efforts for the program.

BWSR easements fill a critical niche in maximizing wildlife habitat across the state. Outside of Minnesota’s forested regions, there will never be enough public land to fully support and stabilize wildlife populations. BWSR easements are a more cost-effective alternative to public land acquisition, as they allow landowners to maintain hunting, fishing, and other outdoor recreation traditions while retaining ownership and still contributing to habitat goals.

From The Legacy Amendment: The OHF is intended to restore, protect, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife.

### **Comment: “Unspent money??”**

**Response:** The landowner payment portion of ML 2022, 2023, and 2025 is fully committed or encumbered. Easements are currently proceeding through our standard acquisition process, and there is no funding available to take new applications again until July 2026, pending the ML26 appropriation. Applications for this program are typically accepted on a quarterly basis, when funds are available.

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### **Comment: “This relies heavily on 1W1P which do not have enforceable provisions.”**

**Response:**

BWSR’s easements include enforceable provisions to ensure long-term protection. Through the One Watershed, One Plan (1W1P) framework, locally developed and state-approved Comprehensive Watershed Management Plans (CWMPs) are used to identify priority areas for targeting habitat and water quality investments.

This BWSR easement program aligns with the priorities and goals outlined in the CWMPs, helping to strategically locate easements where they will provide the greatest benefits for wildlife habitat and water quality.



### **Comment: “difference in fund spent vs committed...”**

#### **Response:**

The landowner payment portion of ML 2022, 2023, and 2025 is fully committed or encumbered. Easements are currently proceeding through our standard acquisition process, and there is no funding available to take new applications again until July 2026, pending the ML26 appropriation. Applications for this program are typically accepted on a quarterly basis, when funds are available.

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HA 09	<a href="#">Metro Big Rivers 16</a>	Neal Feeken	Minnesota Valley Trust	\$21,386,800
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## **HA09 Metro Big Rivers – Phase 16**

### **Responses to member questions/comments**

**8/12/25**

#### **Baird – Personnel cost look high as well as land cost**

Metro Big Rivers partners consistently leverage grant funds with their own funds to cover the costs of personnel and other expenditures, ensuring that the bulk of OHF funds go directly to on the ground conservation. Personnel costs amount to approximately 7% of the total grant request, and are needed to cover staff time to bid, oversee, monitor, and evaluate the restoration and enhancement work.

In the Twin Cities Metro, land costs are among the highest in the state. Costs included in this proposal are based on either specific property valuation estimates, or on recent costs to acquire similar parcels. Protecting these parcels is extremely important in ensuring that metro area residents have access to natural areas and open space.

#### **Eggerling – unspent funds**

Metro Big Rivers partners are on track to spend all previous allocations.

Remaining funds from prior appropriations are primarily allocated to easement and fee-title acquisition projects. These projects often take time to identify, develop and bring to closing. Our track record of success, as demonstrated in the Prior Appropriation chart, demonstrates our ability to turn those funds into on-the-ground conservation within the timelines allotted. Partners who have sufficient current allocations to pursue priority projects are not participating in the current request. Additional funds are being requested to pursue new opportunities that continue to arise, and since existing funding is already largely committed, new dollars are needed to pursue these new projects. All restoration/enhancement funds are obligated and will be spent by their respective grant end dates.

**Hartwell - Prior appropriation chart shows inaccurate totals. How much of prior appropriations is restoration in progress and committed going forward to specific projects? Don't understand the need for .64 fte to oversee contracts for 5 years by GRG or 1 FTE for 4 years for a restoration ecologist to oversee contracts but nothing for land acquisition for MVT**

We are working with DNR to finalize the Grant Agreement for appropriation year 2025. The remainder of the funds are largely committed to ongoing land protection projects, with a much smaller percentage to restoration/enhancement.

*Updated total appropriation chart for Metro Big Rivers*

Appropriation Year	Funding Rcvd	Amount spent to date	Funding Remaining	% spent to date
2025	\$6,793,000	\$0	\$6,793,000	0%
2024	\$8,123,000	\$1,755,300	\$6,367,700	22%
2023	\$15,339,000	\$12,205,300	\$3,133,700	80%
2022	\$8,200,000	\$5,076,300	\$3,123,700	62%
2021	\$4,229,000	\$3,757,300	\$471,700	89%
2020	\$6,473,000	\$6,258,500	\$214,500	97%
2019	\$4,163,000	\$3,911,800	Final	94%
2018	\$2,630,000	\$2,547,900	Final	97%
2016	\$4,000,000	\$3,961,800	Final	99%
2015	\$2,000,000	\$1,986,700	Final	99%

MN Valley Trust is seeking new funds to accelerate land management in the form of restoration and enhancement on Refuge units within the metro area. Personnel funds requested by MVT are a reflection of this accelerated and additional work. Land acquisition will continue to be led by the MVT Executive Director and paid for with private funds from the Trust.

GRG personnel includes the necessary staffing to fulfill the requirements of a successful restoration/enhancement project from habitat assessments and monitoring, awarding and managing contracted services for the duration of the funding, post restoration/enhancement management plan, field technicians to complete on demand restoration tasks that are not contracted out and all relevant reporting and documentation required by LSOHC, MN DNR Grants, State Auditor and DOLI.

**Kucharski – Big ask. Tons of collaboration, high urgency, historic amounts less. Early grants spent.**

Metro Big Rivers partners effectively and efficiently collaborate to ensure that each partner brings their strengths and abilities to move the needle on metro area conservation work. This collaboration has resulted in thousands of acres protected and restored. As land and restoration costs continue to rise, the size of proposals will need to as well, though that does not diminish the importance of this work. Metro Big Rivers partners are on track to spend all previous allocations.

**Palmer - Purchase 841 acres/Restore & enhance 1392 acres. Open to Public. 7% matching funds. Phase 16. Large grants given each year. \$15 Mil in 2023. Purchase - \$16k/acre/Enhance 7 Restore - \$5800/acre**

The 2023 appropriation was especially large because the Council fully funded the \$11M Keystone Woods WMA acquisition completed by TPL in Washington County.

**Schara – Unspent money is bothersome**

See response to Eggerling question above

**Suss - MVT exists with cash onhand to acquire land. Huge unspent funds**

See response to Eggerling question above

The Metro Big Rivers partnership has always and will continue to leverage public funding with private funds. The current proposal offers leveraging funds from various sources including partner organizations, private foundations, municipalities and other private dollars.

Neal Feeken <nfeeken@mnvalleytrust.org>

**Neal Feeken**

Executive Director

MN Valley National Wildlife Refuge Trust, Inc.

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Phone: (952) 207-0247



## Responses to Member Comments

### HA13: Protecting Minnesota's Lakes of Outstanding Biological Significance

Minnesota Land Trust & Northern Waters Land Trust

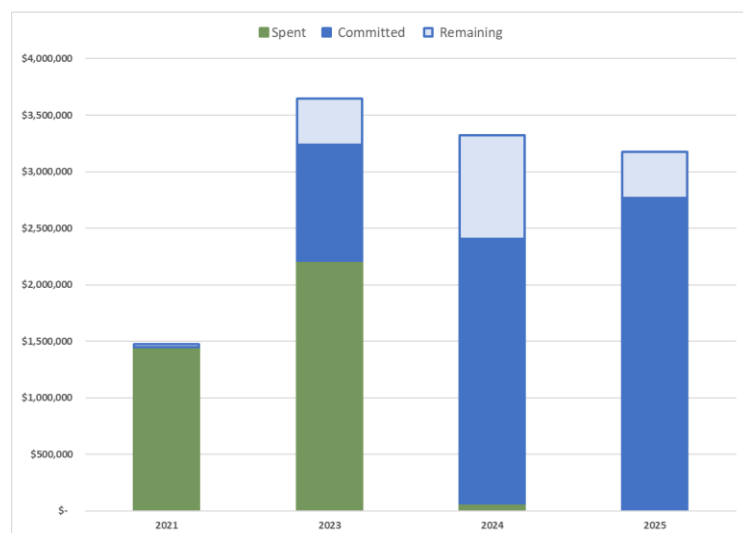
**Question from LSOHC:** *Ask nearly 3x historical spend. Delineation between public acquisition and private easements?*

#### Request Justification

The requested amount in the proposal reflects the need and opportunity that we see within the Lakes of Outstanding Biological Significance program and is in line with requested amounts in previous proposal requests.

The historical spend for this program is a result of what we receive from the Council based on available funding and how this funding is awarded across the applicants. The need and opportunity for this program outstrips the available award.

The requested amount is based on the amount of funds that are already committed from previous appropriations, coupled with anticipated future projects/interest. All available easement funding and a majority of the fee acquisition funds from previous appropriations are committed to projects pending fee title or easement purchase (see graph below). We are seeking new funding to ensure that we can complete projects that are currently in progress as well as meet anticipated future projects with continuity. Based on our strong pipeline of projects that we currently cannot pursue due to insufficient funding and ongoing strong interest, we feel confident we can deliver high-quality conservation easements if fully funded at this request level.



*Overview of spend and committed funding LOBS 1-4*

### Easement vs. Acquisition Delineation

Minnesota Land Trust (MLT) is responsible for implementing private conservation easements, so all budget items and parcels associated with MLT pertain to easement-related activities. In contrast, Northern Waters Land Trust (NWLT) focuses on fee title acquisitions for public ownership, and therefore, all NWLT budget items and associated parcels relate to public land acquisition.

NWLT's proposed budget of \$5,048,000 is for acquisitions that will be open to the public. MLT's proposed budget of \$4,128,000 is for private conservation easements. It should be noted that a number of easements we have completed and are currently working on include camp properties. These have a public access component, serving youth and their families.

Item	Funding Request	Total Leverage	Leverage Source	Total
Personnel	\$571,000	-	-	\$571,000
Contracts	\$167,000	-	-	\$167,000
Fee Acquisition w/ PILT	\$4,000,000	\$400,000	-, Landowners; Lake Associations	\$4,400,000
Fee Acquisition w/o PILT	-	-	-	-
Easement Acquisition	\$3,000,000	\$450,000	-, Landowners	\$3,450,000
Easement Stewardship	\$252,000	-	-	\$252,000
Travel	\$30,500	-	-	\$30,500
Professional Services	\$787,000	-	-	\$787,000
Direct Support Services	\$173,000	-	-	\$173,000
DNR Land Acquisition Costs	\$96,000	-	-	\$96,000
Capital Equipment	-	-	-	-
Other Equipment/Tools	\$2,000	-	-	\$2,000
Supplies/Materials	\$4,000	-	-	\$4,000
DNR IDP	\$93,500	-	-	\$93,500
<b>Grand Total</b>	<b>\$9,176,000</b>	<b>\$850,000</b>	-	<b>\$10,026,000</b>

*Budget split Fee Acquisition w/PILT versus Easement Acquisition*

**Question from LSOHC:** *Spending \$1 million for 38 acres is more than \$26,000 per acre?*

This question is in reference to the NWLT – Leech parcel listed in our potential parcel list. This is a highly valued property with shoreline on Leech Lake.

Name	County	TRDS	Acres	Est Cost	Existing Protection
NWLT - Andrusia Lake	Beltrami	14631208	40	\$92,000	No
NWLT - Marquette Lake	Beltrami	14633236	29	\$300,000	No
NWLT - Leech	Cass	14329226	38	\$1,000,000	No
NWLT - Leech Lake	Cass	14229231	1	\$132,700	No
NWLT - Steamboat	Cass	14431220	23	\$550,000	No
NWLT - Big Pine	Crow Wing	13627205	120	\$365,800	No
NWLT - Duck	Crow Wing	13825219	200	\$628,400	No
NWLT - Platte Lake	Crow Wing	04328231	44	\$643,900	No
NWLT - Round Rice Mille Lacs	Crow Wing	04428202	220	\$416,000	No
NWLT - Moose	Itasca	05726230	93	\$1,180,000	No

**Question from LSOHC:** *Is our goal fighting climate change or offsetting CC effects? Is this the part of the state where these projects have the greatest effect? This is already the wilderness paradise portion of MN.*

Our primary goal is both to buffer climate change effects on water quality and temperature by protecting high quality forests and shorelines. These intact natural systems support biodiversity and keep our water clean. Once lost, these functions are difficult and costly to restore.

The lakes in this region are experiencing some of the fastest warming trends in the State. In addition, this region is home to a large number of high-quality cold-water fisheries lakes. These lakes and their cold-water fisheries are under increasing pressure in the face of climate change. Continued development pressure, fragmentation, invasive species combined with climate pressures threaten this important resource. Without action, the clean water, healthy forests, and thriving wildlife that define this area could quickly decline.

Protecting these lands now is a cost-effective and science-backed way to maintain ecological function and build climate resilience within these systems. In other parts of Minnesota, recovery may no longer be possible. We have a chance to protect a high-valued resource, but only if we act while the land is still healthy and intact.



QUESTION:

The request is for \$5 million but there is virtually no spending yet from the 2023 appropriation of 2 million and only 36% of the 1.5 million of the 2022 appropriation spent. Seems strange that if they funding is scaled back, the first thing to be taken out is the acquisition which is probably the only thing that cannot be done later.

ANSWER:

Thank you, Chair Hartwell, for the question.

The District is currently preparing for a major channel restoration project with an estimated cost of over \$4 million. From the outset, we recognized that funding a project of this scale would require multiple appropriation cycles. Because of this, we intentionally held onto \$1.6 million from a previous appropriation, knowing it would not be sufficient on its own to initiate construction. Our approach was to build the necessary funding incrementally until we had the full amount required to proceed. We now have two funding appropriations towards this project and since submitting the current funding request, we have taken key steps forward. An engineering contract for the project has been awarded, and we have begun early coordination and permitting activities, including convening a project advisory committee to guide development. This project will continue to hold a significant portion of the funds until construction begins, which is scheduled for late 2026.

Regarding the land acquisition component: we have been in communication with the landowner, who has expressed a willingness to wait. That said, we recognize the importance of securing this property now, given the risk that it may not be available later. If funded, we will include the acquisition in our work plan to ensure it is protected with this appropriation.

Courtney Phillips

Program/Project Manager – Shell Rock River Watershed District

[Courtney.Phillips@co.freeborn.mn.us](mailto:Courtney.Phillips@co.freeborn.mn.us)

(507) 379-8782

**HA17: Southeast Minnesota Protection and Restoration, Phase 14**  
**Response to proposal evaluation questions/comments from LSOHC members**

**1. Topic: Proposal Costs**

Member Comment(s):

- Darrel Palmer: “Purchase @\$ 11k/acre. Easements at \$ 3k/acre. Restore/Enhance @ \$3210/acre.”
- Ron Schara: “449 acres for almost \$14,000 an acre??”

In Southeast Minnesota, the high demand for land for hunting and other outdoor recreation, and the relative scarcity of publicly accessible land, leads to high prices for timber and recreation land relative to other areas of the state. However, the costs referenced in the above comments include more than just the price of the land or conservation easements.

In this (and every) proposal, tables 5 & 6 present auto-generated Costs per Acre by Resource Type and Ecological Section, respectively. Those tables are calculated by dividing the Total Requested Funding by Resource Type (table 2) by the Acres by Resource Type (table 1). For this proposal, these costs are (empty columns omitted from original chart):

**Average Cost per Acre by Resource Type (Table 5)**

Type	Prairie	Forest	Habitat
Restore	\$1,000	\$1,000	-
Protect in Fee with State PILT Liability	-	-	\$11,318
Protect in Fee w/o State PILT Liability	-	-	-
Protect in Easement	-	-	\$3,210
Enhance	\$830	\$832	-

**Average Cost per Acre by Ecological Section (Table 6)**

Type	SE Forest
Restore	\$1,000
Protect in Fee with State PILT Liability	\$11,318
Protect in Fee w/o State PILT Liability	-
Protect in Easement	\$3,210
Enhance	\$831

The per acre cost by resource activity these tables present includes all project-related costs, including staff time, professional services, contracts, acquisition capital, DSS, equipment, etc.

which are necessary regardless of the specific acres involved. Thus, it reflects more than the per acre purchase price for land or easement acquisition. This can lead to the misperception that fee land is being purchased for \$11,318/acre or easements are being purchased for \$3,210/acre, when the actual purchase prices are much lower. In our proposal, some anticipated costs to restore and enhance lands acquired under this appropriation have been included in the Fee Acquisition line. This substantially raises the calculated per acre costs of Fee Acquisition projects beyond price for the land itself.

The calculated costs for Restoration and Enhancement of \$1,000 and \$831 per acre, respectively, are also inclusive of all associated costs, not just the expected costs of contracted work. While the new prevailing wage requirements have increased the cost of restoration and enhancement, these per acre totals are consistent with costs we're aware of on DNR and partner projects in the region and not unique to this project or our organization. TNC's habitat management team, which we are also requesting funding for in this proposal, has proven very cost-effective in delivering significant amounts of habitat enhancement.

## **2. Topic: Amount of request relative to prior appropriations.**

Member comment(s):

- Matt Kucharski: "Confusing -- \$19m ask when historically it has been less than 5."

It is true that this proposal marks the partnership's highest request to date- historically the partnership has averaged just below \$11M in its requests. The increase this year is primarily due to the unique opportunity presented by the Wacouta Bay Bluffs fee acquisition, which is \$6.175M in cost alone.

The reference to historical requests being less than \$5m may be comparing the current proposal *request* to historical funds *awarded*. Our proposals have consistently reflected what we view as the opportunity and need available to us as exhibited by the landowners and partners with whom we work. As noted above, this has averaged just below \$11M historically when all three partners have participated in the proposal. The amount awarded by LSOHC each year reflects priorities of Council members and is constrained by funding amounts available. Funding requests and award amounts can, and often do, differ considerably.

## **3. Topic: Unspent Funds**

Member comment(s):

- David Hartwell: "2022, 2023 and 2024 funds are mostly unspent? Please explain the need for additional funding."

Since there are multiple organizations involved in managing various prior phases of this program, we've outlined below the status of 'unspent' funds by organization:

The Nature Conservancy currently has roughly \$1.7 Million for Fee Acquisition, of which \$634,000 is obligated to two properties under a purchase agreement. In this proposal, TNC is not requesting additional Fee Acquisition funding beyond our current amount on hand.

There are two primary purposes for The Nature Conservancy's unspent restoration and enhancement funds:

- 1) Contracts funds not yet spent are currently allocated to seven ongoing projects that include forest restoration and woody invasive species removal. Effective restoration and enhancement requires multiple years of treatment, and we are reserving funds for future stages of those projects to ensure we can see them through to a successful conclusion. As future funding is secured, we will be able to initiate new R/E projects with current funds in hand, knowing we will have sufficient funds to complete future stages of the current projects. Without additional funding, we are unable to initiate restoration or enhancement activities on new parcels without sacrificing our ability to complete current work.
- 2) A significant share of our remaining personnel funds will support our internal habitat management crew. This crew has been instrumental in growing the scale and quality of our restoration and enhancement work several-fold, implementing over 7,000 acres of treatment since 2022. Stable funding for that crew is essential to maintain its effectiveness.

Trust for Public Land currently has \$2.54M in unspent funds across all open appropriations. However, all remaining acquisition capital (~\$2M) is committed to two in-progress acquisitions, including the Wacouta Bay Bluff property which is under option to purchase for \$6.175M. Additionally, another \$100K is committed to specific WMA and state forest acquisitions for restoration work. The remaining unspent funds are largely for staff and anticipated professional services.

Minnesota Land Trust currently has \$4.4M in unspent funds for land protection across all open appropriations. MLT is currently advancing 16 conservation easement projects totaling an estimated \$3.8M across its Phase 10 through Phase 12 grants; many of these will close within the coming year. Phases 10 and 11 are completely subscribed, and we are building out our project list for Phases 12 and 13.

MLT currently has \$1.2M in unspent and uncommitted R/E funds across open appropriations, and is not requesting additional R/E funding in this proposal. Of that, just under \$1M is from SEMN13, which just came online in July 2025. For all other open grant phases, all projects necessary to meet/exceed our proposed grant deliverables have been initiated; unexpected cost savings across these grants have resulted in \$300K of now unallocated funds being available for additional work.

**4. Topic: FTE need & rationale**

- Member comment(s): David Hartwell: "TNC project management at 1.3 FTE seems high."

TNC's 1.3 FTE for program management is the result of our commitment to maintaining the highest standards for our projects and providing a high quality outcome with the use of these public funds, while not creating a burden on our agency partners to develop and manage the on-the-ground work. TNC staff, working with DNR, are directly involved in scoping and prioritizing our R/E work, developing project specifications, and supervising projects in the field while they are being completed. Without this on-the-ground support, our DNR partners would not have the capacity to supervise the volume of projects we intend to complete without sacrificing their own work. We are also dedicating time to better assessing and documenting all stages of the project, as recommended in the 2024 Legacy Fund Restoration Evaluation Report.

**Nick Bancks**

Project Manager

Trust for Public Land

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HA 18	<a href="#">St. Croix Watershed Habitat Protection and Restoration Phase 7</a>	Marc White	Wild Rivers Conservancy \$13,859,000 of the St. Croix & Namekagon
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Rep. John Burkel comment: *4.09% - scalable, 8.2% DSS (Wild Rivers Conservancy)*

Response: These appear to be summary evaluation notes on the part of Rep. Burkel. Similar notes are associated with all other proposals.

Matt Kucharski comment: *Would like to understand why \$13 million was awarded in 2023, but much lower amounts in other years.*

Response: With respect to the funding history on the St. Croix Program, 2023 was a larger year than others because it fully funded the requested amount for the large Keystone Woods WMA acquisition (1,820 acres) in Washington County. With respect to the amount requested this year, this is driven by the conservation opportunities we are currently seeing.

Darrel Palmer comment: *Purchase 720 acres/Easements 880 acres. Land protection along St. Croix River. Purchase open to public. Easements are not open to the public. 4% matching funds. Purchase \$6478/acre/Easements \$4943. Phase 7.*

Response: These appear to be summary evaluation notes on the part of Darrel Palmer. Similar notes are associated with all other proposals.

Ron Schara comment: Some acquisitions almost \$17,000 per acre?

Response: Land prices vary considerably within the St. Croix watershed, ranging from around \$2,000/acre in the northern counties (Pine, Kanabec, Carlton) to in excess of \$20,000/acre in Washington County. Even within respective counties, values can vary tremendously based on the type of land being purchased. Land acquisition organizations weigh the cost of land against the conservation benefit when setting priorities for conservation action.

The tradeoff between spending monies in the northern forests of Minnesota where land is relatively cheap (but relatively well protected and intact) versus Twin Cities metropolitan areas (where land is expensive, but where most people live) or agricultural prairie parts of Minnesota (where land is expensive and little remains of the native prairie and wetlands that were once there) has long been debated and discussed by LSOHC without clear recommendations. There are tradeoffs in any approach.

Within our St. Croix Program, partners view all portions of the watershed as critical to the goals of our program, with a focus on lands containing high biodiversity, connectivity, and habitat for threatened and endangered species. That translates to working both in the headwaters and in



Washington County. The expansive Keystone Woods WMA is an example of a project protected in Washington County; the Land Trust's Willow River (Lourey) easement covering 1,700 acres in Pine County an example of our work in the north.

Finally, it is important to note that the cost/acre calculation in the proposals includes not only the actual purchase price of land, but all the other costs associated with the acquisition, including personnel, professional services (appraisals, title work, and other due diligence) and contracts. For fee acquisition projects, that also includes initial restoration costs.

**Marc White**

Natural Resources Manager

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HRE 02 [Bone Lake South Phase 2](#) Emily Heinz Comfort Lake-Forest Lake Watershed District \$1,625,000

Question/Comment	Answer/Response
<p>\$0 Spent from FY 23 - why?</p> <p>Clearly defined project in metro area - would like to understand progress on Phase I.</p> <p>No funds from 2023 spent.</p> <p>Unspent money??</p>	<p>The 2023 grant will be fully spent by yearend. The entirety of this grant is dedicated to acquisition of one site – the Bone Lake South site. We executed the purchase agreement with the current landowner on June 5, 2025. Getting to this point took us longer than anticipated due to extensive landowner negotiations with the original landowner. The original landowner unexpectedly passed away last fall. We have handled landowner communications sensitively since that point, and we have now reached an agreement with the current landowner. We expect to close on the property before yearend.</p>
<p>10% - scalable 0.0% DSS (Comfort Lake/Forest Lake Watershed)</p> <p>10% matching funds.</p>	<p>Leverage as a percent of request: 10%</p> <p>All CLFLWD staff time will be funded by local CLFLWD tax levy and billed using billing rates determined by the Board of Water and Soil Resources billing rate calculator.</p>
<p>Restore/Enhance 236 acres (Cost info shows 152 acres).</p>	<p>The total site acreage under CLFLWD ownership will be 236 acres. Of this, we propose to restore and enhance 152 acres with this round of funding. These 152 acres contain the highest priority habitats to restore and enhance, providing the highest benefit to wildlife.</p> <p>The CLFLWD will endeavor to utilize rotational grazing as a primary methodology for prairie restoration site prep and maintenance.</p>

Habitat for Blanding Turtles in Bone Lake South Wetland Area. ????	The Natural Heritage Information System (NHIS) identified the presence of the threatened Blanding's turtle in the area. This proposal will restore and enhance habitat for Blanding's turtle and other wildlife species.
No mention of public use??	<p>This site is located in northern Washington County, in the City of Scandia which does not impose hunting restrictions beyond Minnesota regulations. Once fully restored and open to the public, this site will be an excellent hunting resource for both upland bird and waterfowl.</p> <p>The existing farm trails will be converted to a non-motorized trail system opening up the entire 236 acre property to public use.</p> <p>There is a demand for other recreational uses as well, such as hiking and particularly for bird watching. According to user data on eBird.org, our area is a popular birding area. On a broader scale, we are part of the Mississippi/St. Croix flyway, providing essential stopover sites for migratory birds. Anecdotally, some species of special concern have been observed in our area, such as Trumpeter Swans and American White Pelicans.</p>
Restore/Enhance @ \$10,700/acre on 152 acres. Phase 2	Includes design, site prep, planting, seeding, and maintenance during the establishment period of the restored area.

**Emily Heinz**

Planning Coordinator

Comfort Lake-Forest Lake Watershed District

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<b>HRE 04</b>	<b><u>DNR Aquatic Habitat Restoration and Enhancement, Phase 9</u></b>	<b>Dean Paron</b>	<b>MN DNR</b>	<b>\$16,558,200</b>
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Council Members and Staff,

Thank you for the opportunity to address some of the comments of HRE04 MN DNR Aquatic Habitat Restoration and Enhancement – Phase 9.

Common to many reviewers were comments about unspent balances that remain in past appropriations. The projects in these past appropriations are complex large-scale projects that often involve large amount construction work in river habitat. Working in river environments is complicated and projects must be designed for changing amounts of energy, extreme hydrological conditions, and harsh weather environments. So, this takes a lot of modeling and engineering work. We also have a very short window of time we can work each year due to early winters and fish spawning restrictions. Add to that a stakeholder-driven design process that involves a lot of partners and a whole slew of permits, agreements, and environmental/historic review that must happen. This takes a lot of staff hours for project managers to coordinate, and multiple years to move through the whole process. The process involves engineering design, followed by permitting and then finally construction. Design and permitting cannot start before funds for the work have been secured. Once an appropriation has been made, this design and permitting process starts. A typical project will be developed on a schedule as outlined below:

- Year 1: Contract implementation, pull together project team, begin survey, public outreach, and draft concept idea.
- Year 2: Move design from concept to 60%.
- Year 3: Finalize design which includes modelling, permitting, environmental determination and cultural resources considerations.
- Year 4-5: Construction depending on weather and flows can take up to 2 seasons.

Once the design is finalized and permits are obtained, construction is completed. Construction costs are usually the bulk of the appropriation costs, so most of the funds are spent often in the last 2 years of appropriations. This pattern of slow initial spending followed by dramatic expenditures in the last years of appropriation is typical of all our programmatic OHF proposals. The history of the MN DNR Aquatic Habitat Restoration appropriations from ML 2010 to ML 2019 has shown that these appropriations were all spent down every appraisal within 5 years with most of the spending in years 4 and 5.

Other comments seemed to question the large number of proposed Aquatic Management Area (AMA) projects and if projects can be completed on time. While there are many parcels proposed in this appropriation, the last two appropriations with AMA projects the MN DNR had great success in meeting these projects goals.

- In ML 2019, DNR Aquatic Habitat Restoration and Enhancement Phase 2 included 53 parcels to enhance and restore a total of 950 acres. All these 53 parcels were addressed with the addition of 356 acre enhanced and restored.
- In ML 2023 there are 59 parcels listed for projects to enhance and restore 252 acres. In this appropriation we exceeded our acre goals in all of the LSOHC planning regions. In Metro region we enhanced 11 planned acres +114 additional acres; SE Forest enhanced the 8 planned acres +37 additional acres, Prairie 55 planned acres +97 additional acres; Prairie Forest trans 38 planned acres +19 additional acres; North Forest 112 planned acres +27 additional acres. At this point the MN DNR has completed a total of 252 planned acres +266 additional acres enhanced.

Based on the history of MN DNR staff to complete projects on AMAs, we feel confident that we are able to complete the projects on the parcels proposed in this appropriation.

In regards to the question: "If the projects are scaled, what is the situation with leverage?" Each project listed has different levels of leverage. If the appropriation is funded, the amount of funding will determine which projects will receive funding from this appropriation. The amount of leverage will vary depending on which projects get funded.

**Dean Paron**

Stream Habitat Supervisor | Fisheries

Minnesota Department of Natural Resources

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<b>HRE 05</b>	<a href="#">Little Cannon River Stream Habitat Restoration</a>	<b>John Lenczewski</b>	<b>MN Trout Unlimited</b>	<b>\$4,800,000</b>
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**Staff time:**

Clean River Partners' request for 0.2 FTE over five years reflects our commitment to ensuring this project is both effective and efficient. Clean River Partners plays a unique role in keeping all the moving parts aligned—hosting partner meetings, maintaining shared records, coordinating outreach, and ensuring the stream restoration connects meaningfully with upstream agricultural practices and related conservation efforts.

This level of staff time allows us to do that work well without being excessive. We've based our estimate on past experience with similar coordination and outreach efforts, aiming to keep it lean while still ensuring a high-quality outcome. Our goal is to help ensure that the Council's investment delivers lasting, landscape-scale benefits—something we believe this level of staff capacity is well-positioned to support.

**Federal funds:**

Clean River Partners was recently informed that our Fishers and Farmers Partnership grant, originally scheduled to begin July 1, is now expected to be delayed until October. This federal funding supports upstream agricultural conservation efforts and does not directly fund the Little Cannon River restoration project currently under review. While the work is highly complementary, any delay—or even cancellation—will not prevent us from fully carrying out our role in the proposed stream and habitat restoration. Clean River Partners has already secured Clean Water Legacy Partners funding from the Board of Water and Soil Resources, which allows us to proceed with the upstream work and ensures continuity and impact regardless of the federal funding timeline.

**Jennifer Tonko**

Executive Director

Clean River Partners

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**HRE 06**   [Mission Creek Watershed Connectivity](#)   **Jeremy Pinkerton**   **MN DNR**   **\$3,442,200**

Chair Hartwell and Council members,

I would like to respond to the questions/comments on HRE 06, Mission Creek Watershed Connectivity, received at the council meeting on July 30, 2025.

The Minnesota DNR has received funding from 11 appropriations as the St. Louis River Restoration Initiative (SLRRI). Many of these appropriations have been in partnership with the Minnesota Land Trust. We spent down the bulk of the \$17.8 million dollars we received from Phases 1-6. Most of the remaining funds from St. Louis River Restoration Initiative Phases 7-11 are earmarked to four restoration projects. Two of these projects are anticipated to be bid out in August and October 2025. Considering engineers estimates (\$1,200,000 and \$23,400,000 for construction only) and funding from other sources

(\$12,280,000 Federal GLRI, \$6,200,000 Bonding, \$600,000 other state funds), we will spend approximately \$6,600,000 of OHF funds for the construction and construction oversight of these two projects alone. One project will be completed by the end of 2026 and the other is anticipated to be completed by the end of 2027. We will strategically spend funds in a manner that minimizes the risk of expiring funds. The final two DNR led construction projects are associated with ML24 and will be completed before those funds expire in 2029. Additional funds awarded to the Minnesota Land Trust are for restoring and enhancing avian habitat along the St. Louis River Estuary and will also be spent prior to expiration. These projects will complete the SLRRI!

We mentioned in the proposal that our team has conserved over 900 acres, and we have leveraged over \$25 million Federal funds. These numbers are associated with the SLRRI. We wanted to demonstrate the impact of this initiative while we move on from the SLRRI to something new.

In short, thanks to the support of the Outdoor Heritage Fund Council, we are nearing the completion of the St. Louis River Restoration Initiative and have a plan in place for spending the remaining funds for this initiative. The Mission Creek Watershed Connectivity proposal is the first step in moving beyond the St. Louis River Restoration Initiative and out into the Lake Superior Basin.

Thank you for the opportunity to respond to your questions and comments.

**Jeremy Pinkerton**

St. Louis River - Lake Superior Team Supervisor

Minnesota Department of Natural Resources

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# *Red Lake Watershed District*

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TO: Lessard-Sams Outdoor Heritage Council

FROM: Tammy Audette, Administrator, Red Lake Watershed District

DATE: August 7, 2025

SUBJECT: Responses to Summary of Member Comments - Mud River Enhancement Project  
LSOHC Proposal I.D. HRE 07

Please find below our responses to the council member comments and questions. Thank you for your consideration.

## **Rep. John Burkel**

- Comment: 12.84%. Not scalable. 0.0% DSS. Red Lake Watershed District
- Response: After careful consideration by engineers and wildlife managers, it was determined that the Mud River Project is not scalable. The flow path of the historic stream channel we wish to enhance meanders for 6 miles in a very flat landscape. The project cannot be broken into smaller pieces because the stream morphology and floodplain connectivity need a large area to properly function. A functional floodplain allows for a give and take of flooding and drought, sedimentation and erosion, nutrient loading and uptake, vegetation disturbance and regrowth. To balance these competing functions, a stream needs a large area to expand into and contract from the floodplain. A restoration action limiting the streams access to only a small portion of the floodplain does not allow for balance and often results in unintended consequences, such as severe erosion. Due to these factors, the project team has determined that complete funding would be required to achieve the project's habitat and hydrologic objectives.

## **Kristin Eggerling**

- Comment: Not scalable
- Response: After careful consideration by engineers and wildlife managers, it was determined that the Mud River Project is not scalable. The flow path of the historic stream channel we wish to enhance meanders for 6 miles in a very flat landscape. The project cannot be broken into smaller pieces because the stream morphology and floodplain connectivity need a large area to properly function. A functional floodplain allows for a give and take of flooding and drought, sedimentation and erosion, nutrient loading and uptake, vegetation disturbance and regrowth. To balance these competing functions, a stream needs a large area to expand into and contract from the floodplain. A restoration action limiting the streams access to only a small portion of the floodplain does not allow for balance and often results in unintended consequences, such as severe erosion. Due to these factors, the project team has determined that complete funding would be required to achieve the project's habitat and hydrologic objectives.

### **David Hartwell**

- Comment: Do not understand this - "Floodplain habitat will be enhanced by providing stream access to an additional 700 ac. of wetland during elevated flows." What happens when there is a 50- or 100-year event. Will these improvements just be washed out?
- Response: This project will dissipate flood energy by allowing high flows to expand into the floodplain. The infrastructure comprising this project would be inundated as the flood waters expand into the floodplain, rather than being washed over by high flowing water.
- Question: How much of this is flood focused vs habitat enhancement?
- Response: The goal of this project is to enhance natural riverine, riparian, and floodplain functions along the Mud River to improve migratory bird habitat and other ecological systems that were lost due to drainage practices. Flood reduction and sediment abatement are incidental benefits of this project but contribute greatly to the improvement of wildlife habitat. Restoring floodplain access will reduce the wetland pool bounce, protecting overwater nesting birds and, allows sedimentation to be distributed on the floodplain and not in wetlands.
- Comment: Past appropriations are listed as open but does not show status.
- Response: Red Lake Watershed District received LSOHC funds in 2012 for the Grand Marais Creek Channel Restoration Project in the amount of \$2,320,000.00. We have not previously requested LSOHC funding for the Mud River Enhancement Project.
- Comment: Not being scalable is a challenge given the current requests for support.
- Response: After careful consideration by engineers and wildlife managers, it was determined that the Mud River Project is not scalable. The flow path of the historic stream channel we wish to enhance meanders for 6 miles in a very flat landscape. The project cannot be broken into smaller pieces because the stream morphology and floodplain connectivity need a large area to properly function. A functional floodplain allows for a give and take of flooding and drought, sedimentation and erosion, nutrient loading and uptake, vegetation disturbance and regrowth. To balance these competing functions, a stream needs a large area to expand into and contract from the floodplain. A restoration action limiting the streams access to only a small portion of the floodplain does not allow for balance and often results in unintended consequences, such as severe erosion. Due to these factors, the project team has determined that complete funding would be required to achieve the project's habitat and hydrologic objectives.

### **Matt Kucharski**

- Comment: Really wish this project was scalable. Good leverage dollars and like that it can be executed all on public land. Says \$ received in past but no detail.
- Response: After careful consideration by engineers and wildlife managers, it was determined that the Mud River Project is not scalable. The flow path of the historic stream channel we wish to enhance meanders for 6 miles in a very flat landscape. The project cannot be broken into smaller pieces because the stream morphology and floodplain connectivity need a large area to properly function. A functional floodplain allows for a give and take of flooding and drought, sedimentation and erosion, nutrient loading and uptake, vegetation disturbance and regrowth. To balance these competing functions, a stream needs a large area to expand into and contract from the floodplain. A restoration action limiting the streams access to only a small portion of the floodplain does not allow for balance and often results in unintended consequences, such as severe erosion. Due to these factors, the project team has determined that complete funding would be required to achieve the project's habitat and hydrologic objectives.

- Response: Red Lake Watershed District received LSOHC funds in 2012 for the Grand Marais Creek Channel Restoration Project in the amount of \$2,320,000. We have not previously requested LSOHC funding for the Mud River Enhancement Project.

**Darrel Palmer**

- Comment: Enhance/Restore on 744 acres. Water diversion project to stop sediment and flooding on the Mud River. Open to public access. 13% matching funds. Enhance/Restore @\$6,855/acre
- Response: The goal of this project is to enhance natural riverine, riparian, and floodplain functions along the Mud River to improve migratory bird habitat and other ecological systems that were lost due to drainage practices. Flood reduction and sediment abatement are secondary (ancillary?) benefits of this project but contribute greatly to the improvement of wildlife habitat. Restoring floodplain access will reduce the wetland pool bounce, protecting overwater nesting birds and allows sedimentation to be distributed on the floodplain and not in wetlands.

**Ted Suss**

- Comment: mostly a habitat project
- Response: The goal of this project is to enhance natural riverine, riparian, and floodplain functions along the Mud River to improve migratory bird habitat and other ecological systems that were lost due to drainage practices. Flood reduction and sediment abatement are incidental benefits of this project but contribute greatly to the improvement of wildlife habitat. Restoring floodplain access will reduce the wetland pool bounce, protecting overwater nesting birds and allows sedimentation to be distributed on the floodplain and not in wetlands.

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<b>HRE 09</b>	<b><u><a href="#">Swift Coulee Channel Restoration/ Enhancement - Phase 2</a></u></b>	<b>Morteza Maher</b>	<b>Middle-Snake-Tamarac Rivers Watershed District</b>	<b>\$3,564,000</b>
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In my review of the comments posted from the council members, I thought there is a misunderstanding of a question in the application perhaps from my side. Comments from Chair Hartwell, Suzanne Baird and Ted Suss are kind of alluding that the answer provided under “Other OHF Appropriation Awards” relates to this project. While my understanding was that the question is asking whether the organization as the applicant has a history of a sort with the LSOHC. My answer to the question with that understanding refers to the Nelson Slough-East Park WMA project. (the total of \$5.752 million is what the Council awarded to Nelson Slough in the past couple of years and not to Swift Coulee project). Also to note is that this project (Swift Coulee) indirectly benefitted from LSOHC’s allocation to BWSR and RRWMB to their “Red River Basin Riparian Habitat Program Phase 1”.

**Morteza Maher**

Administrator

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HRE 10	<a href="#">Woods Creek Restoration</a>	Robert Kimmel-Hass	Cook County	\$750,000
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- FY25/ML24 Little Devil Track River Restoration
  - Applied in 2023, funds available July 1, 2024 (middle of construction season), construction began Summer 2025. Expect to start submitting reimbursement requests August 2025 and spend it all by year end.
- FY26/ML25 Fall River Restoration
  - Applied in 2024, funds available July 1, 2025, construction delayed until 2027 (staffing changes unfortunately but design is underway).
- FY27/ML26 Woods Creek Restoration
  - Applied in 2025, funds available July 1 2026 (if awarded), construction planned for 2027
  - Design is underway

Some other comments were about how the funds are related. Each of the projects we've presented on is a standalone project on different rivers/streams in Cook County. The last comment is questioning if this is a road maintenance project which is part of the equation. I think it's a marriage of the two things (transportation and environmental) and by utilizing both transportation dollars and environmental dollars we can be better stewards to the needs of the roads and the environment.

**Robert J. Kimmel-Hass, P.E.**

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