Conservation Reserve Enhancement Program (CREP) Proposal:

Minnesota’s Plan to Improve Water Quality and Enhance Habitat

Submitted to the USDA FSA: December 2015
State: Minnesota

Counties: Becker, Big Stone, Blue Earth, Brown, Carver, Chippewa, Clay, Cottonwood, Dakota, Dodge, Douglas, Faribault, Fillmore, Freeborn, Goodhue, Grant, Hennepin, Houston, Jackson, Kandiyohi, Lac qui Parle, Le Sueur, Lincoln, Lyon, Martin, McLeod, Meeker, Mower, Murray, Nicollet, Nobles, Olmsted, Ottertail, Pipestone, Pope, Redwood, Renville, Rice, Rock, Scott, Sibley, Stearns, Steele, Stevens, Swift, Todd, Traverse, Wabasha, Waseca, Watonwan, Wilkin, Winona, Wright, Yellow Medicine

Minnesota Board of Water and Soil Resources
520 Lafayette Road North
St. Paul, MN 55155
651-296-3767
www.bwsr.state.mn.us
Conservation Reserve Enhancement Program (CREP) Proposal:
Minnesota’s Plan to Improve Water Quality and Enhance Habitat

Contents
II.  Existing Conditions and Resource Concerns................................................................. 2
III. Agriculture-Related Environmental Impacts ............................................................... 8
IV.  Project Objectives ........................................................................................................ 13
V.   Project Description ...................................................................................................... 19
VI.  Cost Analysis ............................................................................................................... 25
VII. Monitoring .................................................................................................................. 31
VIII. Public Outreach and Support ..................................................................................... 32
IX.  Development of Procedure .......................................................................................... 36
X.   Training of Staff .......................................................................................................... 36
XI.  Communication Plan .................................................................................................... 36
XII. References ................................................................................................................ 38
XIII. Appendices ................................................................................................................ 40
     Appendix A: Letter of Intent ......................................................................................... 40
     Appendix B: Cost Analysis – Detailed Spreadsheets .................................................... 42
     Appendix C: University of Minnesota - Department of Applied Economics CREP Financial
                   Analysis .................................................................................................................. 44
     Appendix D: Letters of Support ..................................................................................... 47
I. Abstract

Implementing a Conservation Reserve Enhancement Program (CREP) in Minnesota will yield significant progress in addressing the state’s water quality and habitat needs as well as serve as a national model for a state-federal partnership.

In recent months, a number of reports released by the Minnesota Pollution Control Agency, Minnesota Department of Agriculture, and Minnesota Department of Health have highlighted serious threats to the quality of Minnesota’s waters, citing an increasing number of waters that are not swimmable, fishable, or drinkable. Most of these waters are found within the agricultural portion of the state, demonstrating the urgent need to provide producers with tools that address agricultural pollution.

At the same time, attention also has been focused on sharp declines in grassland habitat and what diminishing habitat means for Minnesota wildlife. In December 2014, Governor Dayton convened the state’s first Pheasant Summit, during which stakeholders discussed the issue and developed a list of actions aimed at boosting pheasant populations. One key idea generated was to enhance the offering of private land programs, specifically CREP.

Fortunately, Minnesota is well positioned to address these issues. Minnesota’s CREP proposal will benefit from significant watershed monitoring and assessment work already completed to target practices on 100,000 acres of land within 54 counties in the southern and west central agricultural region of the state. This area includes the State’s highest priorities for achieving nitrogen, phosphorus and sediment reductions, protection of vulnerable drinking water areas, and enhancement of grassland and wetland habitats.

This CREP also will benefit from an established conservation delivery system. It will pair the federal Conservation Reserve Program (CRP) with Minnesota’s nationally-recognized Reinvest In Minnesota (RIM) Reserve conservation easement program to create permanent protection. It also will use the long-established Farm Bill Assistance Partnership concept, which places trained staff to work with landowners in local offices.

Specifically, the CREP will include 100,000 acres composed of Riparian Lands – Grass Filter strip (CP-21), Wetland Restoration (CP-23 - floodplain and CP-23A – non-floodplain), and Wellhead Protection Areas (CP-2) CRP practices. The total cost of this proposal is $795.5 million, with the State of Minnesota committed to contributing $161.2 million (20%) and FSA contributing $634.3 million (80%) to the program.

The 80% federal share includes landowner payments that include the customary CCRP 20% bonus plus a 98% CREP incentive payment above the regular CRP rental rate. The basis and justification of these incentives includes maximizing state/federal leverage, financial savings and return on the investment, producer interest, strategic targeting and state/local readiness. The State currently has $57.266 million on-hand for the CREP with commitments to secure the remaining funds.

Outcomes from this program will be significant. Annual pollution reductions are anticipated to be:

- 32,000 pounds of total phosphorus per year
- 2,400,000 pounds of total nitrogen per year
- 205,000 tons of sediment per year
Additional benefits include restored hydrology, groundwater recharge, drinking water protection, increased filtration, and enhanced habitat for resident and migratory wildlife.

II. Existing Conditions and Resource Concerns

The project area for the proposed CREP focuses on 54 counties in the southern and western regions of Minnesota as the broad outside boundary, which is the dominant agricultural region of the state. This area was chosen by the five state agencies with responsibility for water quality and habitat as the appropriate work area for this effort. The 54 include - Becker, Big Stone, Blue Earth, Brown, Carver, Chippewa, Clay, Cottonwood, Dakota, Dodge, Douglas, Faribault, Fillmore, Freeborn, Goodhue, Grant, Hennepin, Houston, Jackson, Kandiyohi, Lac qui Parle, Le Sueur, Lincoln, Lyon, Martin, McLeod, Meeker, Mower, Murray, Nicollet, Nobles, Olmsted, Ottertail, Pipestone, Pope, Redwood, Renville, Rice, Rock, Scott, Sibley, Stearns, Steele, Stevens, Swift, Todd, Traverse, Wabasha, Waseca, Watonwan, Wilkin, Winona, Wright, and Yellow Medicine Counties.

Approximately four million people live within the area which includes the Minneapolis/ St. Paul metropolitan area and surrounding suburbs. However, most of the area is relatively sparsely populated with people living in small towns in agricultural areas. The majority of the project area flows into the Mississippi River, either directly in southeast Minnesota, or first into the Minnesota River, or south into Iowa first. The northwestern corner includes watersheds that are the headwaters of the Red River of the North watershed, flowing north and eventually into Canada. The southwestern corner is a part of the Missouri River watershed that eventually flows into the Mississippi River near St. Louis, Missouri. There are approximately 57,000 miles of ditches and streams within the CREP area.

Historically the vast majority of the CREP area was tall grass prairie or oak savanna punctuated by three major river corridors; the Mississippi, the Minnesota and the Red River of the North. This was a grazing and fire dependent system with few trees away from the river valleys. Prairie pothole wetlands and shallow lakes were abundant. The rich, deep soils, open landscape and ease of drainage makes this region perfect for agriculture. The southeastern part of the area was dominated by forest vegetation and includes incised valleys, steep slopes and varying soils from deep to shallow and dominated with exposed bedrock.

Today's landscape is dominated by agriculture, and the project area encompasses 24.4 million acres. Land use designations include approximately 15.3 million acres (62.7%) devoted to cultivated crop land, 3.1 million acres (12.7 %) to land in pasture, hay or other grassland, 2.1 million acres are forested acres (8.6 %), 2.0 million acres (8.2 %) to open water or wetlands, and 1.9 million acres (7.8 %) are urban or developed (NLCD, 2011).
The CREP will prioritize and target 100,000 acres of this 24.4 million acre area to treat agricultural related concerns and meet water quality and habitat objectives. It is critical as the first level of prioritization to start this effort within the 54 county area (and not the entire state), since that is where the predominant water quality and habitat concerns have been identified and state level plans have focused here also. The 100,000 acres will then be targeted and prioritized in the following ways in order to maximize the water quality and habitat benefits:

1. Focusing on only four CP’s (2, 21, 23 and 23a) and not all eligible CP’s;

2. Directing outreach at specific watersheds and habitat types to secure landowner sign-ups for targeted landscapes, farms and fields;

3. Allocating acreage initially to the highest pollution loading priority major watershed contributors in order to achieve maximum calculated pollution reductions, as prescribed in watershed and other local water plan documents. These watersheds are those already identified as major contributors to nutrient and sediment loading concerns in recently completed studies and statewide plans (discussed later in this document in Section III);

4. Focusing on wellhead areas in the “Very High” to “High” vulnerability categories (as defined by Minnesota Department of Health) in initial sign-ups;

5. Prioritizing habitat projects that use diverse habitat models formulated by technical specialists and will prioritize building on existing complexes and corridors to maximize the environmental benefits;

6. Developing and using criteria based score sheets and ranked lists to select those applications to be approved.

The average farm size within the CREP area is 383 acres, which is just above the statewide average of 349 acres. The range of average farm size by county within the CREP area ranges from 1,136 acres in Wilkin County to 110 acres in Hennepin County (USDA NASS, 2012). Many farming enterprises within this CREP area manage multiple farms covering thousands of acres and the majority of the agricultural landscape is focused on conventional, row crop agriculture.

Minnesota is a state that has abundant surface and ground water resources, along with substantial terrestrial and aquatic wildlife habitat. The predominant forms of agriculture consist of row crops (corn and soybeans), sugar beets, vegetable crops, open and confined animal feedlots, and cattle grazing operations. Agriculture is an important part of Minnesota’s economy and culture. However, there have been significant changes over the past few decades in crop production efficiency and Minnesota has followed the national trends by moving away from small diversified farms to being dominated by row crop production. Pasture, woodlot and non-row crop lands have all declined significantly since 2007. Statewide, land in CRP has declined from a high of approximately 3 million acres in 2007 to 1.1 million
acres in 2014 with another 598,000 acres set to expire in the next five years. Modern agriculture, including extensive surface and sub-surface drainage activities, has put increased pressure on our water resources, both from water quality and quantity aspects. These impacts have been documented in numerous studies some of which are referenced throughout this proposal.

Most residents within this CREP focus area rely upon groundwater for drinking water. The Minnesota Department of Health has identified over 200 “High” to “Very High” vulnerable drinking water management areas within the CREP project area. In addition, this CREP encompasses the Bonanza Valley ground water management area that has been identified as a critical priority area by the Minnesota Department of Natural Resources. Because of the nature of the aquifers and surficial soil characteristics in this region, significant acres of the farmland in the Bonanza Valley require irrigation to produce viable crops. This area is of concern to the state because of drinking and ground water contamination issues related to leaching of nitrates.

**Endangered or Threatened Species:** Within the project area, there are number of endangered or threatened species that are found in one or more counties. Those species include:

- **Endangered:** Topeka Shiner, Higgins Eye Pearly mussel, Sheenose Mussel, Karner blue Butterfly, Poweshiek Skippering, Minnesota Dwarf Trout Lilly
- **Threatened:** Prairie Bush Clover, Western Prairie Fringed Orchid, Leedy’s Roseroot, Dakota Skipper

Of note, the Topeka Shiner, which is endangered within the Missouri River basin and is found within the SW portion of the CREP project area, will benefit directly from enhanced riparian corridors that could be protected with this CREP.

**Important Geologic Features:** Minnesota is a geologically diverse state and the landscape has been influenced by a number of factors over the millennia. The majority of the CREP project area was influenced directly by the glacial advances and retreats over the last 100,000 years and the extent of those effects are still visible today. Mollisols dominate throughout the 54 counties producing some of the most productive farmland in the world. These soils formed under grassland cover and are generally deep, high in organic matter and very nutrient enriched. The major geologic features that are located within the CREP project area include:

- **Karst Geology of Southeastern Minnesota:** In the Southeastern portion of the CREP area, Karst (fractured, soluble bedrock) dominates the underlying geology. The time of travel of surface runoff to local streams and groundwater aquifers can be a matter of minutes and hours vs. days and years in other parts of Minnesota

- **Former Lakebed of Lake Agassiz in the Red River Basin:** At the end of the last glacial period, melt water from the Laurentide ice sheet covered much of what is now the Red River Basin and north into North Dakota, and Manitoba and Ontario in Canada. In the northwestern part of the CREP area as the lake receded it left beach ridges and flat lake plain areas.
• **Surficial Sand Plains:** In West-Central Minnesota, surficial sand and gravel aquifers formed by glacial outwash are present and have a significant impact on land use and pose risks to ground water contamination.

• **Minnesota River Valley:** The Minnesota River Valley floodplain was carved out by the Glacial River Warren, which flowed for a short period of time after Glacial Lake Agassiz drained. The migration of nick points in the Le Sueur and Blue Earth River watersheds south of Mankato makes those watersheds extremely vulnerable to streambank, ravine, and bluff erosion. These two watersheds transport about 50% of the sediment load leaving the Minnesota River Basin.

**State and National Significance:** The CREP area has experienced the most significant land-use conversion in the state. The water resources are important for the agricultural economy, human health and recreational opportunities but have shown a dramatic declining trend.

As shown in Figure 1, the project area of Minnesota’s CREP proposal is based on those watershed areas identified in the Minnesota Nutrient Reduction Strategy as high priority for nitrogen and phosphorus load reductions. It incorporates groundwater protection efforts by targeting land within Drinking Water Supply Management Areas (DWSMA) with high and very high vulnerability to drinking water contamination.

Supplementing these water quality priorities, the CREP project boundary includes key prairie corridors needed for wildlife habitat and livestock production as outlined in the Minnesota Prairie Conservation Plan. It also includes the internationally prioritized Prairie Pothole Region an area that has lost significant habitat and is critical to many migratory and resident wildlife species.

The project area also capitalizes on the key activities occurring within the project area. The State of Minnesota has adopted a “watershed approach” to address the state’s major watersheds. This watershed approach incorporates water quality assessment, watershed analysis, civic engagement, planning, implementation, and measurement of results. The resulting documents called Watershed Restoration and Protection Strategies (WRAPS) are being completed and updated on a 10-year cycle that addresses both restoration and protection. Sixteen WRAPS have been or will be completed by the end of calendar year 2015 and are noted within the project boundary on Figure 2. The wealth of data and information the WRAPS produce allow for local water planning efforts to better prioritize, target, and measure environmental benefits.

The Minnesota Agricultural Water Quality Certification program began operating in four pilots in the project area and recently expanded statewide. CREP will help leverage the significant voluntary conservation efforts that certified farmers within these watersheds and throughout the CREP project area have accomplished towards reducing nutrient runoff and improving habitat for wildlife.

The project area also includes the Bonanza Valley groundwater management area as well as “High” to “Very High” vulnerable drinking water management areas and the conservation practices implemented
through this CREP will help to mitigate the transport and leaching of nitrates from the agricultural landscape to the sensitive drinking and groundwater resources within this targeted area.

Figure 1: Minnesota CREP Proposed Project Area.
Figure 2. Watershed Restoration and Protection Strategies (WRAPS) Major Watersheds Planned Completion Year.
III. Agriculture-Related Environmental Impacts

The CREP project area focuses on the watersheds and counties where surface and ground-water quality and wildlife habitat are affected the greatest from agricultural impacts within Minnesota.

The primary purpose of this CREP project is to address water quality concerns that affect the use of those water resources related to nutrients and sediment. The proposal is grounded in science-based monitoring, assessment and analysis that supports the need for accelerated conservation efforts to effectively address agricultural impacts to water resources in Minnesota.

The loss of wetlands has reduced the capacity for upland water storage, decreased water recharge to ground-water aquifers, reduced the capacity of the land to naturally filter nutrients and contaminants entering surface waters, and has reduced wildlife habitat for terrestrial and aquatic species.

The following are a listing of recent reports and studies that demonstrate documented agriculture-related environmental impacts:

General Impacts

The document, Swimmable, fishable, fixable? – What we’ve learned so far about Minnesota waters (MPCA - April 2015), highlights that the Minnesota Pollution Control Agency (MPCA) and its partners have reached the midpoint of a comprehensive look at water quality and proposed what is needed to restore and protect water quality with a watershed approach in half of the states 80 major watersheds. A few conclusions include:

Swimmable –

- **Watersheds that are heavily farmed tend to have high levels of nitrogen, phosphorus, and suspended solids in their waters. These pollutants hurt aquatic life and recreational opportunities.**
- **Bacteria levels in streams are also a problem. Watersheds where fewer than half the streams fully support swimming because of bacteria levels are generally in areas with a higher density of people and livestock – the developed and agricultural portions of the state.**
- **The general pattern is that water quality is exceptionally good in the northeast part of the state and declines moving toward the southwest.**

Fishable –

- **The southern region of Minnesota has the highest numbers of stressors related to excess nutrients, excess sediments, lack of habitat, lack of connectivity, altered hydrology, and impaired biological communities.**
Pollutant Levels –

- Watersheds that are heavily farmed tend to have high levels of nitrogen, phosphorus, and suspended solids in their waters...

Nutrient Impacts
The application of commercial fertilizers and manure from animal agriculture is important for successful crop production in Minnesota. Although, without proper nutrient management and planning, nutrients and pathogens such as E. coli can enter surface and groundwater resources. Within the CREP project area and as identified in the Minnesota Nutrient Reduction Strategy, this proposal includes the watersheds with the highest loads and greatest risks for the transport of nutrients in Minnesota. This is clearly evident in the southeastern portion of the CREP project area, which has a large number of animal agriculture enterprises that have feedlots or fields where manure is land applied located near riparian zones or sensitive groundwater features (Ex. sinkholes).

Drinking Water Contamination: Agriculture has direct impacts to ground and surface water within the CREP project area. Specifically, impacts from agriculture have been documented in the Karst region of Southeastern Minnesota and areas with shallow, surficial ground-water aquifers. 75% of the community public water systems in the state with nitrate over the drinking water standard are located within the CREP area. In other words, a disproportionate amount of nitrate impact to these systems in Minnesota occur in the CREP area. St. Peter, a small city of about 10,000 people within the CREP area, has groundwater contaminated from nitrates and currently is utilizing an expensive reverse osmosis system to ensure their water is safe to drink. Additionally, a number of cities within the CREP project area derive their drinking water from surface water resources (Ex. City of St. Cloud, City of Fairmont). These impacts to ground and surface drinking water sources have been primarily from nitrates and pathogens sourced from agriculture.

As explained in the Minnesota Nutrient Reduction Strategy (MPCA – 2014) (NRS):

- Nutrient impacts are widespread. Excessive nutrients pose a significant problem for Minnesota’s lakes, rivers, and groundwater, as well as downstream waters including the Great Lakes, Lake Winnipeg, the Mississippi River, and the Gulf of Mexico. Nutrients are important for human and aquatic life; however, when levels exceed normal conditions, problems can include excessive algae growth, low levels of oxygen, toxicity to aquatic life and unhealthy drinking water.
- The NRS is driven by the environmental needs of both waters within Minnesota and waters downstream of Minnesota, including Lake Winnipeg, the Gulf of Mexico and Lake Superior.

Nitrogen in Minnesota Surface Waters – Conditions, trends, sources, and reductions (MPCA - June 2013) stated the following:

- Concern about N in Minnesota’s surface waters has grown in recent decades due to: 1) increasing studies showing toxic effects of nitrate on aquatic life, 2) increasing N concentrations
and loads in the Mississippi River combined with nitrogen’s role in causing a large-oxygen depleted zone in the Gulf of Mexico, and 3) the discovery that some of Minnesota’s streams exceed the 10 milligram per liter (mg/l) standard established to protect potential drinking water sources.

- Minnesota contributes the sixth highest N load to the Gulf and is one of 12 member states serving on the Mississippi River/Gulf of Mexico Watershed Nutrient Task Force.
- Maximum nitrite+nitrate-N (nitrate) levels in Minnesota rivers and streams (years 2000-2010) exceeded 5 mg/l at 297 of 728 (41%) monitored sites across Minnesota, and exceeded 10 mg/l in 197 (27%) of these sites...In most southern Minnesota rivers and streams, nitrate concentrations at least occasionally exceed 5 mg/l.
- On average, 211 million pounds of TN (total nitrogen) leaves Minnesota each year in the Mississippi River at the Minnesota-Iowa border, with just over three-fourths of this load originating in Minnesota watersheds and the rest coming from Wisconsin, Iowa, and South Dakota.
- The highest TN loading tributary to the Mississippi River is the Minnesota River, which adds about twice as much TN as the combined loads from the Upper Mississippi River (at Anoka) and the St. Croix River (at Stillwater).

The Minnesota Department of Agriculture’s, Minnesota Nitrogen Fertilizer Management Plan’s (MDA - March 2015) purpose is to prevent, evaluate and mitigate nonpoint source pollution from nitrogen fertilizer in groundwater. It includes components promoting prevention and developing responses to nitrogen fertilizer in groundwater. It has concluded that:

- Water contamination from nitrate presents a potential health risk to human populations which rely on it for drinking water. Approximately 75% of Minnesotans (4 million) rely on groundwater for their drinking water. These residents are served by either private wells or public water supplies.

It explained the public health risks, especially related to drinking water standards of high nitrate concentrations in water. Also impacts of high nitrates in water on livestock consumption, aquatic ecosystems and water treatment costs were discussed.

Recently a number of news reports have been published that significantly raise the profile of nitrate contamination in the state’s private and public drinking water wells. These problem wells have been monitored by state and local agencies and citizens have been warned about the impact to their health from consuming high nitrate contaminated water. Once a groundwater resource has high levels of nitrate the only solution becomes water treatment that is often times too costly for the individual or water supplier to implement. Prevention of high nitrate contamination is a more attractive alternative.
Sediment Impacts

Upland Soil Erosion and Sedimentation: Water and wind soil erosion from agricultural fields continues to be problematic in Minnesota and particularly within the CREP project area. Farmers and conservationists have long worked on addressing this issue through the implementation of best management practices. Although much progress has been made in recent decades, more work needs to be done to mitigate soil erosion from farm fields to reduce sedimentation to rivers and streams, maintain or increase soil productivity, and reduce the loss of nutrients tied to those soils. The Minnesota River and all of its major tributaries are impaired for turbidity due to sedimentation. The primary sources of sedimentation in the Minnesota River and its tributaries are erosion from agricultural fields and increased near-channel erosion due to increased flows from agricultural drainage (http://www.pca.state.mn.us/index.php/view-document.html?gid=20703).

Bluff, Ravine, and Streambank/Ditch Bank Erosion: Recent studies, especially within the Minnesota River basin, have documented that near channel sediment sources can contribute significantly to sediment loads of rivers and streams. For example, the Le Sueur River Watershed Sediment Budget found that 24-30% of the total suspended sediment entering the Minnesota River is derived from the Le Sueur Watershed. In the Le Sueur watershed, near channel sources are the dominant contributor to sediment leaving the watershed. Agriculture can impact these near channel features by the lack of buffers along the tops of bluffs and along stream and drainage ditch banks; increased diversion of surface runoff and subsurface drainage water from uplands through the bluff ravine interface; and from increase flows from runoff that have incised streams and have increased stream flows and durations during the spring months.

In the document, Sediment Reduction Strategy for the Minnesota River Basin and South Metro Mississippi River (MPCA - January 2015), a number of conclusions were made including:

- **High levels of suspended sediment flow through the Minnesota River Basin and the South Metro portion of the Mississippi River.** Consequently, many tributaries and river reaches do not meet water quality standards. Approximately 75% of the suspended sediment load in the South Metro Mississippi River comes from the Minnesota River, which is contributing to the high sedimentation rates observed in Lake Pepin.

- **The Minnesota River Basin’s geologic history makes the basin vulnerable to high sediment loads, which can increase further when land use changes occur.** Near-channel sediment from bluffs, river banks and ravines has been identified as a dominant sediment source in many Minnesota River Basin Watersheds. While these sources are not new, increased river flows have led to near-channel erosion rates that significantly exceed pre-settlement rates. Factors contributing to the increased river flows include changes in precipitation patterns and widespread installation of artificial drainage networks, in addition to other possible contributing factors such as cropping changes. Upland areas, which are dominated by corn and soybean production, also contribute sediment to the river. Implementation of agricultural best management practices (BMPs) on numerous fields have helped reduce soil loss to waters, and further reductions are possible through additional BMPs.
Hydrology Impacts

Agricultural Drainage: Drainage has long been a part of the agriculture landscape in Minnesota. Agricultural drainage through an extensive network of public and private ditches and tile mains, as well as private, dense sub-surface tile, has converted poorly drained soils into some of the most productive agricultural land in the United States. Subsurface tile drainage and drainage system improvements have increased dramatically in the last decade. The main drivers for these changes have been an increase in demand for corn and soybean production and an aging drainage infrastructure statewide. Agriculture drainage, although necessary for crop production in many circumstances, has significant negative water quality and quantity impacts. These impacts include: loss of wetlands and upland water storage, increased transport of nitrates and other contaminants from fields to streams, and hydrologic impacts to stream flows during wet and dry periods.

Habitat Impacts

A secondary purpose of this CREP is to provide habitat for targeted and identified habitats and species. These include terrestrial and aquatic game and non-game wildlife species and pollinator species including monarchs. The conversion of native vegetation to annually planted crops has adversely affected habitat and has also dramatically altered the hydrology of the landscape in the CREP area.

Conversion of native prairie to agricultural land has fundamentally changed Minnesota’s landscape over the past 100 years. Only 1.3%, roughly 235,000 acres of native prairie remain. Several federally listed and numerous State listed Threatened and Endangered species are obligate prairie species. The Minnesota Prairie Conservation Plan focuses on reducing the continuing loss and degradation of prairies, grasslands, wetlands and associated habitats along with the fish and wildlife dependent upon them. This 25 year plan calls for the protection and restoration of 2 million acres of prairie and savanna along with the 1.3 million acres of wetlands and shallow lakes. The Prairie Conservation Plan specifically references CREP as a program that would be instrumental in meeting targets for grassland and wetland restorations within the identified prioritize zones and corridors identified within the plan.

In southern and western Minnesota, as much as 90% of the naturally occurring wetlands present in the 1800s were drained for the purposes of agricultural cultivation (http://www.cura.umn.edu/sites/cura.advantagelabs.com/files/publications/E1037.pdf). The prairie pothole region is located in the western portion of the CREP area. This area is a priority for migratory birds and is essential for the survival of many important avian species. Further impacts to wetlands in this zone could have significant and irreversible impacts to health and population dynamics of migratory waterfowl.

Landowners in Minnesota have been very active participants in USDA Farm Bill programs including the CRP, the Environmental Quality Incentives Program (EQIP) and the Wetlands Reserve Program (WRP). The rate of CRP expiration has exceeded CRP enrollment and reenrollment netting a loss of
approximately 50% of the CRP acres expiring each of the past five years (see Table 1, right). Generally interest has far outpaced available funding for both the EQIP and WRP. Even with substantial allocations of federal Farm Bill programs agricultural related environmental impacts continue.

### IV. Project Objectives

Minnesota is ready to implement a CREP that will directly address environmental resource problems with strategic, long term solutions. Listed below are the three main project objectives:

1. **Targeting riparian areas that will benefit from 50,000 acres of buffers and 15,000 acres of floodplains being restored to perennial vegetation and permanently protected**: By prioritizing and targeting key water courses for buffer establishment and floodplain restoration maximum permanent measureable results will be accomplished. These will be primarily associated with pollution reductions occurring on these areas as well as the filtering component that these areas will provide. Land cover changes from annual crops to perennial vegetation will provide the mechanism for these accomplishments.

In the **Minnesota Nutrient Reduction Strategy** (MPCA 2014) there are specific phosphorus and nitrogen reduction goals. In the Mississippi River Basin a 45% reduction of both nutrients has been set forth and in the Red River Basin a 10% reduction goal for phosphorus and a 13% nitrogen reduction goal is in place. This CREP will provide pollution reductions that will directly contribute to these stated goals. In addition, by restoring 100,000 acres, hydrology benefits (holding water on the landscape and slowing the release of water into the system) will be realized that may reduce streambank erosion and other off-site impacts even though streambanks are generally not eligible for enrollment in the CREP (since they generally do not meet the cropland eligibility requirements).

- **Priority sources include cropland runoff, streambank erosion and agricultural tile drainage** (this CREP focuses on these sources)

- **Cropland Strategies include**
  - Increasing and target living cover, emphasizing – perennials in riparian zones and on marginal cropland
  - Field erosion control
  - Restored wetlands

### Table 1. Minnesota CRP Status

<table>
<thead>
<tr>
<th>Acres expiring over next 5 years</th>
<th>- 598,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expected acres retained based on recent average</td>
<td>+ 299,000</td>
</tr>
<tr>
<td>Minnesota CREP</td>
<td>+ 100,000</td>
</tr>
<tr>
<td>Projected net loss of acres</td>
<td>- 199,000</td>
</tr>
</tbody>
</table>
The Nitrogen in Minnesota Surface Waters (MPCA 2013) report prioritizes watersheds in the Minnesota River Basin whose total nitrogen yields are at the high end of those in the state. These watersheds are a key part of the CREP area.

In the Sediment Reduction Strategy for the Minnesota River Basin and South Metro Mississippi River (MPCA 2015) a number of scenarios were proposed to reduce sediment and attain water quality goals. Key practices and items include – focus on upland sediment sources, maintain or restore land in perennial vegetation and store water on the landscape.

- A 25% reduction in sediment is the 2020 Milestone that has been put forward in this report and this CREP will work towards this goal by reducing sediment through conversion of the 100,000 acres for water filtration.

2. **Restore hydrology, increase infiltration, provide wildlife habitat and provide flood mitigation by restoring 30,000 acres of drained wetlands and associated uplands:** The CREP project area is the most intensively drained landscape in Minnesota. With more than 90% of pre-settlement wetlands lost, there is great opportunity to restore hydrology to reduce runoff, remove sediment and nutrients, increase water infiltration for groundwater recharge, and provide critical wildlife habitat. Our approach is to utilize a scoring and ranking tool similar to what BWSR and NRCS have used for the RIM-WRP partnership that will maximize habitat restoration by restoring hydrology and associated upland vegetation while providing secondary water quality benefits. These sites will both be spatially prioritized utilizing tools like those developed by the US Fish and Wildlife Service (USFWS) and site-specific evaluation for hydrology and flood damage reduction benefits. BWSR will work with the FSA MN State Office to adjust and fine tune the scoring and ranking tool.

3. **Reducing nitrate loading in drinking water supplies in Drinking Water Supply Management Areas (DWSMAs) by restoring to perennial vegetation and permanently protecting 5,000 acres:** BWSR has been working with the Minnesota Department of Health over the last decade to identify critical lands within DWSMAs to best protect drinking water for cities that have vulnerable drinking water resources. BWSR has worked with local governments and landowners to implement permanent conservation easements in a select few DWSMAS in recent years. This CREP proposal will accelerate and enhance protection of critical groundwater recharge areas, which will help Minnesota better meet its goals in ensuring that all Minnesotan’s have safe, clean, and abundant drinking water supply. We will work with local water suppliers in priority DWSMA’s to target specific parcels of land to achieve maximum reduction of pollutant leaching.

In the Minnesota Nitrogen Fertilizer Management Plan (MDA 2015) a number of items relate to implementation of this objective:

- *Prevention activities focus on promoting the nitrogen BMP’s to protect groundwater from nitrogen fertilizer leaching in the most hydrogeologically vulnerable areas.*
- *It is also acknowledged that in some irrigated, coarse-textured areas of Minnesota, nitrogen BMP’s alone may not be enough to reverse the effects of groundwater contaminated by nitrate.*

- *Increasing Continuous Cover – Perennial Crops - Perennial vegetation has been shown to be effective at scavenging nitrogen from the soil, as well as requiring lower nitrogen inputs.*

Swimmable, fishable, fixable? What we’ve learned so far about Minnesota waters (MPCA 2015) set forward strategies to help our waters:

- *What needs to be done – In watersheds dominated by farming, strategies include planting stream buffers, managing nutrients and manure, restoring wetlands and other forms of water storage, and stabilizing stream channels.*

This CREP will help with these “Fixable” strategies and achieve measureable results.

**Additional Objectives**

**Focus on expiring CRP Contracts:** At its highest point, landowners in Minnesota enrolled 3 million acres in the federal Conservation Reserve Program (CRP). Today, that number has dropped to around 1.1 million acres and in the next five years another 600,000 acres of Minnesota conservation lands enrolled in CRP will expire. Unless action is taken to continue protection of these lands, they will likely be converted back into cropland, and the benefits to both water quality and wildlife will be largely lost. Our approach is to target critically-vulnerable expiring CRP acres. Combining CRP with RIM easements, the program will focus on the most critical CRP land – primarily on those most affecting water quality and most at risk, utilizing tools like the one recently completed for targeting expiring CRP which was funded through the Environment and Natural Resources Trust Fund. Supplementing this focus will be an aim towards those lands that offer high wildlife habitat quality potential. In addition, new land will also be eligible for inclusion into this CREP.

**Leveraging funding for multi-benefit conservation and clean water projects:** Interest in the state’s Reinvest in Minnesota (RIM) program, which provides durable, permanent conservation easements, greatly exceeds available funding. A federal partnership would allow the state greater ability to meet demand and realize the resource benefits of these conservation easements. Minnesota is positioned to supplement Federal funding from United States Department of Agriculture with constitutionally derived Clean Water Land and Legacy Amendment funds and capital investment funding from the State of Minnesota.

**Fiscal Responsibility:** An analysis by the University of Minnesota demonstrated that it is less expensive to enroll a parcel of land into permanent CREP using the payment rate structure as proposed than it is to enroll that same parcel into CRP and renew it one time.
Prioritized and Targeted

We will prioritize and target the 100,000 acres of this CREP to achieve the maximum measureable results. Section II explains that it is critical as the first level of prioritization to start this effort within the entire 54 county area (and not the entire state), since that is where the predominant water quality and habitat concerns have been identified and state level plans have focused here also. The 100,000 acres will then be targeted and prioritized in the following ways in order to maximize the water quality and habitat benefits:

1. Focusing on only four CP’s (2, 21, 23 and 23a) and not all eligible CP’s;

2. Directing outreach at specific watersheds and habitat types to secure landowner sign-ups for targeted landscapes, farms and fields;

3. Allocating acreage initially to the highest pollution loading priority major watershed contributors in order to achieve maximum calculated pollution reductions, as prescribed in watershed and other local water plan documents. These watersheds are those already identified as major contributors to nutrient and sediment loading concerns in recently completed studies and statewide plans;

4. Focusing on wellhead areas in the Very High to High vulnerability categories (as defined by Minnesota Department of Health) in initial sign-ups;

5. Prioritizing habitat projects that use diverse habitat models formulated by technical specialists and will prioritize building on existing complexes and corridors to maximize the environmental benefits;

6. Developing and using criteria based score sheets and ranked lists to select those applications to be approved. Score sheets will utilize criteria that are a key part of the State of Minnesota’s Nonpoint Priority Funding Plan for Clean Water Implementation (July 2014). These criteria include the following and may be incorporated into final CREP documents:

- Aligned with State Priorities
- Locally Prioritized and Targeted
- Measurable Effects
- Multiple Benefits
- Longevity
- Capacity
- Leverage
- Cost-effectiveness
- Landowner financial need
Score sheets will jointly be developed by technical specialists and the MN FSA State Office.

MN FSA and BWSR staff have initiated discussions related to the specifics of how the CREP application process will be developed and conducted. In addition to the factors listed above, a batching process type of sign-up (similar to general CRP, Grassland CRP and the RIM program) will be utilized in order to fund the highest priority applications in the most critical places within a watershed/landscape. CREP application selected for funding will provide the largest impact focused on prioritized problems.

Landowners not selected through the CREP will still have other conservation opportunities like General CRP, CCRP, stand-alone RIM and a multitude of other conservation programs.

Minnesota is uniquely positioned to conduct this effort due to a number of science based efforts, tools and processes, some of which are listed below:

**Recent water quality scientific data, studies, and analysis:** Minnesota has completed a number of major basin-wide nutrient and sediment reduction strategies and scientific studies that outline future goals and milestones for Minnesota streams, lakes, and rivers to meet water quality standards for phosphorus, sediment, and nitrogen. Most important to this proposal are the resource goals identified in the Minnesota Nutrient Reduction Strategy and habitat goals identified in the Minnesota Prairie Conservation Plan. Together, they position Minnesota to better target CREP acres for implementation that will have the greatest combined water quality and habitat benefits. Accomplishments from this CREP will work towards the overall long-term goals for water quality and habitat restoration that the state has adopted in numerous plans.

**Watershed and Groundwater Restoration and Protection Strategies (WRAPS/GRAPS):** Minnesota has embarked on a systematic water quality assessment process called the Watershed Restoration and Protection Strategy (WRAPS) and will soon be incorporating Groundwater Restoration and Protection Strategies (GRAPS) as well. The WRAPS focus on the HUC 8 watersheds and further break down priority areas for implementation within the sub-watershed (HUC 12 levels). Technical reports developed as a result of monitoring, water quality assessment, stressor identification, and Total Maximum Daily Load analysis (including water quality modeling) are incorporated into the WRAPS documents. This wealth of data, analysis, and watershed assessment information allows for local, State, and Federal conservation staff to better prioritize, target, and measure environmental benefits for this CREP project. Sixteen WRAPS are slated for completion by the end of calendar year 2015 within the CREP project area; see figure 2 for the status of WRAPs completion over the next five years.

**Drinking Water Supply Management Area (DWSMAs):** Designated DWSMAs and their associated vulnerability serve as natural implementations of the prioritized and targeted approach as applied to drinking water protection. Very high and high vulnerability areas will be initially considered as a part of using these resources to prioritize and target.
Measureable Indicators

Direct Pollution Reductions
Changing the land cover of 100,000 acres of annual cropland to perennial vegetation will provide significant nitrogen, phosphorus and sediment pollution reductions. These pollution reductions will be accounted for, consistent with existing state plans and documented as a part of the larger reduction goals for the watershed, basin and the State.

Pollution Reduction Estimations
Utilizing Unit Area Load (UAL) calculations based on data, model simulation and reference to existing research data, BWSR and Tetra Tech developed a model by land cover type for Total Phosphorus (TP), Total Nitrogen (TN) and Total Suspended Sediments (TSS). This process was delivered to local SWCD’s for use in estimating pollution reductions with their conservation programs and is valid for use with the CREP proposal. Calculations have been made to consider before and after land cover for the CREP for each of the three pollutants.

Annual pollution reductions will include the following due to the 100,000 acre CREP being implemented:
- 32,000 pounds of total phosphorus per year
- 2,400,000 pounds of total nitrogen per year
- 205,000 tons of sediment per year

The calculations of pollution reductions are detailed below and will be reported annually for the CREP acres enrolled and then finally when the 100,000 acre goal is achieved. These pollution reductions will continue annually since the 100,000 acres are permanently protected and restored to its pre-altered condition.

Total Phosphorus (lb. /ac-yr.)
Agriculture UAL 0.4 – Grassland UAL 0.08 = 0.32 reduction X 100,000 acres = 32,000 lbs. /ac-yr. reduction

Total Nitrogen (lb. /ac-yr.)
Agriculture UAL 26.0 – Grassland UAL 2.0 = 24.0 reduction X 100,000 acres = 2,400,000 lbs. /ac-yr. reduction

Total Suspended Solids (tons/ac-yr.)
Agriculture UAL 2.15 – Grassland UAL 0.01 = 2.05 reduction X 100,000 acres = 205,000 tons/ac-yr. reduction
Other benefits related to - filtering, hydrology and habitat

In addition to the direct pollution reductions that will occur from the land cover change from cropland to grassland of 100,000 acres other benefits will be realized. These are much harder to estimate, since they are very site specific but warrant at least mentioning.

Filtering – water that flows into and through the 100,000 acres will be slowed down, filtered and nitrogen, phosphorus and sediment will be deposited and or tied up. This will have a significant positive impact on water quality pollution reductions.

Hydrology – with the change in land cover from an annual crop to perennial vegetation as well as wetlands that will be restored hydrology will be positively impacted. Substantial amounts of water that flow into and onto the 100,000 acres will now be slowed down and allowed to infiltrate, evaporate or otherwise be stored rather than quickly running off.

Habitat – the change in land cover from annual cultivated and harvested cropland to perennial vegetation will provide substantial habitat, food and cover for game and non-game wildlife species. This will increase populations of resident and migratory species.

V. Project Description

This project will reduce nitrogen, phosphorus and sediment to receiving waters as well as protect vulnerable wellhead areas and provide wildlife habitat by enrolling 100,000 acres into 15 year (CRP contracts will be 14 or 15 years in length to allow producers to begin their CRP contract once approved and not being required to wait until the next October 1st.) CRP contracts which will then be made permanent by the state taking a perpetual RIM conservation easement. At the time of CRP application landowners will simultaneously apply to the RIM program. The application approval process will be designed jointly by FSA and BWSR to ensure that eligibility and program rules are met and that sufficient funding is in place for both programs. CRP contracts will be completed first with RIM to follow. FSA and BWSR will work out the details for the unlikely occurrence that a CRP contact is approved and then the RIM easement is not recorded. This will include options to keep the land in CRP at the regular CCRP rate as well as cancelation of the CRP contract.

The timing of accepting a CRP contract and then recording the RIM easement will provide benefits to the landowner so that they can quickly enroll and begin getting annual CRP payments and then get the lump-sum RIM payment shortly after the easement is recorded. We have utilized this option for many years and it works well for the agencies and the landowner, who is counting on the total CRP and RIM payment.

Local staff from Soil and Water Conservation Districts, FSA, NRCS and BWSR will all be trained on the integrated CRP/RIM process. Many of these people are experienced with previous Minnesota CREPs that
have followed a similar process as proposed here. We estimate that it will require 5 years to complete the enrollment of the 100,000 acres and an additional two years to complete all restoration activities.

During the life of the CRP contract, CRP rules will take precedent over RIM and once the CRP contract expires then the RIM rules will be followed. This arrangement has already been agreed upon by FSA and BWSR for current CRP and RIM enrollments and will continue after the CREP is approved. This guidance has been transmitted to all local FSA, NRCS and SWCD offices through a jointly signed letter by FSA and BWSR. A process will be developed and implemented that will ensure a smooth handoff from FSA to BWSR once the CRP contract has expired.

**CRP Practices**

CRP Conservation Practices to be included are (CP) 2, 21, 23, 23a. CRP practices will be utilized to create filter strips, restore floodplain wetlands, restore depressional wetlands for water quality and habitat, as well as protect sensitive wellhead protection areas. Vegetation will be established according to State specifications which rely on NRCS practice standards and prioritize the planting of native grasses and forbs that are tailored to the specific site. These native plantings provide additional perpetual benefits beyond the primary purposes of the practices, especially tied to pollinators, nesting, food and other habitat requirements.

1. **Riparian Lands-Grass Filter strips**
   - CP 21 practice
   - 30’—350’ width. NRCS standard 393 criteria for water quality, wildlife, flooding, farm ability
   - Acreage Goal: **50,000 acres**

2. **Wetland Restoration-non floodplain**
   - CP 23a practice
   - 6:1 upland to wetland ratio (Change request)
   - Acreage Goal: **30,000 acres**

3. **Wetland Restoration- Floodplain**
   - CP 23 practice
   - 3:1 upland to wetland ratio
   - Acreage Goal: **15,000 acres**

4. **Wellhead Protection Areas**
   - CP 2 practice
   - Well head protection areas mapped by MN Dept. of Health as high or very high vulnerability
   - 15 year contract (Change request)
   - Acreage Goal: **5,000 acres**
Current interest in enrollment in the CP-2, 23 and 23a practices exceeds available acres allocated to Minnesota within the Continuous Conservation Reserve Program (CCRP) program. The CP-21 practice is not a state acre allocated practice. Landowner interest in permanent RIM easements in these critical practice areas annually exceeds available funding, often times only being able to fund a small number (10% to 25%) of applicants during short easement sign-up periods. Dedicating practice acreage allocations for this CREP, increasing funding availability and leveraging for state easement costs to enroll these critical parcels permanently will enable this project to achieve in excess of 20,000 acres of new enrollment annually.

Currently there are approximately 35 staff equivalents available via the MN Farm Bill Assistance Project (SWCD and PF employees) who work on CRP and other federal Farm Bill programs but could be refocused on CREP implementation. We will continue to seek and secure additional state and local funding to increase local implementation staff to ensure CREP goals will be met in a timely manner. This is in addition to existing county FSA, SWCD and NRCS staff that will be called upon to also play a significant role in program delivery at the start of the CREP. There is a high probability that acre goals will be achieved within the five year timeframe.

Interagency training and coordination along with a clearly defined process will assure that necessary steps from landowner marketing, technical evaluation, contract/easement application, conservation plan development, practice establishment, and future monitoring will be completed according to standards. Initial landowner contacts will be made by local SWCD staff. Landowners who are interested and meet eligibility requirements will be provided with a detailed proposal for the CRP contract along with the associated RIM easement and payment specifics will be provided to the landowner for consideration. When a landowner decides to move forward, applications will be secured using standard CRP and RIM forms. The CRP contract will need to be secured prior to RIM easement recording. A conservation plan will be completed by NRCS or partner staff with Technical Approval Authority for CRP. A similar conservation plan will be completed by the SWCD for the RIM easement. Site restoration plans will be developed by the state or local SWCD in cooperation with NRCS. Practice installation and cost share assistance will start with CRP and RIM will provide added cost share not to exceed 100% of the total cost up to state limits (either CRP or RIM whichever is greater) for each practice type.

**Practice Requirement Changes Requested:**

CP21 – Allow up to a maximum of 350 foot width as found in the current MN NRCS Filter Strip Standard (393) and CP21 guidance up front for the entire CREP area. This will avoid needing to document this need on a case-by-case basis in every case file avoiding unneeded time and energy being spent by local office staff. It is anticipated that the great majority of CP-21’s will be primarily for water quality and will be at 120 feet maximum for sediment and up to 220 feet maximum for soluble materials and not the 350 foot width.
CP23a – Allow a maximum of 6 upland acres for each wetland acre in the Prairie Pothole portion of the CREP area. This 6:1 ratio is technically based for the prairie pothole portion of the CREP area where these CP’s will be prioritized. A number of studies and current recommended practice is to provide maximum upland habitat surrounding prairie pothole wetlands. The additional upland will provide the habitat that is required for many resident and migratory species that will be targeted with this practice. In addition, the 6:1 upland to wetland ratio is the same as that which is used by USDA-NRCS and their Wetland Reserve Easement (WRE) program. Most recently (4/22/15) the 6:1 ratio was agreed to in writing by the US Fish and Wildlife Service and adopted into WRE policy by NRCS.

In the non-Prairie Pothole remainder part of the CREP area the existing CRP maximum 4:1 ratio will be adhered to and no changes are requested.

CP2 – Extend CRP contract from 10 to 15 years to be uniform with other CP’s used in this CREP.

All Practices – Allow acre goals to be shifted among practices as agreed to in writing by Minnesota FSA and BWSR leaders, but never exceed the overall goal of 100,000 acres. This was suggested from FSA National Office staff in order to avoid having to do CREP Agreement amendments every time a change in acreage allocation is needed. Due to similar budgetary impacts of each CP there will only be minor funding implications on the overall project.

All Practices – Require a 10 acre minimum enrollment. This is administratively necessary to keep workload within limits that can reasonably be accomplished during the 5 year period. Producers who want to enroll smaller parcels in protection programs will be directed to stand-alone CRP contracts or other program options. In addition, the 10 acre minimum size limit will be waived on a very limited case-by-case basis after agreement by both the FSA and BWSR State Offices. This waiver is needed in case a critical parcel is needed to achieve a water quality or habitat outcome but happens to be less than 10 acres in size. An example could be a smaller than 10 acre parcel which when protected will plug the gap in an existing buffer length.

The first flowchart below details the process Minnesota will institute for implementing the CRP portion of a landowner CREP application. The second flowchart details the RIM application process.
NRCS or TSP completes Documentation of Eligibility Suitability Worksheets for each CCRP practice listed on CRP-2 C.

NRCS or TSP fills in block 13 of CRP-2C.

All above documents are referred or returned to FSA county office.

FSA completes CRP-1 SWCD completes RIM application

Go to NRCS or TSP

FSA adjusts contract to reflect actual design acres for enrollment. BWSR secures RIM Easement.

NRCS, BWSR, SWCD or TSP completes the practice design and job sheet and assists in implementation.

FSA COC approves CRP contract. SWCD submits RIM application to BWSR

FSA determines: Final acreage and reviews and approves conservation plan.

NRCS or TSP develops conservation plan & submits it with the MN-CPA-052 to FSA. SWCD completes RIM Conservation Plan.

BWSR secures RIM Easement.

NRCS, BWSR, SWCD or TSP completes the practice design and job sheet and assists in implementation.

FSA COC approves CRP contract. SWCD submits RIM application to BWSR

FSA determines: Final acreage and reviews and approves conservation plan.

NRCS or TSP develops conservation plan & submits it with the MN-CPA-052 to FSA. SWCD completes RIM Conservation Plan.

BWSR secures RIM Easement.

NRCS, BWSR, SWCD or TSP completes the practice design and job sheet and assists in implementation.

FSA COC approves CRP contract. SWCD submits RIM application to BWSR

FSA determines: Final acreage and reviews and approves conservation plan.

NRCS or TSP develops conservation plan & submits it with the MN-CPA-052 to FSA. SWCD completes RIM Conservation Plan.

BWSR secures RIM Easement.

NRCS, BWSR, SWCD or TSP completes the practice design and job sheet and assists in implementation.

FSA COC approves CRP contract. SWCD submits RIM application to BWSR

FSA determines: Final acreage and reviews and approves conservation plan.

NRCS or TSP develops conservation plan & submits it with the MN-CPA-052 to FSA. SWCD completes RIM Conservation Plan.

BWSR secures RIM Easement.
VI. Cost Analysis

Total Estimated Costs

Total estimated costs are formulated that include both federal CREP and State CREP RIM, for a total project cost of $795,503,000 to achieve 100,000 acres of permanent protection over a five-year timeframe.

Table 2. CREP Summary Table of Project Costs

<table>
<thead>
<tr>
<th></th>
<th>Farm Service Agency</th>
<th>State of Minnesota</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment to Landowner</td>
<td>$589,227,500</td>
<td>$103,872,500</td>
<td>$693,100,000</td>
</tr>
<tr>
<td>Easement Services</td>
<td>$ n/a</td>
<td>$3,755,000</td>
<td>$3,755,000</td>
</tr>
<tr>
<td>Easement Stewardship</td>
<td>$ n/a</td>
<td>$14,456,750</td>
<td>$14,456,750</td>
</tr>
<tr>
<td>Practice Cost-share</td>
<td>$45,090,000</td>
<td>$11,920,000</td>
<td>$57,010,000</td>
</tr>
<tr>
<td>Technical Assistance</td>
<td>$ n/a</td>
<td>$27,181,250</td>
<td>$27,181,250</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$634,317,500</strong></td>
<td><strong>$161,185,500</strong></td>
<td><strong>$795,503,000</strong></td>
</tr>
<tr>
<td><strong>%</strong></td>
<td>79.74%</td>
<td>20.26%</td>
<td></td>
</tr>
</tbody>
</table>

The first step of budget development included utilizing acreage goals for each of the focuses of the project (buffers, wetlands, floodplain wetlands and wellhead) divided by the most recent historic average of easement size. The result calculated an estimated total of 3,755 easements/CRP contracts. This number provided a basis for many of the budget calculations.

A number of other key assumptions included:

- Farm Service Agency contribution of the maximum CREP allowable of 80%
- Average CRP Rental Rate for 2015 for the 54 county area of $220/acre, provided by MN FSA staff
- Average RIM payment rate for 2015 for the 54 county area of $6,931/acre
- RIM Stewardship amount of $6,500 per easement but adjusted down to only the amount needed during the life a 15 year CRP contract to then equal $3,850 per easement
- RIM easement services amount of $1,000 per easement, which only includes the non-personnel costs to record an easement and is based on recent averages from the past two years of easement processing

In addition to these assumptions, project costs have been established based on economic analysis, specific and commonly used formulas, existing financial information, and program guidance. All are explained in further detail in this section and in Appendix B.

Project cost details

Each category in the CREP Summary Table of Project Costs, is detailed below.

Payment to Landowner

The combined payment to the landowner (Federal CREP and State CREP RIM) will equal the RIM rate for the offered acres. This amount is what is needed to offer a landowner a fair payment rate to permanently protect the land and also to provide maximum leverage of USDA and State funds to accomplish the 100,000 acre goal.

RIM standard easement payment rates best approximate 90% (crop rate) and 60% (non-crop rate) of the land value for permanent easements anchored to the average assessor estimated market values (EMVs) as reported by...
the MN Dept. of Revenue via the University of Minnesota Land Economics website, based on local assessor’s reporting of prior year land sales.

The landowner per acre payment rate calculation is made according to the following:

Landowner Total CREP Payment = Federal CREP payment + State CREP RIM payment

This split between CREP and RIM was computed based on the following process:

Federal CREP payment - The average CRP 2015 rental rate (as provided by the FSA MN State Office) was adjusted upward by the regular CCRP incentive (20%). A CREP incentive was then computed, which when all costs (landowner payment, easement services, easement stewardship, practice cost-share and technical assistance) were considered aimed for the 80% FSA CREP maximum overall project contribution. These calculations are shown below:

- Average CRP Rental rate = $220
- CCRP Regular Incentive
  - CP-21,23 and 23a of 20% X $220 = $44 OR
  - CP-2 of 10% X $220 = $22
- 98% CREP Incentive X $220 = $216 (to achieve a 80% maximum CREP contribution)

  Total = $458 to $480

The total was then discounted using the federally determined rate of 3.3% for 15 years. A SIP payment was added to the discounted CREP amount ($150 per acre for CP23 and 23a and $100 per acre for CP21 and no SIP for CP2) to arrive at a final 15 year total CREP payment as follows – CP-21 $5,888, CP-23 and 23a $5,938 and CP-2 $5,523.

State CREP RIM payment - The total average RIM rate of $6,931/acre was then reduced by the CP (e.g. CP-21, etc.) specific CREP payment to yield the RIM payment amount detailed as follows – CP-21 $1,043, CP-23 and 23a $993 and CP-2 $1,408. This State CREP RIM payment amount will be paid by the State to the landowner shortly after the easement is recorded.

Easement Services

All costs to process and legally record RIM easements will be borne by the State. These costs are estimated to be $1,000 per easement based on current easement recordings. Therefore with 3,755 estimated easements the total cost for this item is $3,755,000. Typical easement services costs include – title commitment and title policy preparation, title insurance premium, recording fees and other associated costs.

Easement Stewardship

All costs to provide easement stewardship will be borne by the State. Perpetual monitoring and stewardship costs have been calculated at $6,500 per easement. This value is based on using local SWCD staff for monitoring and landowner relations and existing enforcement authorities and covers costs of the SWCD regular monitoring, BWSR oversight, and any enforcement necessary. The total cost of easement stewardship is $24,407,500 ($6,500 for 3,755 easements).

Per FSA CREP requirements only costs that would occur during the life of the CRP contract can be utilized as non-Federal revenues. This amount has been calculated at $14,456,750 ($3,850 per easement for the 15 year period of CRP contract length, for the 3,755 easements).
**Practice Cost-Share**

Average total cost to restore buffers, wetlands/adjacent upland, floodplains and plant vegetation for wellhead protection were utilized as the starting point. The maximum 50% of FSA total cost was then subtracted from the total cost. A PIP payment was then calculated using the standard 40% of the FSA eligible cost for each practice. These two values were deducted for the average total cost to restore each type of practice. The remaining amount was assigned to the RIM portion of practice cost-share and will be paid by the State to the landowner as practices are installed.

**Technical Assistance**

The amount of technical assistance to process a CREP CRP from application to CRP-1 contract approval, RIM - BWSR and SWCD easement processing from approval to recording, and planning and implementing restoration practices were computed and added together to arrive at the total technical assistance needed. All of these costs above and beyond normal FSA CRP Technical Assistance will be borne by the state.

The technical assistance was computed as detailed below:

- **CREP CRP Application to Contract** - $500 X 3755 contracts = **$1,877,500**

  Total TA provided by non USDA personnel estimated to be $500 per contract. This amount is based on recent contribution agreement rates that are used by Minnesota NRCS when they have contracted CRP plan development with local Soil and Water Conservation Districts and Pheasants Forever. It represents the amount of time and resources required to develop a CRP plan.

- **RIM easement processing** - 80 hrs. X $45/hr. X by 3755 easements = **$13,518,000**

  Average RIM easements require 80 hours of staff time to record, based on processing of easements over the past few years.

- **SWCD easement processing assistance** - $2,000/easement X 3755 easements = **$7,510,000**

  SWCD’s provide essential local assistance to easement processing and have been reimbursed at $2,000 per easement for a number of years. They provide critical assistance to landowners on all steps of the easement recording process.

- **Plan and implement practices** – 7.5% X $57,010,000 cost-share = **$4,275,750**

  Technical assistance to plan and implement restoration practices was planned at 5% of the total restoration cost for grassland practices and 10% for engineered practices like wetland restoration. On average the technical assistance rate for all planning and implementation assistance is at the 7.5% rate of the total installation cost.

**Grand Total**  **$27,181,250**

**CREP and CCRP Incentive Basis and Justification**

A cost-effective and still competitive payment rate must be offered to landowners to achieve a successful CREP in Minnesota. Minnesota’s CREP incentive level is 98% above the average CRP rental rate, in addition to the CCRP incentive of 20% which is available without a designated CREP. This rate (98% CREP and 20% CCRP) reflects the value and need for the program, including:
Current and Historical CREP Funding. FSA has funded CREPs nationwide that have utilized bonus/incentive payments above base CRP rates ranging from a low of 20% to a high of 225%. Minnesota’s proposed 98% CREP incentive level is well within range of other funded CREP’s.

State/Federal Leverage. This incentive level increases the public benefit for both state and federal dollars. The State contribution leverages the full allowable amount from FSA through the CREP to increase the enrollment acres that maximize environmental benefits. It also promotes effective federal cost savings and minimizes the technical assistance expense on USDA, since the State will be responsible for this portion of the project. Without the CREP these 100,000 acres would not be enrolled in this prioritized and focused manner.

Financial Savings and Return on Investment. Dr. Steve Taff, Professor Emeritus Department of Applied Economics, University of Minnesota performed a CREP analysis (see Appendix C) that concluded, “I find the proposed CREP payment arrangements to be consistent with Minnesota land market evidence. If CRP rates in the project area increase by 3% annually—well below recent land value changes and even below the 5.9% annual growth rate over 60 years for USDA estimates of Minnesota farm real estate, which includes a huge drop in values in the early 1980s—the present value of federal CRP outlays over a 30-year period (one contract renewal) would be larger than the federal share of the proposed CREP payment. The federal government would save money by delivering conservation through the CREP, compared to continuing to rely upon 15-year renewable CRP contracts. These savings would magnify as contracts enter second and subsequent renewal phases.”

In summary, this means that a CRP contract that would re-enroll after the first 15 years is more expensive than this CREP proposal. We save time and provide consistent protection on the most critical areas by paying for these 100,000 acres only once. Additionally there are external factors such as: uncertainty whether there will be a CRP in 15 years, no assurance that landowners will be willing to re-enroll, and paying for the environmental benefits in today’s dollars will certainly be less expensive than 15 years from now. Paying once for this permanent protection CREP, provides a cost-savings to the taxpayer and is a significant positive factor to justify the 98% CREP incentive rate.

Additionally, future USDA payments on these acres would also be eliminated, saving millions of dollars annually including potential FSA program and other insurance type of payments. The federal and state governments would also reduce future disaster payments to both enrolled lands as well as off-site due to the benefits of restoring of hydrology and vegetation on 100,000 acres and the positive impact for flood mitigation.

Producer Interest. Landowners have been facing increasing tax rates and increasing cropland rental rates that make protection through CRP and RIM a harder sell. In spite of these factors we continue to see a very strong demand for both CRP and RIM when program and payment factors align to meet objectives of all those involved. This is especially true of the RIM easement program, where landowner demand for the program far exceeds available funds, especially for targeted buffer and wetland easement options. These are the very practices this proposal targets to meet environmental benefits. Typically only one in twenty RIM buffer applications are funded. It is expected that this high demand will continue with a CREP.

The implementation of this CREP will also assist landowners participating in the Minnesota Agricultural Water Quality Certification Program (a joint USDA, USEPA, state, local and landowner effort). This program ensures environmental benefits while providing certainty to landowners for a ten year period against state regulatory changes that could affect their operations. Minnesota farmers want to do conservation. Both CRP and CCRP are very popular programs, particularly CP- 21 and CP-23a, which are important components of this proposal.

Strategic Targeting. Minnesota has invested heavily in science based monitoring, assessment and prioritization of water quality and wildlife habitat priorities and can deliver a targeted CREP that takes the most environmentally
sensitive lands out of production, provides maximum environmental benefits and keeps the most productive and profitable agricultural lands in production.

**Water Quality and Habitat Benefits.** Minnesota is a headwaters state that has national and regional significance for the Mississippi Basin and the Red River of the North’s water quality. This CREP will provide benefits to national and international priorities by reducing nutrients in the hypoxic zone of the Gulf of Mexico and Lake Winnipeg.

Restoring 100,000 acres in this CREP will provide on-site and off-site benefits to surface and ground-water quality and reduce the potential for future pollutant loading. Preventing impacts from affecting both surface and ground-water have been shown to be much more cost-effective than trying to treat waters that have become impaired. One such example demonstrating prevention is the money that will be saved from not needing to implement expensive nitrate removal treatments of water (like reverse osmosis) in order to provide public health benefits.

The 100,000 acres of restored lands will also provide habitat benefits to pollinator species (bees, monarchs, etc.), game and non-game wildlife, and other aesthetic and environmental benefits, since vegetation requirements of the State require native grasses and forbs tailored to the specific site.

**State and Local Readiness.** Minnesota is uniquely positioned to implement a CREP. USDA, local soil and water conservation districts, state agencies, and non-governmental organizations have a strong field-based presence through coordinated efforts such as the Farm Bill Assistance Partnership, Prairie Plan Implementation Teams, and many watershed-based planning projects. The staffing infrastructure exists within SWCDs, who already know how to implement both the CRP and RIM programs. These people also live and work locally, establishing good working relationships with producers in their counties. Minnesota has the ability to add significant capacity to this infrastructure to meet the increased workload associated with a CREP. The State has implemented CREPs previously and recently concluded a very successful RIM-WRP partnership (which is similar to CREP, but instead used the former Wetlands Reserve Program, administered by USDA-NRCS with the RIM easements program). We have good working relationships with FSA and NRCS state staff. And finally the RIM program already holds 6,500 easements on 265,000 acres.

Additionally, Minnesota has bipartisan legislative support that proactively committed $57.266 Million of state funds for CREP match, shows the state’s serious commitment to achieve 100,000 acres of protection. The state will continue to allocate resources over the course of the five-year project to meet the state match.

**Itemization and Status of Non-Federal Revenues**

The $161,185,500 of non-federal revenues to support this CREP (both landowner payments and in-kind support primarily technical assistance) represents approximately 20% of the total costs. In addition, approximately $10 million of easement stewardship costs needed after the 15 year CRP contracts expire will also be borne by the state but have not been included in the CREP totals. Sources of these funds are primarily from state resources with a small amount supplied from the local level.

State funding is planned to be secured through the funding sources below:

- Capital Investment (Bonding)
- The Clean Water, Land and Legacy Constitutional Amendment (Legacy Amendment)
  - Clean Water Fund (CWF)
  - Outdoor Heritage Fund (OHF)
- Environment and Natural Resources Trust Fund (ENTRF)
Bonding resources are appropriated every other state fiscal year and often times in the off years also. These funds can be used to support all portions of the CREP.

The Legacy Amendment was passed by voters in 2008 and dedicates a percent of statewide sales tax to clean water, wildlife, trails and arts projects. The Clean Water Fund part of the Legacy Amendment will be used for water quality predominant portions of the CREP. While, the Outdoor Heritage Fund part of the Legacy Amendment will be utilized for wildlife focused projects, especially the wetland restoration part of this CREP.

Environment and Natural Resources Trust Fund funding comes from lottery proceeds as recommended by the Legislative-Citizen Commission on Minnesota Resources (LCCMR). The Farm Bill Assistance Partnership (FBAP) program has been funded by this source and provides technical assistance resources at the local level to accelerate federal Farm Bill program implementation. It has been proposed to expand this effort and focus additional local staffing to assist with all aspects of the CREP.

**Status**

Currently BWSR has **$57.266 million** in-hand or allocated for the state portion of the CREP:

**$36.75 million** of funding was appropriated by the MN Legislature in 2015 –

- Clean Water Fund
  - $18 million RIM CREP for use with all options
  - $9.75 million RIM buffers
  - $3.5 million RIM Wellhead Protection

- Outdoor Heritage Fund
  - $4.5 million RIM buffers

- Environment and Natural Resources Trust Fund
  - $ 1 million for CREP Implementation

**$20.516 million** recommended for funding by the Lessard-Sams Outdoor Heritage Council (LSOHC) that will be included in MN Legislature appropriations available July 1, 2016 –

- Outdoor Heritage Fund
  - $6.708 million RIM buffers
  - $13.808 million RIM wetlands

BWSR has a substantial portion (**$57.266 million**) of the non-Federal revenues in-hand or allocated for the State portion of the CREP. This demonstrates the priority the State has placed on the CREP and the ability to quickly begin to roll-out the CREP shortly after a CREP agreement is signed. All funding secured to date has expiration dates, thus it is imperative that the CREP move forward quickly to ensure that funding is not lost.

**Future funding**

BWSR has proposed significant funding ($75 million) tied to CREP that would come out of the 2016 Capital Investment Bill (Bonding Bill). The Governor has expressed support for including CREP in future bonding bills. In
addition, it is anticipated that future Bonding, Clean Water Fund, Outdoor Heritage Fund and Environmental Trust Fund appropriations will provide the remainder of the State’s portion.

VII. Monitoring

Results Monitoring

Minnesota’s Water Management Framework is the basis for Minnesota’s strategy to implement ongoing water quality actions, to measure water quality improvements over time, and to assess the long term impact of this CREP. Minnesota has an unprecedented level of baseline water quality data that will aid in the before and after picture of water quality improvements. The Framework involves the following steps – Monitoring and Assessment, Water Resource Characterization and Problem Investigation, Restoration and Protection Strategy Development, Comprehensive Watershed Management Planning and Ongoing Local Implementation. More information on Minnesota’s water quality framework can be found here: http://www.pca.state.mn.us/index.php/water/water-types-and-programs/surface-water/watershed-approach/index.html.

Water quality monitoring is performed by a number of agencies and groups. The MPCA, MDH and MDA will be the primary agencies responsible for monitoring water quality tied to this CREP. Monitoring tied back to baseline conditions as well as site specific sub-watershed monitoring will be conducted. Pollution reductions will be reported annually as a part of the CREP and as water quality monitoring and modeling efforts are conducted these will also be included in annual CREP reports.

The Watershed Pollutant Load Monitoring Network will provide the baseline load monitoring information at a HUC-8 and sub-watershed scale. This program operates 200 sites across Minnesota annually, providing basin, HUC-8 watershed and sub-watershed level pollutant load monitoring (chemistry and flow). Hydrologic Simulation Program Fortran (HSPF) modeling is completed on each watershed utilizing the loading information and can aid in identifying sub-watersheds of highest priority. This information is included in the Watershed Restoration and Protection Strategies (WRAPS) developed. The model also includes a Scenario Application Manager that allows for local implementation agencies to determine the reductions that could be realized by implementation of specific activities on the watershed landscape.

In Section IV, Project Objectives, Direct Pollution Reduction section, the process and calculations that will be used to document pollution reductions is explained. It is expected that the application of conservation practices in key areas will produce pollution reductions and incremental benefits compared to overall goals for each watershed. These pollution reductions will occur in prioritized and targeted areas in each watershed and will be deducted from the baseline condition that is the starting point for water quality efforts and the efforts needed to attain the water quality goals. The collective impact of 100,000 acres of CREP will be hard to measure by itself as there will be many other ongoing conservation activities occurring at the same time from other funding sources and through existing voluntary and regulatory programs. The project partners of this CREP will work cooperatively to develop an overall strategy utilizing existing models, monitoring, and/or technical tools to evaluate the overall long term impact of this CREP on water quality.
Pollution reduction estimates will be calculated and reported for each acre enrolled through the CREP. These computations will utilize already developed calculators for nitrogen, phosphorus and sediment reductions through the implementation of specific conservation practices. Habitat benefits achieved will also be estimated for each site as measured against the overall goals of existing habitat plans including but not limited to the MN Prairie Conservation Plan, The Duck Plan and the Pheasant Plan. These data will be compiled and reported annually by the State to FSA and other partners.

If objectives are not being met project modifications will be discussed and agreed upon between FSA and state partners.

**CRP Contract and RIM Easement Compliance Monitoring**

Compliance monitoring is conducted to ensure the landowner is following the terms and conditions of both the CRP contract and the RIM easement. It primarily deals with use of the land, encroachment, and other potential compliance type of violations. It will be conducted by both FSA using standard CRP spot check procedure as well as by the State conducting easement monitoring of every site annually for the first 5 years and every 3rd year thereafter. The State’s easement will be in place once it is recorded, usually within one year of enrolling, but remain subordinate to the CRP contract during the initial 15 years that the CRP contract is in effect. Upon CRP expiration the RIM Program will assume full responsibility for compliance with terms and conditions of the easement.

**VIII. Public Outreach and Support**

A strong federal, state and local partnership forms the foundation of this CREP proposal. In early 2014, key leaders from the partner state agencies began a discussion of a CREP in Minnesota, and the State’s priorities and commitment. Then, the State used a four-phase approach to build partnerships and commitments for a pre-proposal for the CREP in Minnesota.

**Pre-proposal Summary**

**Phase 1:** March 10-28, 2014. An interagency development team created a scoping document that gathered information on the step by step process to submitting a proposal, existing state plans data (maps, focus areas, goals, and anticipated benefits), resource options, funding discussions, and questions for the sponsor team to consider. On March 28 the sponsor team of agency leaders met and decided to continue exploring a possible proposal, with a key focus of water quality.

**Phase 2:** April 1-June 15, 2014. This phase focused on developing a pre-proposal that offered three alternative options and analysis of each that outlined the parameters and sideboards of a CREP proposal. BWSR and FSA continued to co-chair the process during this phase and took the lead on developing a draft letter of intent/pre-proposal. The interagency development team and the sponsor team or agency leaders met and decided to commit to the development of a pre-proposal. Minnesota state agency leaders of BWSR, MDA, DNR, MDH, and PCA crafted a letter of intent indicating the State’s interest in pursuit of a CREP agreement with the United State Department of Agriculture – Farm Service Agency (USDA-FSA). The goal is to develop a CREP initiative for 100,000 acres over the next five years, benefiting Minnesota’s land, water, and people.
Phase 3: June 15-October 30, 2014. This phase focused on building partnerships with key groups and further refining details of Minnesota CREP Pre-Proposal based on feedback from stakeholder groups, local and Federal partnerships in Minnesota, and Minnesota Executive branch leadership. BWSR and FSA staff reviewed the Pre-Proposal with the State Technical Committee providing comments in September 2014 for additional insights on best practices to meet the goals of the proposal.

Phase 4: November 1, 2014 – Present:

December 2014: BWSR shared an early draft of the CREP proposal with Paul Harte, FSA National Headquarters (who is now retired) for review and comment.

February of 2015: Governor Mark Dayton and MPCA Commissioner John Linc Stine met with USDA Secretary Vilsack in Washington, D.C. to inform him of our interest in the CREP. He was supportive and committed to follow-up with top level USDA officials and MN state leaders.

Meetings were also held with Deb Crusoe, MN FSA State Executive Director

March 2015: Following the meeting with Secretary Vilsack, a teleconference was held with FSA Administrator Dolcini, FSA national staff, and MN FSA and state agency leaders. The teleconference reiterated both FSA and Minnesota’s interest in working together to get a CREP approved.

April 2015: BWSR staff met with Wanda Garry, FSA in mid-April to discuss a number of items. She consulted with David Hoge, Acting National CREP Manager for FSA. FSA and the State agreed on the following items:

- The state has the ability to set a minimum size of a CRP contract/RIM easement;
- Application sign-up periods can be used;
- Applications can be prioritized through a scoring and ranking system;
- Customizing CRP to meet a higher environmental standard is permissible, for instance allowing a wider width for the CP21 Filter Strip practice instead of the 120 foot regular CRP maximum;
- Landowners in the CREP area can continue to sign-up for regular CRP independent of CREP since acres allocated to a CREP are separate from non-CREP CRP and CCRP.

April to June 2015: During this period CREP discussion and buffers in agricultural landscapes were front and center with the MN Legislature, The Clean Water Council, and many agricultural, environmental and local governmental interest groups. Support for the CREP is evident by: the proposal being developed by all five state agencies, budget commitments by the Governor and the legislature, MN Clean Water Council (a group representing local government, hunting and fishing, agricultural and environmental groups and state agencies) prioritization and various outreach efforts to interest groups.

Proposal Summary

Starting in June 2015, a proposal outreach strategy was developed and implemented. Meetings were conducted with the key targets listed below to ensure a full understanding of the CREP proposal, handle issues and garner support. During the past 6 months this strategy has been successfully implemented and has led to widespread support for the CREP proposal.
Key outreach efforts included:

- **Governor Mark Dayton** – fully supports the proposal and has signed into law significant appropriations tied directly to the CREP.

- **MN State Representatives and Senators** – strong support of the CREP concept to leverage federal resources focused on water quality and habitat concerns. In the 2015 legislative session they approved Clean Water Fund appropriations of $31.25 million and SWCD increased capacity funding ($22 million) as well as $4.544 million of Outdoor Heritage Fund appropriations.

- **The Clean Water Council** – recommended a significant appropriation from the Clean Water Fund for the 2016/2017 fiscal years to support the filter strip and wellhead protection ($31.25 million) and local technical assistance as a part of the CREP. These recommendations were included in the 2016/2017 bi-annual Clean Water Fund appropriation that BWSR received.

- **Lessard-Sams Outdoor Heritage Council** – recommended 2016 and 2017 appropriations for habitat protection tied to the CREP. The 2016 appropriation ($4.544 million) was included in the Outdoor Heritage Fund appropriation to BWSR. The 2017 recommendation ($20.516 million) was approved and will be considered by the MN Legislature in early 2016 for inclusion in appropriations to BWSR.

- **US Senator Klobuchar, US Senator Franken and US Representative Tim Walz** – key staff members have been informed about the CREP and support full funding of the proposal. Contact between these members and USDA will be made in the near future.

- **US Representative Colin Peterson** – the Congressman and staff have been informed about the CREP. He has concerns about permanent easements but recognizes the importance of water retention projects that can be relied upon for downstream benefits.

- **Pheasants Forever** – has strongly supported the CREP concept through local and state chapters as well as at the national level. Is prepared to assist with future outreach and provide direct support at the state and local level.

- **MN Farm Bureau** – leadership and staff meetings held to share a draft proposal summary and discuss the State of MN’s approach to landowner choice. They have a long standing policy in objection to permanent easements, but support clean water objectives and the ability for a landowner to choose which government and non-government options to utilize to treat conservation concerns.

- **MN Farmers Union** – leadership and staff have been informed about the CREP. They support conservation and the ability for a landowner to choose which government and non-government options to utilize to treat conservation concerns.

- **MN Association of Soil and Water Conservation Districts** – the Board and staff have been informed about the CREP and have played a key support role with appropriation discussions at the state level. They will assist with all aspects of the CREP and work to ensure member soil and water conservation districts are fully engaged in all aspects of the CREP.

- **MN FSA State Committee** – the CREP proposal has been reviewed with the Committee, and committee members have been given periodic updates. They are in support of the CREP.

- **USDA - NRCS** – they have been a part of the CREP since inception and continue to provide technical and programmatic support to its development.
• **Individual Landowners** – demand in CRP and the State’s Reinvest In Minnesota (RIM) easement program remains strong. Information continues to be provided to landowners and they are ready, willing and able to enroll in CREP.

• **Local Soil and Water Conservation District and other staff** – local capacity continues to be expanded upon and interest in a CREP option as a part of the Conservation Continuum remains strong.

The draft proposal was submitted in July 2015 to FSA National Office staff for legal authority review and consideration. In October BWSR received a number of questions and comments on the draft proposal that have been addressed and have been included in this final proposal submitted to Washington by the Governor.

**Outreach and Landowner Support**

Minnesota’s proposal will use the Reinvest in Minnesota (RIM) Reserve conservation easement program to implement CREP. RIM Reserve has a 30 year history as a critical component of the state’s goals to protect and improve water quality and wildlife habitat. Anchored in the work of local soil and water conservation districts, the program uses an effective system of local delivery and key partnerships - and RIM is tied to federal, state and local priorities.

The Conservation Continuum (see diagram below) – A voluntary continuum exists that provides landowners a range of options to plan and implement conservation on the land. On one end is a landowner installing conservation practices with no outside support, this occurs on every farm in the State. Next is information, outreach and technical assistance that motivates a landowner to implement conservation with no direct financial government support. Some producers next choose to seek government assistance to provide cost-share that is usually tied to short-term contracts. Short-term land retirement is generally the next option that would include the CRP. Finally on the other end of the continuum is perpetual land retirement, which the RIM program is an example. Landowners may utilize all of these options on their farm or only portions. The CREP is only one option that will be available to landowners within the 54 county CREP area to meet water quality and habitat environmental objectives.

**Conservation Continuum: Landowner Choice**

<table>
<thead>
<tr>
<th>Landowner installs conservation practices without outside support</th>
<th>Technical Assistance</th>
<th>Contracts</th>
<th>Short-term land retirement</th>
<th>Long-term land retirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Info/education and planning by local, state, federal govt; crop advisors; etc.)</td>
<td>(EQIP, CSP, cost share)</td>
<td>(CRP, Continuous CRP)</td>
<td>(RIM, CREP, ALE)</td>
<td></td>
</tr>
</tbody>
</table>

Landowner support of the RIM program has been strong and historic demand far outweighs available funding. CRP interest remains strong, especially for the Continuous CRP practices, like the ones that are included in this CREP. Agricultural and environmental groups support the concept of prioritizing and targeting efforts to achieve the greatest measureable results.
Once the CREP proposal is approved, a program for public outreach will be finalized and implemented for the duration of the project. It will target landowners within prioritized and targeted watersheds and areas, partner agencies and organizations as well as the general public.

The Minnesota CREP program will incorporate a public outreach program over the duration of the project. In addition to local SWCD’s and NRCS technical staff, Minnesota has a unique Farm Bill Assistance Partnership that helps engage landowners on state and federal conservation program implementation. Minnesota will fund local staffing needs in the 54 county CREP area to work with landowners one-on-one over the next several years. With this partnership in place, Minnesota is well positioned to provide the needed technical assistance to ensure that this CREP will be successful.

Letters of support are included in Appendix D.

IX. Development of Procedure

State FSA staff, with assistance from partners will complete a detailed supplement for the CREP to the CRP Handbook prior to project initiation.

X. Training of Staff

FSA working with state partners will develop and provide training on CREP procedures for Federal and appropriate state, local and private partner staff.

Although a well-defined system already exists in MN for conservation program delivery at the federal, state and local level, there remains a need to focus these efforts to achieve 100,000 acres during this CREP project. FSA regularly conducts joint training sessions for staff and partners when new CRP signups are announced. We envision utilizing FSA, NRCS, SWCD’s and BWSR to initially launch the program in the 54 county area. There will likely be a need to split the area up into smaller training sub-areas to achieve the desired outcome. After initial training, there will be ongoing web based updates and in-person trainings to maintain consistency and further build the partnership. A key in this ongoing effort will be the existing structure for training offered by the Farm Bill Assistance Partnership which occurs twice each year and is offered and attended by Federal (NRCS, FSA, USF&WS), State (BWSR, DNR, MPCA), Local (SWCD), and Non-Government Organizations (Ducks Unlimited, Nature Conservancy, and Pheasants Forever).

XI. Communication Plan

Prior to CREP initiation, state partners will work with FSA to develop and implement a communication plan. It will include goals and objectives for target audience specific efforts such as, creating motivators to enrollment, diminishing barriers to enrollment, providing communication tools and materials and training for staff interacting with landowners. Staff from BWSR will lead this communication effort along with assistance from FSA in Minnesota. Two individuals from BWSR will have their primary duties focused on outreach, communication and rolling out of the CREP. These staff have experience with previous CREP’s in Minnesota as well as many other successful RIM and other RIM partnership projects over the past ten years.
The plan will be anchored in local partner staff delivery and providing them training and guidance that will focus on marketing and targeting to landowners in priority areas that are cost effective and environmentally sound in order to meet the primary water quality goals and provide other supplemental benefits. BWSR and our partner agencies and stakeholders will utilize the existing research data, inventories, analysis, and technical tools as the basis for the overall marketing campaign. We believe that the combination of technical resources and staff available in Minnesota will enable the state to execute an effective strategy for implementing CREP.

Past experience has shown that several methods of reaching potential landowners is necessary, but also during this process the general public is informed and becomes supportive of the program. First acre ceremonies, radio spots, newspaper articles, billboards, landowner newsletters, landowner meetings, all serve as tools to inform, educate and stimulate interest in the program. The primary motivators for the landowner are farm efficiency, financial incentives, and stewardship and these will be highlighted in the communication plan.
XII. References

Minnesota Board of Water and Soil Resources. 2014. Nonpoint Priority Funding Plan.  
http://www.bwsr.state.mn.us/planning/npfp/NPFP Final.pdf

Minnesota Department of Agriculture. Minnesota Agricultural Water Quality Certification Program (MAWQCP).  
http://www.mda.state.mn.us/awqcp

http://www.mda.state.mn.us/~media/Files/chemicals/nfmp/nfmp2015.pdf

Minnesota Department of Health. Links to drinking water supply management areas (DWSMAs).  
http://www.health.state.mn.us/divs/eh/water/swp/maps/


Minnesota Pollution Control Agency. Watershed Restoration and Protection Strategies (WRAPS).  


Minnesota Pollution Control Agency. 2014. Watershed Pollutant Load Monitoring Network.  
http://files.dnr.state.mn.us/eco/mcbs/mn_prairie_conservation_plan.pdf

United States Fish and Wildlife Service. 2015. Listed believed to or known to occur in Minnesota.  
http://ecos.fws.gov/tess_public/pub/stateListingAndOccurrenceIndividual.jsp?state=MN&s8fid=112761032792&s8fid=112762573902
XIII. Appendices

Appendix A: Letter of Intent

June 16, 2014

Mr. J. Michael Schmidt
Deputy Administrator for Farm Programs
U.S. Department of Agriculture - Farm Service Agency
1400 Independence Ave., S.W.
Washington, DC 20250-0506

Dear Mr. Schmidt:

Over the past few months Minnesota agency leaders have been meeting to assess options and interest toward pursuit of a Conservation Reserve Enhancement Program (CREP) agreement with United States Department of Agriculture - Farm Service Agency (USDA-FSA). A number of key factors have stimulated this discussion:

- Minnesota is experiencing significant loss of various grasslands – especially in the prairie pothole region. This is further complicated by the expiration of 704,600 acres of Minnesota Conservation Reserve Program (CRP) contracts over the next five years.
- The citizens of Minnesota passed the Clean Water Land and Legacy amendment in 2008, which constitutionally dedicates approximately $200M annually in state funding for conservation efforts related to water quality and wildlife habitat improvements.
- Minnesota has systematically developed a number of watershed-based, water quality-focused plans and strategies that call for targeted, prioritized and measurable grassland and wetland conservation practices to be implemented in key areas in order to meet statewide nutrient reduction goals. Additionally, the Minnesota Prairie Conservation Plan has identified key areas for grassland restoration and protection.
- Although Minnesota has made large investments for clean water annually, the need for and the interest in durable, permanent conservation easements under the state’s Reinvest in Minnesota (RIM) program greatly exceeds available funding. With a federal partnership we will be able to fulfill the greater demand and realize the resource benefits and protection of these conservation easements.
- We estimate a new CREP initiative for 100,000 acres require approximately $750 million over the next five years. A combination of USDA CRP payments and incentives will be necessary to achieve a potential 80:20 federal-state match expectation. To fund the State’s share, Minnesota will expect to rely upon a package of appropriations including Clean Water, Outdoor Heritage, Capital Investment (Bonding) the Environment and Natural Resources Trust Fund and general and dedicated funding sources aligned with the CREP objectives. We have funding for the initial environmental assessment work and will be developing an annual strategy to secure the state’s share over the next five years.
Minnesota is ready to implement a CREP that will directly address documented resource problems with strategic, long term solutions. Minnesota is the headwaters of the Mississippi and Red River basins, and a new CREP instituted in the state would have a direct impact on helping reduce the hypoxic zones in the Gulf of Mexico on a national scale and Lake Winnipeg on an international scale. This CREP would also aim to address the loss of grasslands in Minnesota, enhancing wildlife and pollinator habitat and protecting sensitive groundwater and drinking water resources.

We know success depends on a strong program and financial commitment from both USDA-FSA and the State of Minnesota to make the most of a proposed 100,000 acre goal. We will be preparing a preliminary application soon and are hopeful that a reciprocal expression of support for Minnesota’s pursuit of a CREP is forthcoming.

As noted earlier, we are ready to begin development of a draft CREP proposal and Environmental Assessment. Meanwhile, we will begin engaging stakeholder groups and assessing and seeking future state funding, beginning with proposals to Minnesota’s Lessard-Sams Outdoor Heritage Council and Clean Water Council. Additionally, the biennial budget process for Minnesota will begin later this summer and the state sponsoring agencies will be analyzing how a new CREP will fit into future agency budgets. We are available to respond to your questions during your preliminary review either by phone or in person. Please contact BWSR Executive Director John Jaschke or Deputy Director Sarah Strommen to request further information or to schedule a time to meet.

Sincerely,

John Jaschke, Executive Director, MN Board of Water and Soil Resources

Dave Frederickson, Commissioner, MN Dept. of Agriculture

Tom Landwehr, Commissioner, MN Dept. of Natural Resources

Dr. Ed Ehlinger, Commissioner, MN Dept. of Health

John Linc Stine, Commissioner, MN Pollution Control Agency

CC:
Matthew Ponish, Acting Director, USDA-FSA/CEPD
Paul Harte, National CREP Program Manager, USDA-FSA/CEPD
Deb Crusoe, State Director, FSA
Don Baloun, State Conservationist, NRCS
Tom Melius, Regional Director, USFWS
Sarah Strommen, Deputy Director, BWSR

Enclosure: Minnesota CREP draft concept map
### Appendix B: Cost Analysis – Detailed Spreadsheets

#### Summary of Project Costs

<table>
<thead>
<tr>
<th>98% Incentive</th>
<th>FSA</th>
<th>BWSR</th>
<th>Total</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Landowner pmt</td>
<td>$589,227,500</td>
<td>$103,872,500</td>
<td>$693,100,000</td>
<td>$6931/ac total pmt</td>
</tr>
<tr>
<td>Easement Services</td>
<td>-</td>
<td>$3,755,000</td>
<td>$3,755,000</td>
<td>$1k/ease (title work etc.)</td>
</tr>
<tr>
<td>Stewardship</td>
<td>$14,456,750</td>
<td>-</td>
<td>$14,456,750</td>
<td>$6,500/easement (prorated for 15 yrs)</td>
</tr>
<tr>
<td>Cost Share &amp; PIP</td>
<td>$45,090,000</td>
<td>$11,920,000</td>
<td>$57,010,000</td>
<td></td>
</tr>
<tr>
<td>Technical Assistance</td>
<td>-</td>
<td>$27,181,250</td>
<td>$27,181,250</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$634,317,500</td>
<td>$101,185,500</td>
<td>$735,503,000</td>
<td></td>
</tr>
</tbody>
</table>

| % | 0.7974 | 0.2026 |

#### Assumptions
- 3,755 easements taken
- 100,000 ac split by each CP
- Avg CRP pmt for 2015 $220/ac
- Avg RIM rate $6931/ac
- RIM stewardship $6,500/easement
- RIM processing expenses $1000/easement

#### Landowner Payment

<table>
<thead>
<tr>
<th>MM20 Scenario</th>
<th>Avg base</th>
<th>CCPR</th>
<th>CCDF</th>
<th>Total</th>
<th>50/CREP</th>
<th>FSA</th>
<th>Total PSA</th>
<th>Discounted PSA</th>
<th>Landtotal</th>
<th>CP</th>
<th>RIM principal</th>
</tr>
</thead>
<tbody>
<tr>
<td>cp21</td>
<td>$50,000</td>
<td>220 25%</td>
<td>$44,000</td>
<td>$3,244</td>
<td>$1,300,000</td>
<td>$10,790,000</td>
<td>$479,600</td>
<td>$479,600</td>
<td>$5,000</td>
<td>$294,432,500</td>
<td>5,688</td>
</tr>
<tr>
<td>cp22</td>
<td>$40,000</td>
<td>250 25%</td>
<td>$44,000</td>
<td>$3,244</td>
<td>$1,300,000</td>
<td>$10,790,000</td>
<td>$479,600</td>
<td>$479,600</td>
<td>$5,000</td>
<td>$294,432,500</td>
<td>5,688</td>
</tr>
<tr>
<td>cp23a</td>
<td>$30,000</td>
<td>320 25%</td>
<td>$44,000</td>
<td>$3,244</td>
<td>$1,300,000</td>
<td>$10,790,000</td>
<td>$479,600</td>
<td>$479,600</td>
<td>$5,000</td>
<td>$294,432,500</td>
<td>5,688</td>
</tr>
<tr>
<td>cp23 WHPA</td>
<td>$50,000</td>
<td>150 10%</td>
<td>$22,000</td>
<td>$1,642</td>
<td>$1,200,000</td>
<td>$8,410,000</td>
<td>$479,600</td>
<td>$479,600</td>
<td>$5,000</td>
<td>$294,432,500</td>
<td>5,688</td>
</tr>
<tr>
<td>cp24</td>
<td>$500,000</td>
<td>100 50%</td>
<td>$250,000</td>
<td>$1,285</td>
<td>$1,200,000</td>
<td>$8,410,000</td>
<td>$479,600</td>
<td>$479,600</td>
<td>$5,000</td>
<td>$294,432,500</td>
<td>5,688</td>
</tr>
<tr>
<td>cp25</td>
<td>$500,000</td>
<td>100 50%</td>
<td>$250,000</td>
<td>$1,285</td>
<td>$1,200,000</td>
<td>$8,410,000</td>
<td>$479,600</td>
<td>$479,600</td>
<td>$5,000</td>
<td>$294,432,500</td>
<td>5,688</td>
</tr>
<tr>
<td>cp26</td>
<td>$500,000</td>
<td>100 50%</td>
<td>$250,000</td>
<td>$1,285</td>
<td>$1,200,000</td>
<td>$8,410,000</td>
<td>$479,600</td>
<td>$479,600</td>
<td>$5,000</td>
<td>$294,432,500</td>
<td>5,688</td>
</tr>
</tbody>
</table>

| Total | $1,170,000 | $959,227,500 | |

#### Number of Easements

<table>
<thead>
<tr>
<th>Practice</th>
<th>avg size</th>
<th>ac goal</th>
<th># easements</th>
</tr>
</thead>
<tbody>
<tr>
<td>cp21</td>
<td>buffers</td>
<td>16</td>
<td>50000</td>
</tr>
<tr>
<td>cp2 WHPA</td>
<td>wellhead</td>
<td>60</td>
<td>50000</td>
</tr>
<tr>
<td>cp23a</td>
<td>wetland</td>
<td>100</td>
<td>30000</td>
</tr>
<tr>
<td>cp23</td>
<td>floodplain</td>
<td>60</td>
<td>15000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Discount Calculator

<table>
<thead>
<tr>
<th>15-Year Discount Calculation</th>
<th>15-Year Discount Calculation CP-2</th>
</tr>
</thead>
<tbody>
<tr>
<td>CP-21, 23, 23A</td>
<td></td>
</tr>
<tr>
<td><strong>Today</strong></td>
<td><strong>Today</strong></td>
</tr>
<tr>
<td>$479.60</td>
<td>$457.60</td>
</tr>
<tr>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>$464.28 3.30%</td>
<td>$442.98 3.30%</td>
</tr>
<tr>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>$449.45 3.30%</td>
<td>$428.83 3.30%</td>
</tr>
<tr>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>$435.09 3.30%</td>
<td>$415.13 3.30%</td>
</tr>
<tr>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>$421.19 3.30%</td>
<td>$401.87 3.30%</td>
</tr>
<tr>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>$407.73 3.30%</td>
<td>$389.03 3.30%</td>
</tr>
<tr>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>$394.71 3.30%</td>
<td>$376.60 3.30%</td>
</tr>
<tr>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>$382.10 3.30%</td>
<td>$364.57 3.30%</td>
</tr>
<tr>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>$369.80 3.30%</td>
<td>$352.93 3.30%</td>
</tr>
<tr>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>$358.08 3.30%</td>
<td>$341.65 3.30%</td>
</tr>
<tr>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>$346.64 3.30%</td>
<td>$330.74 3.30%</td>
</tr>
<tr>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>$335.56 3.30%</td>
<td>$320.17 3.30%</td>
</tr>
<tr>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>$324.84 3.30%</td>
<td>$309.94 3.30%</td>
</tr>
<tr>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>$314.47 3.30%</td>
<td>$300.04 3.30%</td>
</tr>
<tr>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td>$304.42 3.30%</td>
<td>$290.46 3.30%</td>
</tr>
<tr>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>$294.70 3.30%</td>
<td>$281.18 3.30%</td>
</tr>
<tr>
<td><strong>Discounted rate</strong> $5,788.05</td>
<td><strong>Discounted rate</strong> $5,522.55</td>
</tr>
</tbody>
</table>

### Cost Share and PIP

<table>
<thead>
<tr>
<th>Practice</th>
<th>Est. Cost/ ac</th>
<th>FSA 50% of total C/S</th>
<th>PIP 40% of total C/S</th>
<th>Acreage Goal</th>
<th>FSA Total</th>
<th>RIM c/s/ac</th>
<th>RIM Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>cp21</td>
<td>$300</td>
<td>$99</td>
<td>$79</td>
<td>50,000</td>
<td>$8,910,000</td>
<td>122</td>
<td>$6,100,000</td>
</tr>
<tr>
<td>cp23</td>
<td>$300</td>
<td>$105</td>
<td>$84</td>
<td>15,000</td>
<td>$2,835,000</td>
<td>111</td>
<td>$1,665,000</td>
</tr>
<tr>
<td>cp23a</td>
<td>$1,200</td>
<td>$600</td>
<td>$480</td>
<td>30,000</td>
<td>$32,400,000</td>
<td>120</td>
<td>$3,600,000</td>
</tr>
<tr>
<td>cp2 WHPA</td>
<td>$300</td>
<td>$105</td>
<td>$84</td>
<td>5,000</td>
<td>$945,000</td>
<td>111</td>
<td>$555,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Practice</th>
<th>Est. Cost/ ac</th>
<th>FSA 50% of total C/S</th>
<th>PIP 40% of total C/S</th>
<th>Acreage Goal</th>
<th>FSA Total</th>
<th>RIM c/s/ac</th>
<th>RIM Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>EWSR ease processing</td>
<td>$755 ease * 80/hrs * $45</td>
<td>$13,515,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SWCD ease process</td>
<td>$3755 ease * $2000/ease</td>
<td>$7,510,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CRP plans &amp; contracts</td>
<td>$3755 contracts * $500/contract</td>
<td>$1,877,500</td>
<td>State money for completing CRP plans and contracts</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>plan &amp; imp practices</td>
<td>total c/s * 7.5% (10% wetlands &amp; 5% grass)</td>
<td>$4,275,750</td>
<td>Engineering plan, seeding plan, implementation of, paperwork</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$27,182,200</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
December 9, 2015

To:
John Jaschke, Executive Director
Minnesota Board of Water and Soil Resources

From:
Steven J. Taff, Professor Emeritus
Department of Applied Economics
University of Minnesota

You asked me to analyze the estimated costs to the federal government of participating in the proposed Minnesota CREP, compared to the federal costs of continuing the current CRP program over an indefinite interval. You also asked me to analyze how the proposed Minnesota CREP payment schedule would be tied to evidence for Minnesota farmland markets.

I find the proposed CREP payment arrangements to be consistent with Minnesota land market evidence. If CRP rates in the project area increase by 3% annually—well below recent land value changes and even below the 5.9% annual growth rate over 60 years for USDA estimates of Minnesota farm real estate, which includes a huge drop in values in the early 1980s—the present value of federal CRP outlays over a 30-year period (one contract renewal) would be larger than the federal share of the proposed CREP payment. The federal government would save money by delivering conservation through the CREP, compared to continuing to rely upon 15-year renewable CRP contracts. These savings would magnify as contracts enter second and subsequent renewal phases.

1. Minnesota’s RIM Reserve payments are now and always have been anchored to average assessor estimated market values (EMVs) in the immediate area of an enrolled parcel. The appropriate EMV averages are calculated by the Department of Applied Economics and reported on the Minnesota Land Economics web site: [http://landeconomics.umn.edu](http://landeconomics.umn.edu).

2. The University of Minnesota’s Applied Economics Department has been tracking Minnesota rural real estate values for over 100 years. Since 1990, the Department has compiled and analyzed every farmland transaction in the state. These long-term sales records show that assessor EMV is a good proxy/predictor for sales price (first chart below) and strongly correlated with USDA county rents (second chart below).
3. Long-term rent studies conducted by the University of Minnesota’s Center for Farm Financial Management, tracking actual rents paid by thousands of Minnesota farmers, show that USDA county rental rates (NASS average county rent, cash, non-irrigated) are good proxy/predictors for average actual rents paid.

(http://www.cfmm.umn.edu/Publications/pubs/FarmMgtTopics/RentalRatess.pdf)
4. We have no market evidence of any substantial forthcoming decline in land values. Farmland transaction prices reported on Minnesota Land Economics for 2014, 2015 assessor estimated market values, and the most recent USDA farm real estate report—all suggest continued long-run stability in farmland value in the state. If market prices were to increase or decline in 2016, little of my analysis would be affected, except that the computed Minnesota CREP payments would be lower than those reported here, because the per-acre cost to both the state and federal government would go up or down proportionately.

5. Assuming that land entering the CRP now will continue to be best suited for retirement after the original CRP contracts expire, it makes sense for the federal government to consider its long-run payout expectations, with contract renewals in comparison to those under the proposed CREP.

If land values and associated CRP soil rental rates increase over time, then avoided federal payments (avoided, because CREP rights would have been purchased perpetually) on a present value basis will be larger. This is because future CRP re-enrollments for the same land would cost more.

The table below shows that if CRP rates in the project area increase by 3% annually—well below recent land value changes and even below the 5.9% annual growth rate over 60 years for USDA estimates of Minnesota farm real estate, which includes a huge drop in values in the early 1980s—the present value of federal CRP outlays over a 30-year period would be $6,037—greater than the federal share of the proposed CREP payment of $5,892. The federal government would save money by delivering conservation through the CREP, compared to continuing to rely upon the 15-year renewable CRP contracts. These savings would magnify as contracts enter second and subsequent renewal phases.

**Effect of land value changes over time on relative federal expenditures on current CRP**

<table>
<thead>
<tr>
<th>annual land value increase, present to year 15</th>
<th>resulting CRP payment in year 15</th>
<th>PV federal CRP payments over all contracts, one renewal</th>
</tr>
</thead>
<tbody>
<tr>
<td>-1%</td>
<td>168</td>
<td>4,714</td>
</tr>
<tr>
<td>0%</td>
<td>264</td>
<td>4,979</td>
</tr>
<tr>
<td>1%</td>
<td>413</td>
<td>5,285</td>
</tr>
<tr>
<td>2%</td>
<td>644</td>
<td>5,635</td>
</tr>
<tr>
<td>3%</td>
<td>998</td>
<td>6,037</td>
</tr>
<tr>
<td>4%</td>
<td>1,542</td>
<td>6,497</td>
</tr>
<tr>
<td>5%</td>
<td>2,372</td>
<td>7,024</td>
</tr>
</tbody>
</table>
Appendix D: Letters of Support

December 9, 2015

Val Dolcini, Administrator, FSA
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Subject: Support for the Minnesota CREP proposal

Administrator Dolcini,

The Minnesota Association of Soil and Water Conservation Districts (MASWCD) supports the Minnesota Conservation Reserve Enhancement Program (CREP) proposal entitled Minnesota’s Plan to Reduce Nutrient Impacts and Enhance Wildlife Protection. The Minnesota CREP proposal supports conservation efforts that are essential to achieving goals developed in local, regional and state conservation plans.

The MASWCD represents Soil and Water Conservation Districts (SWCDs) and their locally elected board members. Minnesota SWCD’s will be the primary implementers on behalf of the state for Minnesota’s CREP proposal. The SWCDs have a strong history of partnering with Minnesota’s Natural Resources Conservation Service and Farm Service Agency. Through our historic partnership, we are able to work with partners on a voluntary basis to assist landowners with addressing their technical and conservation program needs.

The Minnesota CREP proposal will be an important tool to help producers and the state to meet water quality and habitat outcomes. Minnesota has funding and support ready to begin in spring 2016 and request your approval to help us launch this program.

If you have questions feel free to contact me at 651-690-9028. Thank you.

Sincerely,

LeAnn Buck
Executive Director
Minnesota Association of Soil and Water Conservation Districts
December 10, 2015

Val Dolcini, Administrator, FSA
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 2025

Subject: Support for the Minnesota CREP

Administrator Dolcini,

Pheasants Forever, Inc. applauds the stateside partners and FSA in Minnesota for working in concert with agricultural producers to proactively address water and wildlife resource issues through the Minnesota Conservation Reserve Enhancement Program (CREP) proposal. In particular, we recognize the significant efforts of Governor Dayton and the state agencies involved, as well as the significant work of the USDA Minnesota team in putting this forward. We fully endorse the partnership approach to addressing water quantity, water quality and grassland wildlife concerns. We know this approach can work extremely well for all involved, and we stand at the ready to assist.

Pheasants Forever, Inc. was founded in Minnesota in 1982 out of concern for pheasant and other wildlife populations. We were also engaged and helped deliver the CRP program on those first acres in 1986. Since then, we have brought our habitat mission and grassroots model to 750 chapters across the pheasant and quail range of North America. Minnesota is home to 76 of those chapters and 25,000 members who leverage our partnerships and programs that help put habitat on the landscape to support pheasants and other wildlife.

The Minnesota CREP is a strategic priority for Pheasants Forever because it covers much of the core pheasant range in Minnesota where we have been working to deliver CRP and other habitat conservation programs for 30 years. We look forward to permanently placing habitat practices on the ground that do the most to protect water quality and provide wildlife habitat. The significant conversion of habitat in Minnesota requires that we put pieces of the landscape back together in such a way that it delivers important benefits to water and wildlife. This proposal does that through a voluntary program that delivers multiple results for the landowner, drinking water supplies, hunters, pollinators, monarchs, fisherman, birders, local economies and outdoor enthusiasts.

Please count Pheasants Forever among your strongest supporters and partners in the Minnesota CREP proposal.

Thank you for your consideration and if you have any questions, please contact our Minnesota State Coordinator, Eran Sandquist at 320.242.1273 or esandquist@pheasantsforever.org.

Sincerely,

Howard K. Vincent, President & CEO
Pheasants Forever, Inc.
December 9, 2015

Val Dolcini, Administrator, FSA
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Subject: Support for the Minnesota CREP

Dear Administrator Dolcini:

The Land Stewardship Project (LSP) supports the Minnesota Conservation Reserve Enhancement Program (CREP) proposal. It will be a useful tool to restore the state’s waters and provide more habitat.

Land Stewardship Project is a farm and rural grassroots organization with 4,000 household members in Minnesota focused on stewardship of working farmland, social justice in the farm and food system, people’s right to participate in public policy decisions that affect their lives and health of landscapes and communities. We work actively in the Chippewa River and Root River Watersheds in Minnesota and throughout the southern areas of the state engaging farmers to improve soil health and shift corn and soybeans on ecologically vulnerable fields into diversified farming.

We know through scientific analyses and farmer experience that a significant expansion of continuous living cover systems, such as management intensive rotational grazing, multiple species cover crops and more perennials in farming through longer crop rotations, will protect our water from overland runoff and loss of nutrients through tile. These systems will also hold water in the soil due to increased organic matter and biologically active soils, as well as create more habitat.

Especially at this time of low prices in commodity markets and high input costs, farmers can derive net profits by diversifying. LSP advances practical options for farmers and changes in public policy to improve conservation on working lands and/or expanding buffer areas. With adequate rates, for example, the Conservation Reserve Program grasslands program can be an attractive option for some.

LSP was the first organization with a farmer membership to support Governor Dayton’s Buffer Initiative to help protect the public’s waters from runoff from corn and soybean system. We have been actively working to protect and expand grassland related to the MN Prairie Plan. Conservation grazing can provide the disturbance needed for grassland to remain healthy with full ecological functioning.

LSP wants to see these state initiatives be successful on working lands and, where necessary, by using easements to get buffers in place. This CREP proposal will be a useful tool to advance the state’s buffer laws and restore needed wetlands.

We support the state’s application and urge you to do so. Thank you for your continued support of this effort and if you have questions feel free to contact me.

Sincerely,

George Boody
Executive Director
December 7, 2015

Val Dolcini, Administrator, FSA
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Subject: Support for the Minnesota CREP

Administrator Dolcini:

On behalf of University of Minnesota Water Resources Center (WRC) please accept this letter of support for the Minnesota Conservation Reserve Enhancement Program (CREP) proposal. The WRC provides leadership on freshwater and storm water management, impaired waters, agricultural practices and global water issues through cutting-edge research, vibrant community outreach and educational opportunities for university students and professionals in water-related fields.

The Minnesota CREP is important to our organization and others because Minnesota is at the headwaters of major basins – and our contributions have regional and national significance. CREP would increase our ability to not only address issues here in Minnesota, but contribute to improvements in other parts of the nation, such as contributing to a solution to the hypoxia issue in the Gulf of Mexico.

University of Minnesota Water Resources Center strongly supports the Minnesota CREP proposal and believes it is a critical tool to help producers and the state to meet water quality and habitat outcomes. Minnesota has funding and support ready to begin in spring 2016 and request your approval to help us launch this program.

Thank you for your continued support of this effort and if you have questions feel free to contact me.

Sincerely,

Faye E. Sleeper, Associate Director
fsleeper@umn.edu
612-624-3738
December 10, 2015

Val Dolcini, Administrator, FSA
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Subject: Minnesota CREP
Administrator Dolcini:

The Freshwater Society submits this letter in support of the Minnesota Conservation Reserve Enhancement Program (CREP) proposal. We have worked since 1968 to address non-point pollution issues in the Upper Midwest and have seen significant progress in the realms of urban, forested, and animal ag dominated landscapes. CREP is the optimal tool for the remaining work here at the headwaters of the Mississippi and Red Rivers.

We think this tool complements significant investments Minnesota taxpayers are making from all the state’s citizens to combat pollution coming from a specific portion of the landscape—just like all citizens helped address the pollution coming from other sectors of our landscape and economy.

Minnesota has proven it can mobilize and fund state resources to make the CREP successful, just like the Minnesota River CREP did when it enrolled 100,000 acres at the turn of the century. Passage of Legacy Funding initiatives in 2008 provides an even more solid base than we had back in 2000.

We like the multiple benefits selective crop retirement programs offer. Fish and wildlife habitat, water quality, water quantity, and erosion are all frequently mentioned, but by enrolling marginal lands the economic stability of our human habitats are improved as well.

We request your support for this effort and will do our utmost to offer testimony or advocate for the proposal as needed. If you have questions feel free to contact me.

Sincerely,

Steve Woods, Executive Director
The Freshwater Society
651-313-5811
swoods@freshwater.org

www.freshwater.org
December 10, 2015

Val Dolcini, Administrator, FSA
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Subject: Support for the Minnesota CREP

Administrator Dolcini:

On behalf of Minnesota Rural Water Association please let this letter serve as support for the Minnesota Conservation Reserve Enhancement Program (CREP) proposal.

The Minnesota Rural Water Association is a non-profit organization that provides training and on-site technical assistance to small water systems in Minnesota. The training and technical assistance we provide is in operations, maintenance, source water protection and financial sustainability. Our membership base is greater than 650 Public Water Suppliers.

CREP is important to our association and our members, which are comprised of Public Water Suppliers, because it provides long term cost effective protection for the vulnerable drinking water sources many public suppliers use for their drinking water. Minnesota has used sound science to identify these highly vulnerable wellhead protection areas and converting these areas from row crops to vegetative cover provides the highest level of protection a community can achieve. Applying CREP practices in a targeted manner can very effectively protect many drinking water sources across Minnesota.

Minnesota Rural Water Association strongly supports the Minnesota CREP proposal and believe it is a critical tool to help producers and the state to meet water quality and habitat outcomes. Minnesota has funding and support ready to begin in spring 2016 and request your approval to help us launch this program.

Thank you for your continued support of this effort and if you have questions feel free to contact me.

Sincerely,

Ruth Hubbard
Executive Director
Minnesota Rural Water Association
Ruth.hubbard@mrwa.com
Lincoln-Pipestone Rural Water

415 East Benton St., Box 188
Lake Benton, Minnesota 56149-0188
(507) 388-4248 or (800) 462-0309
FAX: (507) 368-4573
MINNESOTA RELAY: 771 or 1-800-627-3529
Email: lprw@iolcel.com

December 9, 2015

Val Dolcini, Administrator, FSA
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Subject: Support for the Minnesota CREP

Administrator Dolcini:

On behalf of the Lincoln-Pipestone Rural Water (LPRW) Board of Commissioners and myself, please let this letter serve as support for the Minnesota Conservation Reserve Enhancement Program (CREP) proposal.

LPRW is a regional water supplier providing service to approximately 4500 customers plus 38 communities across a 10 county area of southwest Minnesota. Its mission is “to enhance the quality of life for the people in the southwest Minnesota area by acquiring and providing reliable, high quality, affordable water in an environmentally responsible manner through a publicly-owned system."

The LPRW system, canvassing a fairly large distribution territory, derives a portion of its water from four separate groundwater sources. These groundwater sources are impacted by agriculture (predominantly row crop) land use practices. Providing high quality water is paramount in an area that is limited in both quality and quantity. Minnesota CREP and other conservation easement programs are useful, important tools in achieving high quality water. Recently, set-aside acres have been reverting back to production allowing potential contaminants, including nitrogen, to threaten our aquifers. Permanent protection, especially within a wellhead area, will have a positive impact to overall water quality and related costs of treating potable water. Finally, permanent protection of sensitive lands within wellhead areas is a secure way to protect for safe drinking water – not only important to our organization but also to the people of southwest Minnesota.
LPRW strongly supports the Minnesota CREP proposal and believe it is a critical tool to help producers and the state to meet water quality and habitat outcomes. Minnesota has funding and support ready to begin in spring 2016 and request your approval to help us launch this program.

Thank you for your continued support of this effort and if you have questions feel free to contact me.

Sincerely,

Jason Overby

Interim CEO
Lincoln-Pipestone Rural Water System
415 East Benton St., PO Box 188
Lake Benton, MN 56149
507-363-4248
507-363-4573-Fax
Mr. Val Dolcini, Administrator
U.S. Department of Agriculture, Farm Service Agency
1400 Independence Avenue, South West
Washington, DC 20250

Dear Mr. Dolcini:

On behalf of the U.S. Fish and Wildlife Service’s Midwest Region, please let this letter serve as support for the Minnesota Conservation Reserve Enhancement Program (CREP) proposal.

The mission of the U.S. Fish and Wildlife Service (Service) is working with others to conserve, protect and enhance fish, wildlife, plants, and their habitats for the continuing benefit of the American people. The Minnesota CREP as proposed will provide significant support for this mission in the state. It will enhance public fee title and easement lands that are part of the National Wildlife Refuge System and will protect and restore private lands to complement the Service’s Partners for Fish and Wildlife private lands program.

The Minnesota CREP provides for science-based targeting of critical areas that can be protected and restored to improve water quality and provide wildlife habitat. This science-based targeting complements the Service’s role in Strategic Habitat Conservation, which utilizes the best science available to prioritize areas when implementing protection and restoration programs.

The goal for the Minnesota CREP proposal is to protect and restore 100,000 acres in the southwestern portion of the state which has experienced intensive agricultural conversion to row crops over the past several years. This conversion has resulted in degraded water quality and loss of wildlife habitat. The targeted protection and restoration of 100,000 acres will help improve water quality and provide wildlife habitat for migratory birds, pollinators, and other resident wildlife within the project area.

As Minnesota will have approximately 500,000 acres of Conservation Reserve Program contract acres expiring over the next five years, the CREP proposal seeks to review and prioritize those CRP tracts expiring in the CREP project area. Hopefully, this will help stem the loss of critically important conservation program acreage and provide for permanent protection of a significant portion of this grassland and wetland habitat.
The U.S. Fish and Wildlife Service strongly supports the Minnesota CREP proposal and believe it is a critical tool to help agriculture producers and the state to meet water quality and wildlife habitat outcomes. As identified in the proposal, Minnesota has funding and support ready to begin in spring 2016 and look forward to your approval to help the state launch this program.

Thank you for your continued support with this effort and if you have questions feel free to contact me at the above address.

Sincerely,

[Signature]
Val Dolcini, Administrator, FSA
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Subject: Support for the Minnesota CREP

Administrator Dolcini:

On behalf of the Minnesota, South Dakota, and North Dakota Chapter of The Nature Conservancy, I would like to express our support for the Minnesota Conservation Reserve Enhancement Program (CREP) proposal.

Using science to guide our work, The Nature Conservancy has been working to conserve Minnesota’s most significant prairies, forests, lakes, rivers, streams and wetlands for nature and people since 1958. Yet the threats to our natural environment continue to accelerate. A growing population - and corresponding demands for food, water and energy - coupled with a changing climate put increasing pressure on our lands and water. To combat these threats, we must increase the pace and scale of conservation. At carefully selected locations, we are demonstrating new solutions that can be applied more broadly to create a healthier and more sustainable future for Minnesota. Our support for CREP and commitment to successfully implementing the program in targeted areas is an example of accelerating lasting conservation action at a meaningful scale.

The Minnesota CREP is important to The Conservancy and others because of the growing rate of conversion. Since 2008, Minnesota has experienced a net conversion of perennial land to cropland exceeding 200,000 acres including over 25,000 acres of wetlands, the highest wetland conversion rate in the nation. The loss of perennial vegetation and wetlands exacerbates already poor water quality in much of Minnesota impacted by nutrient rich waters that degrade aquatic habitat and recreation while increasing the clean-up costs. Permanent protection and establishment of habitat for the benefit of water quality and quantity is necessary to maintain clean water in Minnesota, the Headwaters State. We support the targeting of the CREP program to those lands and waters that still provide habitat but are at risk of long-term degradation without immediate and significant action.

The Nature Conservancy strongly supports the Minnesota CREP proposal and believes it is a critical tool to help producers and the state to meet water quality and habitat outcomes. Minnesota has funding and support ready to begin in spring 2016 and request your approval to help us launch this program.

Thank you for your continued support of this effort and if you have questions feel free to contact me.

Sincerely,

Peggy Lahr
State Director
Val Dolcini, Administrator, FSA  
U.S. Department of Agriculture  
1400 Independence Ave., S.W.  
Washington, DC 20250  

Subject: Support for the Minnesota CREP  

Administrator Dolcini:  

On behalf of the Minnesota Land Trust, please let this letter serve as support for the Minnesota Conservation Reserve Enhancement Program (CREP) proposal.  

The Minnesota Land Trust is a state-wide non-profit conservation organization with the mission to protect and restore Minnesota’s most vital natural lands. We have conservation projects in nearly every county throughout the state which have helped protected tens of thousands of acres of Minnesota’s natural habitats and more than a million feet of shoreline.  

This CREP proposal is important to the Minnesota Land Trust’s mission due to its bold promise to preserve both water quality and wildlife habitat through sound science and permanent protection at a meaningful scale. This program strategically addresses multiple problems of expiring CRP, Gulf hypoxia, wildlife habitat loss and safe drinking water. There are few investments which have this significant of an impact on multiple public benefits in such a cost effective manner. The Minnesota Land Trust believes this investment can serve as a springboard to leverage even greater conservation efforts throughout the state.  

The Minnesota Land Trust strongly supports the Minnesota CREP proposal and believes it is a critical tool to help producers and the state to meet water quality and habitat outcomes. Minnesota has funding and support ready to begin in the coming months and we at the Minnesota Land Trust look forward to your support to help the State launch this important program.  

Thank you for your continued support of this effort and if you have questions feel free to contact me.  

Sincerely,  

Kris William Larson  
Executive Director  

December 10, 2015
December 7, 2015

Val Dolcini, Administrator, FSA
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Subject: Support for the Minnesota CREP

Administrator Dolcini:

On behalf of The Conservation Fund, please let this letter serve as support for the Minnesota Conservation Reserve Enhancement Program (CREP) proposal.

At the Fund, we make conservation work for America. By creating solutions that make environmental and economic sense, we are redefining conservation to demonstrate its essential role in our future prosperity. Top-ranked for efficiency and effectiveness, we have worked in all 50 states to protect more than 7.5 million acres of land nationwide and more than 265,000 acres in Minnesota since 1985.

The Minnesota CREP is important to our organization and others because it will allow the Fund to continue our work conservation with grass-based agriculture. We are working with the ranching community to find opportunities for habitat and water conservation that is compatible with sound grassland management. Our organization, working with our partners at the Minnesota Board of Water and Soil Resources and many others, has been able to demonstrate that the goals of conservation and commerce are not incompatible.

The Conservation Fund strongly supports the Minnesota CREP proposal and believes it is a critical tool to help producers and the state meet water quality and habitat outcomes. Minnesota has funding and support ready to begin in spring 2016 and request your approval to help us launch this program.

Thank you for your continued support of this effort and if you have questions feel free to contact me.

Sincerely,

Steve Hobbs
Minnesota State Director
December 7, 2015

Val Dolcini, Administrator - Farm Services Administration  
U.S. Department of Agriculture  
1400 Independence Ave., S.W.  
Washington, DC 20250

Subject: Support for the Minnesota CREP

Dear Administrator Dolcini:

On behalf of Ducks Unlimited, including our 40,000 members in Minnesota, I write to express our strong support for Minnesota’s Conservation Reserve Enhancement Program (CREP) proposal.

Ducks Unlimited conserves wetlands and associated habitats for North America’s waterfowl. These habitats also benefit other wildlife and people. One of our top organizational priority is conservation of wetlands and prairie uplands in the Prairie Pothole Region, which includes portions of Minnesota and Iowa. Our conservation work in these states is delivered through our “Living Lakes Initiative” which enhances shallow lakes and large wetland basins and restores and protects wetland and grassland complexes in the prairie pothole landscape.

Minnesota’s CREP proposal is critical to our conservation mission in Minnesota. If funded, it will represent the primary private land conservation program available to conservation agencies, non-profit organizations, and private landowners to restore and permanently protect prairie and wetlands. In that regard, it will make a major contribution to achieving the goals of Minnesota’s Prairie Conservation Plan and the Prairie Pothole Joint Venture of the North American Waterfowl Plan. The CREP will also be an excellent science-based conservation program to address non-point source water quality concerns in Minnesota, the Mississippi River, and Gulf of Mexico.

While Minnesota is fortunate to have state dedicated funding for conservation available through the Clean Water, Land, and Legacy Amendment that voters approved in 2008, the challenge of restoring wetlands and prairie on private land to address wildlife and water quality concerns in a meaningful way is immense and hugely expensive, and federal funding to complement state funding and accelerate the rate at which conservation projects are delivered is critical.

Ducks Unlimited strongly supports Minnesota’s CREP proposal and believes it is an important tool for private landowners, agricultural producers, and the people of Minnesota to meet water

Conservation for Generations
quality and habitat objectives. State funding is available to begin implementation of a new CREP program in Minnesota in spring 2016, and we request your support to help launch this program. Ducks Unlimited will be a supporting partner.

Thank you for your consideration of this proposal. Please feel free to contact me if you have questions.

Sincerely,

[signature]

David Brakhage, Director of Operations

Great Lakes/Atlantic Region

Ducks Unlimited, Inc.

Conservation For Generations
December 8, 2015

Val Dolcini, FSA Administrator
U.S. Department of Agriculture
1400 Independence Avenue, SW
Washington, DC  20250

RE: Support For The Minnesota CREP

Dear Administrator Dolcini:

On behalf of the Minnesota Waterfowl Association, Inc. please accept this letter as support for the Minnesota Conservation Reserve Enhancement Program (CREP) proposal.

The Minnesota Waterfowl Association is dedicated to the preservation, protection and enhancement of our state’s wetlands and related waterfowl habitat and our hunting heritage. The Minnesota Waterfowl Association has a nearly 50 year history of working for habitat in Minnesota, and our 2,500 members are active in the great outdoors.

Minnesota has sound science and statewide plans that identify water quality and habitat issues. The CREP proposal makes use of practices that will focus on the best places to address these problems and will also improve wildlife and fish habitat. We certainly understand how important permanent protection is on the landscape.

The Minnesota Waterfowl Association strongly supports the Minnesota CREP proposal and believes it is a critical tool to help producers and the state meet water quality and habitat outcomes. Minnesota has funding and support ready to begin in spring 2016 and requests your approval to help us launch this program.

Thank you for your continued support of this effort, and if you have questions, feel free to contact me at (952) 767-0320.

Sincerely,

Bradley D. Nylin
Executive Director
December 9, 2015

Val Dolcini, Administrator, FSA
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Subject: Support for the Minnesota Conservation Reserve Enhancement Program

Administrator Dolcini:

On behalf of the Minnesota Chapter of The Wildlife Society (MTWS), this letter serves as support for the Minnesota Conservation Reserve Enhancement Program (CREP) proposal.

MTWS, founded in 1944, is comprised of over 250 wildlife biologists, managers, scientists and other natural resource professionals. We are part of The Wildlife Society, an international organization, whose mission is to inspire, empower and enable wildlife professionals to sustain wildlife populations and habitats through science-based management and conservation.

The Minnesota CREP is important to MTWS and all Minnesotans because:

- Wildlife habitat will be restored and enhanced through targeted restoration, protection and management of perennial vegetation.
- Many “Species in Greatest Conservation Need” as identified in the 2015 Minnesota Wildlife Action Plan, will benefit, especially those requiring healthy grasslands and clean water, such as bumble bees, monarchs, western meadowlark and Topeka shiner.
- Sound science and statewide plans, such as the Minnesota Prairie Conservation Plan, will identify habitat and water quality issues, focusing the best practices in the best places.
- Permanent easements will provide an important and cost effective conservation option, ultimately saving public investment in repeat enrollment in conservation programs.
- Expiring CRP acres which are environmentally sensitive and geographical areas with the highest nitrogen and phosphorus levels will be targeted.
- Minnesota’s contribution to responsibly addressing hypoxia in the Gulf will be increased.
- Wellhead protection will be targeted, thus protecting safe drinking water.
- Added financial support will help meet demand for targeted focus and from landowners.

MTWS strongly supports the Minnesota CREP proposal. It will be a critical tool to meeting habitat and water quality outcomes. Funding and support are ready for spring 2016. We request your approval to launch this important program.

Thank you for FSA’s continued conservation support. Feel free to contact me with questions.

Sincerely yours in wildlife conservation,

Richard Olsen, President
Minnesota Chapter of The Wildlife Society
24648 250th Ave
Glenwood MN 56334
320/634-4750
December 10, 2015

Val Dolcini, Administrator, FSA
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Subject: Support for the Minnesota CREP

Administrator Dolcini:

On behalf of the Minnesota Prairie Chicken Society please let this letter serve as support for the Minnesota Conservation Reserve Enhancement Program (CREP) proposal.

The Society’s primary goal is increasing public awareness of prairie chickens and their grassland habitat. The Greater Prairie Chicken is a state listed species of concern and requires high quality grassland to survive. The recent conversion of grassland through expiring CRP acres coupled with the conversion of native prairie is a serious threat to all grassland species.

The Minnesota CREP is important to our organization and others because it will improve wildlife and fish habitat and will create new opportunities for private landowner’s to permanently protect grasslands.

The Minnesota Prairie Chicken Society strongly supports the Minnesota CREP proposal and believe it is a critical tool to help producers and the state to meet water quality and habitat outcomes. Minnesota has funding and support ready to begin in spring 2016 and request your approval to help us launch this program.

Thank you for your continued support of this effort and if you have questions feel free to contact me.

Sincerely,

Brian Winter
President of the Minnesota Prairie Chicken Society