Form 1100-001
(R 9/07)

NATURAL RESOURCES BOARD AGENDA ITEM

Item No. 3.B.17

SUBJECT: Adoption and review of a feasibility study and startup master plan for the Southwest Wisconsin Grassland & Stream Conservation Area.

FOR: JUNE **BOARD MEETING**

TO BE PRESENTED BY: Tom Hauge, Wildlife Management Bureau Director and
Eric Lobner, Area Wildlife Management Supervisor

SUMMARY:

A feasibility study and environmental impact statement were recently completed to determine whether it is feasible to work with partners to conserve and enhance functioning grassland, savanna and stream ecosystems in southwest Wisconsin.

The department is proposing to protect 12,000 acres (through acquisition and easement) across a 473,900-acre project area. Of this total, 8-9,000 acres will be allocated to three focus areas where we will establish bird conservation areas. The department's primary role in the larger partnership will be to protect and manage three 2,000-acre cores of permanent grassland plus up to 1,000-acres of additional permanent grasslands surrounding these cores within a 10,000-acre mosaic of grassland and farmland. The plan would reserve the remaining 3 to 4,000 acres for opportunities to protect prairies, rare species and streams across the entire project area.

Through acquisition and easements, the department's goals will be to:

- Protect, restore and manage priority natural communities and associated rare species.
- Provide compatible recreational and educational opportunities such as hunting, bird-watching, trout and bass fishing, nature study, paddling, hiking, trapping and appreciation of the area's cultural history.
- Help sustain the area's rural agricultural landscape.
- Encourage ecologically friendly development.
- Promote appreciation of historical, cultural, and archaeological resources.

RECOMMENDATION: Adoption and review of a feasibility study and startup master plan for the Southwest Wisconsin Grassland & Stream Conservation Area.

LIST OF ATTACHED MATERIALS:

No	☑	Fiscal Estimate Required	Yes	☐	Attached
No	☐	Environmental Assessment or Impact Statement Required	Yes	☑	Attached
No	☐	Background Memo	Yes	☑	Attached

APPROVED:

Tom Hauge — Bureau Director, Tom Hauge — Date 4/16/09

Laurie Osterndorf — Administrator, Laurie Osterndorf — Date 5/27/09

Matt Frank — Secretary, Matt Frank — Date 6-9-09

cc: Laurie J. Ross - AD/8 Tom Hauge - WM/6 Scott Loomans - WM/6
Eric Lobner - 2 copies - DNR Fitchburg

Feasibility Study, Master Plan and Environmental Impact Statement is located on our website at: http://dnr.wi.gov/org/land/facilities/SWGrassland/documents.html.

CORRESPONDENCE/MEMORANDUM

State of Wisconsin

DATE: June 8, 2009

TO: Natural Resources Board

FROM: Matt Frank

SUBJECT: Southwest Wisconsin Grassland and Stream Conservation Area Feasibility Study, Start-up Master Plan and Environmental Impact Statement

I recommend that the Natural Resources Board approve a new 473,900-acre project boundary with a 12,000-acre acquisition goal for the proposed *Southwest Wisconsin Grassland and Stream Conservation Area (SWGSCA)* in Southwestern Wisconsin. The Department recently completed the feasibility study, master plan and Environmental Impact Statement for the project. The project vision is: To work with diverse partners to conserve and enhance functioning grassland, savanna and stream ecosystems in southwest Wisconsin, set within a rural landscape of working farms, focusing on the area's biological, cultural, economic and recreational values.

The proposed property designation is a State Habitat Area. The project is supported by a committed external partnership, including the well-established Military Ridge Prairie Heritage Area project, which is nested within this boundary. Partners include The Nature Conservancy, The Prairie Enthusiasts, Driftless Area Land Conservancy, DATCP, U.S. Fish & Wildlife Service, the Natural Resources Conservation Service, Iowa County Planning and Zoning, Dane County Parks, county Land Conservation Departments, Trout Unlimited and Pheasants Forever.

Project Goals

1. Natural resources: Protect, restore and manage priority natural communities and associated rare and declining species.
2. Recreation: Provide compatible recreation and educational opportunities such as hunting, bird-watching, fishing, trapping, paddling, hiking and nature study
3. Agriculture: Help sustain the area's rural agricultural landscape
4. Development: Encourage ecologically friendly development
5. Historic Resources: Promote appreciation of the region's historical, cultural and archaeological resources

Project Description

The proposed SWGSCA is a landscape-scale project located within an open agricultural landscape south of the Military Ridge in Iowa, southwest Dane, northern Lafayette and northwestern Green Counties. Identified within Wisconsin's Southwest Savanna Ecological Landscape, this area contains significant prairie remnants, grasslands and grassland birds, and includes more than 1,000 miles of streams, many of which are spring-fed trout streams. The project boundary was identified following significant public involvement and expands upon the existing southern CREP grassland area boundary, includes three Land Legacy areas, and three priority conservation areas for the state's Wildlife Action Plan. It encompasses and will complement a long-standing prairie conservation partnership initiated by The Nature

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Conservancy, known as the *Military Ridge Prairie Heritage Area.*

To protect and enhance these resources, it is the goal of this project to use fee-title acquisition as well as conservation easements to protect a total of 12,000 acres or 2.5% of the entire 473,900 acre project area. Two-thirds (8,000 – 9,000 acres) of the Department's acquisition efforts will occur within three Focus Areas located within the project boundary. These Focus Areas were designed and selected using best available information on land cover, prairie remnants, priority streams, public lands and trails and prime agricultural soils. They delineate areas within the boundary containing the best convergence of natural resource opportunities while excluding areas with the greatest concentrations of prime farm land.

Within the three Focus Areas, the majority of the acreage goal will be used to establish three Bird Conservation Areas (BCA's). Each BCA will consist of a 10,000 acre boundary, within which 2,000 acre core of contiguous grassland habitat will be located, surrounded by as much as 1,000 additional acres of scattered, Department-acquired grassland habitat for a total of 8,000 – 9,000 acres. In addition to the acreage identified for the BCA's, this project will focus on protecting as many as 3,000 – 4,000 additional acres containing high quality prairies, savannas, oak woodlands, or key grasslands within priority stream watersheds, scattered across the larger SWGSCA project area.

Development pressure is increasing across the eastern portions of the project, particularly in southwestern Dane and northwestern Green Counties. Nearly all local township land use plans for the region cite protection of natural resources and agricultural character among their highest priorities, as well as the desire to promote greater outdoor recreation and tourism opportunities. The SWGSCA would offer significant recreational benefits in this region where today, less than 1% of the land base is in public ownership, yet demand from regional population centers and local residents is high.

Land management on the parcels acquired through this project will focus on maintaining or restoring native and non-native grasslands through tools such as prescribed fire, mowing, brushing, and renting areas back to farmers for compatible haying or grazing. Along stream corridors, channels would be restored and sediment removed to reconnect the streams with their floodplains. Footpaths and small unpaved parking lots would likely be developed to provide access. When a sufficient land base has been acquired, a more comprehensive recreational use and management plan will be developed.

Public Involvement

An External Partner Group was formed in 2005, and has advised the Department throughout the process (see pp. 3-4 of the study for a complete list of Partners). Each member of the Partnership has a critical and unique role to play in achieving the conservation goals. For example, the Military Ridge Prairie Heritage Area project is poised to increase its boundary to coincide with the SWGSCA's eastern Focus Area boundary, upon final approval of this project.

The Department sent out several mailings updating interested parties and notifying them of future public meetings. The mailing list included more than 300 organizations, interested landowners, public officials and public agency personnel. In 2008, a website was developed for the project.

In July 2005, four public scoping meetings were held across the project area, with 100 people attending. The most frequent comments received during scoping were a) Expand the boundary (southern CREP Grassland Area boundary at that time) and b) maintain a landowner contact specialist on the ground to

work with landowners and help sort through various options. Overall, support for the project was very high.

In response to the pubic scoping process, the Department prepared a draft feasibility study, including a start-up master plan and a preliminary environmental assessment. The preferred project boundary was expanded to include all or part of seven townships not included in the original CREP area. The three alternative Focus Areas were developed, and a section on land management was included as part of the start-up master plan.

In August 2008, the draft study was released for public comment and four public meetings were again held across the region (Belmont, Mineral Point, Hollandale and Mt. Horeb). Partners presided over tables at each meeting, including a table for DATCP's Working Lands Initiative. Approximately 100 people were counted at these meetings, with 78 signing in.

Overall public support was very high (95% of comments received were favorable). A number of agricultural landowners attended and expressed interest in being included in the project, and in the many conservation programs available through the partners. Those attendees who commented on the boundary either asked it be expanded or agreed with the preferred boundary. Of those who commented on the three alternative Focus Areas, 6 asked to expand them and 11 preferred to keep all three as proposed. The Department field-reviewed all requests for additional boundary expansion, and determined the suggested areas of expansion did not provide significant new opportunities for large-scale grassland conservation. Within the established project area however, the Focus Area identified in the center of the project area was slightly modified as a result of the public input received and corresponding field review.

The Townships of Springdale and Primrose in Dane County passed resolutions requesting inclusion in the project boundary. Dane County also added the area to its current Parks and Open Space Plan. The Iowa County Farm Bureau has passed a resolution supporting the project, provided that landowners have ability to control public access.

Public access to conservation easements was raised as an issue but was resolved by meeting with the concerned interest groups. Public access is not a statutory requirement for conservation easements, but the Department and partners intend to seek public access whenever appropriate and where landowners are willing to sell access rights. The plan further provides that for the Department's 12,000 acres, the ultimate goal will be to hold no more than approximately 10% of its total easement acreage, or 1,200 acres, without public access. See pp. 55-60 in the feasibility study for a complete discussion. It is the intent of the this project that parcels acquired through fee-title acquisition using state Stewardship dollars will be open to all nature-based outdoor recreation activities as defined under State Stewardship Law *(Section 23.0916, Wis. Stats.)*: hunting, fishing, trapping, hiking, and cross-country skiing .

A complete summary of public comments and the Department's responses is found on pp. 62-66 of the study.

The final feasibility study/master plan/Environmental Impact Statement (EIS) was made available for final public review on March 2, 2009, for the 45-day input period and public hearing required under NR 150 for the EIS. Fifteen people attended the public hearing on the final document on April 2, 2009 in Dodgeville.

Feasibility Conclusions

The study finds that this acquisition boundary is feasible as a State Habitat Area from a conservation and recreation perspective. The project has received very broad and strong support as expressed through all phases of public involvement, and builds on the successes of a well-established and committed Partnership. Several areas across the project have the concentrations of open grasslands and working farmland suitable for building the Bird Conservation Areas. Partners have been active restoring streams and floodplains in the region, and to date, 160 prairie remnants have been confirmed on the ground.

Approval will allow the Department to join the Partnership in protecting the prairies, streams and rare species found across the area, and to build three Bird Conservation Areas in a region that still supports some of the state's best populations of our grassland birds. Outdoor recreational lands will be provided in a region of the state with very few areas open to the public for hunting, wildlife watching, hiking, and other nature-based activities.

This project would implement the highest priority actions and protect lands within the priority Conservation Opportunity Areas in *Wisconsin's Wildlife Action Plan* for the Southwest Savanna Ecological Landscape. The project includes three *Land Legacy* places, one of the state's *Important Bird Areas*, and three of the highest priority landscapes identified in the DNR's 1997 *Managing Habitat for Grassland Birds: A Guide for Wisconsin* report.

Environmental Impact Analysis

An Environmental Impact Statement has been completed and the project has been certified as compliant with the Wisconsin Environmental Policy Act (WEPA). No significant adverse impacts to the environment are expected. The project is intended and designed to bring significant benefits to the area's natural resources.

BEFORE THE
DEPARTMENT OF NATURAL RESOURCES

DECISION ON
WISCONSIN ENVIRONMENTAL POLICY ACT COMPLIANCE

For

Feasibility Study, Master Plan and Environmental Impact Statement for the **Southwest Wisconsin Grassland & Stream Conservation Area (SWGSCA)**

INTRODUCTION

The Wisconsin Environmental Policy Act (WEPA), s. 1.11, Stats., requires state agencies to fully consider and disclose the environmental impacts of agency actions. Chapter NR 150, Wis. Adm. Code, outlines policy and procedures for implementing WEPA for the Department of Natural Resources (DNR). Section NR 150.24, Wis. Adm. Code, requires a final written decision regarding WEPA compliance.

The Wisconsin Department of Natural Resources is initiating the SWGSCA. The vision for the SWGSCA is to work with a diverse group of partners to conserve and enhance functioning grassland, savanna and stream ecosystems in Southwest Wisconsin, set within a rural landscape of working farms. Southwestern Wisconsin has been recognized for many years as one of the best grassland conservation opportunities in the Upper Midwest. The area stands out for its distinct combination of resources: exceptional populations of grassland birds; a high number of prairie remnants; concentrations of rare plants and animals, and spring-fed streams, all set within this expansive rural farming region of open fields, croplands, oak groves and pastures.

The numerous prairie remnants in southwest Wisconsin are the remains of the original tallgrass prairie and oak savanna that once covered this region and harbored abundant populations of grassland animals including Greater Prairie-chickens and Sharp-tailed Grouse. These prairie remnants are still surrounded by a rural, relatively treeless landscape supporting rare species that, like grassland birds, are adapted to an open landscape.

The rivers and streams that drain the area's ridgetops vary in quality and condition. Increased grassland cover, improved agricultural practices and streambank management have demonstrably improved water quality in many area streams. Others still suffer from poor water quality and sedimentation. These "Impaired" streams, as well as the area's Outstanding/Exceptional Resource Waters, are project priorities.

FINDINGS OF FACT

The Department of Natural Resources finds that:

1. Section NR 150.03, Wis. Adm. Code, establishes a "Type List" for all DNR actions, setting

minimum procedural requirements for WEPA compliance. Pursuant to s. NR 150.03 (5)(a)1.a, Wis. Adm. Code, the SWGSCA project makes this a Type 1 action, requiring the Environmental Impact Statement (EIS) process as outlined under s. NR 150.20 (1) (d), Wis. Adm. Code.

2. On March 3, 2009, the Department of Natural Resources completed an EIS and received public comments through April 17, 2009.

3. On October 26, 2005, pursuant to ss. NR 150.21, Wis. Adm. Code, the Department notified the public of its determination to pursue the full EIS process, in order to complete its compliance with the Wisconsin Environmental Policy Act (WEPA), under s. 1.11 Stats., as it relates to the proposed SWGSCA project.

4. In July 2005, pursuant to s. NR 150.21 (3), Wis. Adm. Code, the Department held scoping meetings with the general public and interested parties concerning content of the feasibility study/EIS document. Open house meetings were held in Mount Horeb, Hollandale and Mineral Point.

5. On March 3, 2009, the Department of Natural Resources announced the availability of the Environmental Impact Statement (EIS) for public comment and announced a public information hearing for April 2, 2009, at the DNR service Center in Dodgeville to receive comments on the EIS. Such notice was provided via letter to all interested parties, local governmental officials, the Governor's office, other state and federal agencies, and to local libraries. Copies of the EIS were made available through the Department's worldwide web site, in hard copy, at local libraries, and in the form of compact diskettes.

6. On March 3, 2009, at least 25 days prior to the hearing, a class 1 notice, as defined by ch. 985, Stats., was published in the The Dodgeville Chronicle/Democratic Tribune (Mineral Point), 106 W. Merrimac St., P.O. Box 96, Dodgeville, WI 53533; Darlington Republican-Journal, 316 Main St., P.O. Box 20, Darlington, WI 53530; and the Wisconsin State Journal, 1901 Fish Hatchery Road, Madison, WI 53713.

7. The Department held a public informational hearing on April 2, 2009, at 5:30 to 7:30pm at the DNR service Center, 1500 N Johns St, Dodgeville, WI 53533. An informational open house was held for the SWGSCA from 5:30pm to 6:00pm when the hearing commenced at the same location. Additional informational interaction occurred from 6:30pm to 7:30pm. The open house format also allowed for a question and answer session with Department experts prior to and after the formal hearing proceedings.

8. Verbal comments on the EIS were received at the April 2 hearing, and written comments were accepted in letter or electronic mail formats through April 2, 2009.

9. Pursuant to s. NR 150.22 (3)(e), Wis. Adm. Code, the Department prepared a summary of the comments received in writing during the comment period and comments received at the public hearing regarding the EIS. The Department has responded to the EIS comments in a document dated February 27, 2009.

10. DNR fully considered all comments on the EIS in making this decision pertaining to compliance with WEPA. Any substantive project changes that significantly affect its environmental impact may require additional analysis.

CONCLUSIONS OF LAW

The Department concludes that:

1. The Department of Natural Resources, under s. 1.11, Stats., and Ch. NR 150, Wis. Adm. Code, has the responsibility to comply with WEPA, and the authority to determine its compliance with that Act.

2. The procedure and analysis identified in the Findings of Fact complies with the requirements of s. 1.11, Stats., and ch. NR 150, Wis. Adm. Code.

DECISION

The DNR has complied with the requirements of WEPA, s. 1.11, Stats. and Ch. NR 150, Wis. Adm. Code, for the proposed Rosendale Dairy project. This Decision applies to all subsequent DNR actions on the project, the impacts of which are considered in the EIS.

Dated at Fitchburg, Wisconsin, this 20th day of April, 2009

STATE OF WISCONSIN
Department of Natural Resources
For the Secretary

By: RAAnderson 5/21/09
Russ Anderson, Supervisor of the Environmental Analysis and Review program, South Central Region

NOTICE OF APPEAL RIGHTS

If you believe you have a right to challenge this decision made by the Department, you should know that Wisconsin statutes, administrative codes, and case law establish time periods and requirements for reviewing Department decisions.

To seek judicial review of the Department's decision, ss. 227.52 and 227.53, Stats., establish criteria for filing a petition for judicial review. Such a petition shall be filed with the appropriate circuit court and shall be served on the Department. The petition shall name the Department of Natural Resources as the respondent.

1. Bird Conservation Areas

The primary strategy for establishing the BCAs will be to pursue fee acquisition in the three 2,000-acre cores, plus the 1,000-acres of scattered permanent grasslands surrounding those cores, according to the BCA model (see model and BCA description on pp. 22). The Department will focus its acquisition efforts and acres on building these BCAs, with cooperation from Partners where needed to complete the contiguous habitat blocks in the cores. Some Department fee and easement protection may also be used to help conserve the additional 1,000-2,000 acres of long-term grassland cover surrounding the cores. Additional protection of these long-term grasslands will be coordinated primarily through the Partners' help enrolling lands in programs like CREP and SAFE. Grassland bird conservation is the overall goal for these BCAs, however other animals and plants will benefit as well. The public recreation goals of the project will receive particular emphasis on these large, contiguous 2,000-acre BCA cores.

2. Larger Project Area Beyond BCAs

Parcels targeted for protection outside of BCAs will focus on remnant prairie, savanna, rare species habitat, streams and critical watershed areas. In most of these cases, the primary objective will be to protect critical conservation targets, with recreational use subject to compatibility with resource conservation and landowner preferences. Protection here will involve a combination of fee and easement by DNR and Partners.

D. Public Access

Fee

The use of fee-title acquisition to protect and enhance habitat acquired through the SWGSCA will occur within the BCAs as well as throughout the larger project area by both the Wisconsin DNR and the Partners involved in the project area. It is the intent of this project that the large majority of parcels acquired through fee-title acquisition utilizing state Stewardship dollars will be open to all nature-based outdoor recreation activities as defined under State Stewardship Law *(Section 23.0916, Wis. Stats.)*: hunting, fishing, trapping, hiking, and cross-country skiing. .When evaluating values and usership patterns on these properties, it is the intention of all parties involved to focus on managing recreational activities through separating them by location or timing rather than completely prohibiting particular activities. Acquired parcels that meet State Natural Area designation will continue to follow the policy and procedures identified in state statutes *(ss. 23.28(3) and 23.29(11), Wis. Stats.)*

Easements

The use of conservation easements will occur throughout the project area by both the Department and its land protection Partners, however, the primary use of this tool for habitat protection will occur on parcels outside of the BCA cores. Easements are a very important tool for land conservation and in some cases they represent the only available option for protecting critical habitat. In some cases, resource protection goals can be adequately met through conservation easements at lower public costs than purchasing properties in full fee title.

Current State Stewardship Law does not require public access for conservation easements, however, the Department and the Partners will work to secure public access for nature-based recreation on easements whenever it is appropriate for the site and the landowner will sell the access rights. When evaluating the values and usership patterns on these properties, it is the intention of all parties involved to focus on managing access and restricting specific activities by time, space or location rather than a complete prohibition of a particular activity. Additional parcels that are acquired which meet state Natural Area designation will continue to follow the policy and procedures identified in state statutes *(ss. 23.28(3) and 23.29(11), Wis. Stats.)*.

For easement acquisitions, standard practice will be to pursue a Right-of-First-Refusal. (commonly written so that it is superseded by a landowner's desire to transfer to family members or descendants first). As a component of any conservation easement, if infrastructure exists on the eased properties, such as houses, sheds, or other outbuildings, a building envelope should be developed along with specific criteria established to restrict the level of development and expansion of the existing footprint.

A set of criteria or conditions for purchasing easements without public access using State Stewardship funds will apply to the Department and Partners working within this project boundary. These eight criteria are listed and discussed below, and are intended and designed to apply specifically to the goals and management strategies for the SWGSCA project and its particular Partners. Criteria 1-5 would apply to both the Department and Partners; Criteria 6-8 were developed specifically for Partners using the Stewardship Grants Program

For Easements Acquired Specifically by the Department: The Department expects that approximately 10-15% of its total 12,000-acre protection goal will be in easements without full public access, once its final overall acreage protection and conservation goals are achieved. The percentage of easements without access is expected to rise and fall over time as the project progresses, especially as some easements are eventually acquired in fee with full public access.

For Partners Acquiring Easements Using Stewardship Grants: When Partners acquire easements using State Stewardship grants, public access for nature-based outdoor recreation will be sought whenever appropriate and when landowners are willing to sell access rights.

If any one of the eight criteria below applies to a given parcel, public access will not be required:

Criteria for Purchasing Easements without Public Access in the SWGSCA

1. **Unique plant and animal communities**
   This category of property would include exceptional natural communities such as prairies, oak savannas, oak woodlands, unique springs, wetlands and other habitats that support rare or unique species, where resource protection is imperative. These properties will often support intact communities of animals and plants within their native habitats, and some public activities may be harmful to these unique resources. In certain cases, the easement may restrict access only during critical parts of the year, for example during the breeding season of rare grassland birds such as Henslow's sparrow and Northern Harrier, or during periods of the growing season when invasive plants could easily take hold in an area (via seeds or other propagules).

2. **Public safety**
   In situations where public health and safety are of concern such as when a quarry or vacant mineshaft exists on a property, a portion or all of the property will have restricted public access.

3. **Incompatible management**
   The Department or its partners may enter into agreements with local farmers to maintain open grass cover through practices such as rotational grazing. Although there will be limited situations where incompatible management is occurring for an extended period of time, one example would include rotational grazing activities when the cattle are present on the property.

4. **Small, isolated parcels**
   Small remnant grassland parcels, typically 40 acres or less in size, which are isolated from other protected properties and often do not have a good public access point, may be protected in a more cost-efficient manner through easements that do not include public access. The Department will insure that such purchases are strategically selected to continue to provide significant conservation benefits into the future. In some cases, small parcels do provide a valuable service to the public by improving water quality and providing habitat for migratory songbirds and other species, but are likely to have limited value for recreational uses because of their small size and isolated nature.

Examples include small areas of degraded prairie sod that have a significant population of one or two rare plant or invertebrate species that require protection. Another example would be a small, degraded oak savanna that harbors an especially large hibernaculum of a rare snake.

5. Buffering and connecting key parcels
Throughout the SWGSCA project area, it is important to protect the land-based investments on behalf of current and future citizens of Wisconsin by buffering and connecting properties that we acquire for recreational and conservation purposes. Portions of the project area, particularly western Dane County and eastern Iowa County, are under increasing pressure for residential development and other intensive land uses. Throughout Wisconsin, habitat quality on some properties open to the public is being degraded and recreational opportunities are being limited by land use on adjoining properties.

Maintaining a landscape relatively absent of man-made structures and incompatible landscape components such as tree plantations and rural subdivisions will be critical to attracting and maintaining viable populations of nesting grassland songbirds. For example, if a new subdivision is built adjacent to a protected grassland property, the parcel's value as grassland bird habitat will be degraded (by the structures themselves, as grassland birds avoid areas around tall structures and their associated horticultural plantings, as well as by the increased predation by pets such as house cats, which significantly reduces nest success). This is especially important in the BCA cores. In addition, the parcel's value as recreational hunting land will be reduced because of restrictions on the discharge of firearms within 300 feet of residences. As a result, maintaining a buffer can be critical to preserving the conservation and recreational value of protected properties, especially within the BCA cores.

In many of these situations, conservation easements are the best option when the goal is to buffer a conservation area with working farmland. When development or other incompatible land uses threaten to undermine the conservation investments already made on surrounding lands, an easement may be the only tool available to preserve that area's viability into the future. This could be especially important in building BCA core areas and will be a critical role that Partners working in the project area can provide. When easements are purchased for agricultural land, emphasis will be on seeking other non-Stewardship funding sources to the extent possible (e.g., Farm and Ranchland Protection funds, DATCP Working Lands Initiative funds if the new program is available here). Any Stewardship funds pursued for agricultural buffer lands would likely be through Partners eligible for the Stewardship Grants Program, who likely would apply for the portion of those funds allotted to the Acquisition of Development Rights (ADR) subprogram, which under NR 51 is authorized to protect lands in agriculture for buffering and connecting protected parcels.

Another conservation tool that the Department could use to maintain the integrity of the BCA cores is to purchase a critical piece of farmland and then sell or lease back the right to continue farming the parcel for an extended time period.

Conditions 6-8 apply to Partners using the Stewardship Grant Program*

Stewardship grants cover up to 50% of eligible costs (the "state share"). The sponsor provides the remainder (the "sponsor match"), which can be in several forms including the value of property donated to the sponsor if the property is eligible for the same Stewardship program as the grant.

6. Funding Source Predominantly Non-Stewardship
In some situations a majority of the easement value for the acquired rights will come from a non-Stewardship source (e.g., private foundation, federal source, or a bargain sale). When a conservation partner donates or secures another funding source to cover the larger share (e.g., 60-70%) of the cost of the easement, significant public benefits are gained with respect to the smaller share of Stewardship money invested. Conservation easements cost substantially less than

outright fee purchase. Coupled with the reduced Stewardship investment (e.g., 30-40% of the easement value), resource protection comes at a substantial bargain to the state.

7. **Donated Parcels**
When donated easements are used as match for Stewardship Grant funds and then used to protect high priority properties within the project area, public access would not be required on the donated parcel. However, the donated parcel must meet the Stewardship Grant Program policies and rating criteria for natural resources value to qualify as match.

8. **Direct Referral**
If the Department formally refers a landowner to a Partner through the Department Land Division Administrator and requests that the Partner purchase an easement, full public access would be pursued, but would not be required.

*Note: All Stewardship Grants receive many levels of review, from the Regional Staff to Division Administration. Public access is part of this review. If the Grant is at or over $250,000, additional review and approval by the Governor's Review Committee is required, and starting July 1, 2010: if the Grant is $750,000 or more, it must be reviewed and approved by the Legislature's Joint Finance Committee (in addition to the Governor's Committee Review)

The Department will monitor the application of these criteria, and if upon implementation, it becomes apparent that revisions to the public access policies for easements are necessary, amendments to the plan will be proposed, subject to Natural Resources Board approval.

E. Costs

1. Land Protection

Land values vary within the project area. As a general range, land parcels between 40 and 200 acres currently sell for $3,000 to $5,000/acre. Larger parcels tend to be less expensive on a per-acre basis. If the Department were to achieve its goal of acquiring 12,000 acres over the next 15 years, these costs are estimated to be:

$40 to $48 million ($2.7 – $3.2 million per year).

Although 12,000 acres is a modest goal for such a large, landscape-scale project, we believe that it can meet the specific objectives outlined in this study over the next 15 years. First, we are benefiting from the largely agricultural nature of the landscape that already exists. Second, we are benefiting from the conservation actions currently being taken by many of our partners. The project will use adaptive management to assess and re-direct goals and strategies over the life of the project. Unforeseeable changes in land use patterns or other variables are always a possibility. Depending on our short-term success in meeting project goals over the next 15 years, we may need to seek additional protected acreage over the long-term (beyond the next 15 years).

Our goal is to acquire in fee the vast majority of the 12,000 acres. Department fee acquisition efforts will target strategic, high quality parcels (e.g., remnant prairies, cores of Bird Conservation Areas), as well as parcels able to provide the best recreational opportunities in addition to their conservation values. The Department will purchase conservation easements in certain circumstances. Conservation easements are an ideal tool to protect some types of grassland parcels, such as lightly grazed pastures and late-mowed hay, which provide water quality benefits, or buffer quality grassland bird habitat, while still serving other agricultural purposes for the landowner

2. Landowner Contact Staff

Our partners and the public have told us repeatedly that it is critical for project success to have people on the ground promoting conservation. On a landscape which is 99%+ privately owned, this is the only way to effect real conservation. Funds to support landowner contact specialists and land managers will be critical to

project success. These people might be Department employees, or might be employed by another organization, but funded in whole or in part by the Department. Costs will depend upon arrangements with our partners. For just education and outreach, costs are estimated at **$2,500 per year. Cost for on-the-ground specialists: unknown at this time.**

3. Land Management Costs

Based on current costs, the Department estimates that if all 12,000 acres of the proposed project are acquired, management costs (including LTE staff, equipment and materials) will be approximately **$120,000/year.**

The Department hopes to enter into agreements with local farmers to periodically crop, hay, and/or graze some lands the Department may own or rent out in the future. The Department hopes this approach will help local farmers and will minimize the Department's cost of land management. The Department also will minimize management costs by clustering, within focus areas, permanent grassland parcels for which it assumes management responsibility.

4. Recreation Costs

Currently, proposed recreation activities are generally low-intensity, and as such are likely to require only modest staff time and money to develop and maintain. Nonetheless, the Department will need to find and allocate sufficient resources to design, install and maintain educational displays and signs as well as create pamphlets and other educational materials that highlight the important species, communities and other resources found in this landscape. We hope that this work can be done primarily by existing staff, but we will need additional funds for the production of written materials and displays and possibly some contract work in the event that DNR communication staff do not have time for these projects. It is estimated that approximately **$5,000/year** will be needed over the next ten years.

Summary of Estimated Costs per Year:

Acquisition and Easement Costs:	$ 2.7 – 3.2 million per year
Land Management	$ 120,000 per year
Education/Outreach costs	$ 2,500 per year
Recreation/Displays:	$ 5,000 per year
Total Cost (excluding landowner contact staff):	**$ 2.8 – 3.3 million per year**

F. Funding Sources

We anticipate that land acquisition and easement costs will come primarily from Knowles-Nelson Stewardship funds. Land management, recreation, staffing and other costs will come primarily from Conservation Segregated Accounts (e.g., license fees), Pittman-Robertson and Dingell-Johnson/Wallop-Breaux Fund accounts, as appropriate. **A multi-disciplinary approach within the Department will be necessary to fund and staff this project.** No single DNR program will be able to take primary responsibility for project acquisition and management without significant additional resources.

A host of federal and state granting programs can be sources of funding for many of the activities proposed in the project. For example, the Conservation Reserve Program and Conservation Reserve Enhancement Program provide significant funds for planting permanent grass cover on highly erodible farmlands. USDA programs such as EQIP and WHIP can be sources of funding for installing measures to control runoff and improve habitat. Targeted Runoff Management Grants can be a source of funding for addressing instream, riparian corridor and animal waste management problem areas and restoring degraded reaches of priority streams