



Lessard-Sams Outdoor Heritage Council

MNDNR Aquatic Habitat Protection Phase VIII

Laws of Minnesota 2016 Final Report

General Information

Date: 08/03/2026

Project Title: MNDNR Aquatic Habitat Protection Phase VIII

Funds Recommended: \$1,578,000

Legislative Citation: ML 2016, Ch. 172, Art. 1, Sec. 2, Subd. 5(a)

Appropriation Language: \$1,578,000 the second year is to the commissioner of natural resources to acquire land in fee and permanent conservation easements for aquatic management purposes under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02, to acquire permanent conservation easements under the Minnesota forests for the future program pursuant to Minnesota Statutes, section 84.66, and to restore and enhance aquatic and adjacent upland habitat. Of this amount, up to \$153,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions, conservation easements, restorations, and enhancements must be provided as part of the required accomplishment plan.

Manager Information

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Location Information

County Location(s): Fillmore, Houston, Olmsted, Wabasha, Hubbard, Crow Wing, Itasca and St. Louis.

Eco regions in which work will take place:

Northern Forest

Southeast Forest

Activity types:

Protect in Easement

Protect in Fee

Priority resources addressed by activity:

Forest

Habitat

Narrative

Summary of Accomplishments

DNR acquired a fee-title parcel designated as an Aquatic Management area in Itasca County. This acquisition protected 41 acres and exceeded the accomplishment plan goal. Nine trout stream conservation easements were also added to the AMA system. Two Forests for the Future easements with a combined total of 171 acres were acquired, achieving protection in priority watersheds while maintaining working forest in private ownership.

Process & Methods

We take a programmatic approach to acquisition, with scoring systems specific to fee-title Aquatic Management Areas, and trout stream conservation easements, respectively, to determine priority of candidate parcels. An outstanding parcel that scored well for multiple criteria was available in Itasca County. All of the available fee-title funding for this appropriation was used on this parcel. Other funding also contributed to this acquisition.

Candidate parcels for trout stream conservation easements are also scored and ranked with relevant criteria specific to trout streams. DNR Central Office program staff work with the Fish and Wildlife Acquisition unit and field staff to identify candidate parcels with landowners willing to sell conservation easements, and prioritize candidates based on scores. Trout stream easements are valued using the formula in statute, so the landowner knows the maximum value from the start of the acquisition process.

This appropriation was one of two in which Fish and Wildlife Division staff in DNR partnered with the Division of Forestry to target forest easement acquisition in priority watersheds. The overlapping objectives central to this partnership are protecting water quality, and maintaining sustainable working forests on private land. Both Division of Forestry and Division of Fish and Wildlife staff conducted outreach with lake associations in the 5 watersheds to explain the program, identify interested landowners, and provide application materials. Applications filled out by interested landowners meeting sign-up criteria were scored by staff in both the Fish and Wildlife Division and Forestry Division of DNR. Parcels meeting criteria were appraised, and offers made to the landowners. While acquisition of easements was completed on two parcels, landowners declined the offer for a significant parcel in Hubbard County.

How did the program address habitats of significant value for wildlife species of greatest conservation need, threatened or endangered species, and/or list targeted species?

Criteria used to score and rank candidate parcels for the AMA system include MCBS sites of biodiversity significance. Other scoring criteria, including sensitive shorelines and lakes of biological significance are indices that include species composition as part of their calculation.

How did the program use science-based targeting that leveraged or expanded corridors and complexes, reduced fragmentation, or protected areas in the MN County Biological Survey.

AMA scoring criteria also include adjacent protected parcels that expand protected areas and provide permanent protection of corridors. Both fee title AMA and Forests for the Future easements have a goal of watershed protection. The programs target parcels in watersheds that have the potential for a critical level of protection that is expected to provide long term protection of water quality.

Explain Partners, Supporters, & Opposition

Fee-title AMA acquisitions only proceed where there is support from, and approval by local government units. Protection priorities overlap with other conservation plans and generally have support of conservation-based NGO's.

Trout stream conservation easements have strong support of Trout Unlimited and other trout angling groups. LGU's are supportive because they keep land in private hands, protect the stream corridor, and increase recreational opportunities. In the Southeast, the easements are fairly narrow, which leads to criticism that protection could/should be more extensive; conversely, minimal agricultural land is taken out of production and this leads to greater acceptance by landowners and support from LGU's.

Forests for the Future easements have support of the timber industry, lake associations, and local conservation groups.

Exceptional challenges, expectations, failures, opportunities, or unique aspects of program

This appropriation had some failed acquisitions, which will result in money being returned to OHF. The reasons for failed acquisitions varied, and each contains lessons to apply in future appropriations.

Two failed trout stream easement acquisitions resulted from mortgage holders declining to provide a timely release to the landowner to allow sale of easements.

We also experienced failed Forests for the Future acquisitions. In one case, it was a simple matter of the landowner expecting or wanting more money than could be offered after completing the appraisal. In another, local managers of a camp in Hubbard County supported the easement but a national board voted not to approve the sale. Based on discussion preceding the vote, the issue seemed to be concern about restricting future sale or management options. These failed acquisitions resulted in missing acre goals set in the accomplishment plan.

What is the plan to sustain and/or maintain this work after the Outdoor Heritage Funds are expended?

The easements purchased with this appropriation each had a deposit from this appropriation to the easement stewardship account. This is an investment account with annual disbursement of funds to DNR to support easement stewardship activities, following DNR Operation Order 128 and applicable Division Guidance for Conservation Easement Stewardship. The table below references baseline property reports that are usually complete at the time of closing; however, restrictions to travel imposed by COVID-19 have pushed back completion dates to 2021.

The Birds Eye Lake AMA will be managed by staff from the Division of Fish and Wildlife. The site will have a management guidance document developed. Management is funded by the Game and Fish Fund and Heritage Enhancement funds. OHF also supplements enhancement funding through other appropriations. COVID-19 restricted travel and ability to conduct field work, so ability to complete MGD's during 2020 was reduced.

Actions to Maintain Project Outcomes

Year	Source of Funds	Step 1	Step 2	Step 3
2021	easement stewardship account	complete FFF baseline property report	finalize forest stewardship plan	subsequent annual monitoring
2021	easement stewardship account	complete baseline property report	subsequent monitoring at 3-yr or less intervals	-
2021	Game and Fish Fund	complete site level Manage Guidance Document	management following MGD	annual checks for encroachment or other issues

Budget

Totals

Item	Requested	AP Amount	Spent	Leverage	Received Leverage	Leverage Source	Original Total	Final Total
Personnel	-	-	-	-	-	-	-	-
Contracts	\$12,000	\$12,000	\$6,400	-	-	-	\$12,000	\$6,400
Fee Acquisition w/ PILT	\$490,000	\$490,000	\$490,000	-	-	-	\$490,000	\$490,000
Fee Acquisition w/o PILT	-	-	-	-	-	-	-	-
Easement Acquisition	\$790,000	\$790,000	\$301,400	-	-	-	\$790,000	\$301,400
Easement Stewardship	\$153,000	\$153,000	\$85,400	-	-	-	\$153,000	\$85,400
Travel	-	-	-	-	-	-	-	-
Professional Services	\$126,000	\$126,000	\$137,600	-	-	-	\$126,000	\$137,600
Direct Support Services	\$3,000	\$3,000	\$2,400	-	-	-	\$3,000	\$2,400
DNR Land Acquisition Costs	-	-	-	-	-	-	-	-
Capital Equipment	-	-	-	-	-	-	-	-
Other Equipment/Tools	-	-	-	-	-	-	-	-
Supplies/Materials	\$4,000	\$4,000	-	-	-	-	\$4,000	-
DNR IDP	-	-	-	-	-	-	-	-
Grand Total	\$1,578,000	\$1,578,000	\$1,023,200	-	-	-	\$1,578,000	\$1,023,200

Direct Support Services

How did you determine which portions of the Direct Support Services of your shared support services is direct to this program?

DNR uses a standard calculator provided by OMB to determine the amount of Direct Support Services.

Explain any budget challenges or successes:

Failed acquisitions, with insufficient time remaining to find replacements led to leaving funds unspent. A camp board voted not to sell a FFF easement about a week before the deadline. Two trout stream easements failed when the mortgage holder did not provide a release to landowners to allow sale of an easement.

The Birds Eye Lake AMA was a success, The funds were spent and leverage from RIM was applied and led to exceeding goals for fee-title protection.

Total Revenue: \$0

Revenue Spent: \$0

Revenue Balance: \$0

Of the money disclosed above, what are the appropriate uses of the money:

E. This is not applicable as there was no revenue generated.

What other dedicated funds may collaborate with or contribute to this program?

Other : RIM

How were the funds used to advance the program?

The Birds Eye Lake parcel was a complex transaction that used funds from two OHF appropriations (this appropriation and ML15 Wild Rice, with acres credited proportionally) and RIM. RIM leverage was \$574K. No leverage was identified in the proposal or accomplishment plan, but DNR seeks leverage when it is available.

Output Tables

Acres by Resource Type (Table 1)

Type	Wetland (AP)	Wetland (Final)	Prairie (AP)	Prairie (Final)	Forest (AP)	Forest (Final)	Habitat (AP)	Habitat (Final)	Total Acres (AP)	Total Acres (Amend)	Total Acres (Final)
Restore	0	0	0	0	0	0	0	0	0	0	0
Protect in Fee with State PILT Liability	0	0	0	0	0	0	33	41	33	33	41
Protect in Fee w/o State PILT Liability	0	0	0	0	0	0	0	0	0	0	0
Protect in Easement	0	0	0	0	333	171	56	23	389	389	194
Enhance	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	333	171	89	64	422	422	235

Total Requested Funding by Resource Type (Table 2)

Type	Wetland (AP)	Wetland (Final)	Prairie (AP)	Prairie (Final)	Forest (AP)	Forest (Final)	Habitat (AP)	Habitat (Final)	Total Funding (AP)	Total Funding (Final)
Restore	-	-	-	-	-	-	-	-	-	-
Protect in Fee with State PILT Liability	-	-	-	-	-	-	\$528,000	\$510,000	\$528,000	\$510,000
Protect in Fee w/o State PILT Liability	-	-	-	-	-	-	-	-	-	-
Protect in Easement	-	-	-	-	\$613,000	\$196,500	\$437,000	\$316,700	\$1,050,000	\$513,200
Enhance	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	\$613,000	\$196,500	\$965,000	\$826,700	\$1,578,000	\$1,023,200

Acres within each Ecological Section (Table 3)

Type	Metro / Urban (AP)	Metro / Urban (Final)	Forest / Prairie (AP)	Forest / Prairie (Final)	SE Forest (AP)	SE Forest (Final)	Prairie (AP)	Prairie (Final)	N. Forest (AP)	N. Forest (Final)	Total (AP)	Total (Amend)	Total (Final)
Restore	0	0	0	0	0	0	0	0	0	0	0	0	0
Protect in Fee with State PILT Liability	0	0	0	0	0	0	0	0	33	41	33	33	41
Protect in Fee w/o State PILT Liability	0	0	0	0	0	0	0	0	0	0	0	0	0
Protect in Easement	0	0	0	0	28	22	0	0	361	172	389	389	194
Enhance	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	28	22	0	0	394	213	422	422	235

Total Requested Funding within each Ecological Section (Table 4)

Type	Metro / Urban (AP)	Metro / Urban (Final)	Forest / Prairie (AP)	Forest / Prairie (Final)	SE Forest (AP)	SE Forest (Final)	Prairie (AP)	Prairie (Final)	N. Forest (AP)	N. Forest (Final)	Total (AP)	Total (Final)
Restore	-	-	-	-	-	-	-	-	-	-	-	-
Protect in Fee with State PILT Liability	-	-	-	-	-	-	-	-	\$528,000	\$510,000	\$528,000	\$510,000
Protect in Fee w/o State PILT Liability	-	-	-	-	-	-	-	-	-	-	-	-
Protect in Easement	-	-	-	-	\$218,500	\$293,700	-	-	\$831,500	\$219,500	\$1,050,000	\$513,200
Enhance	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	\$218,500	\$293,700	-	-	\$1,359,500	\$729,500	\$1,578,000	\$1,023,200

Target Lake/Stream/River Feet or Miles

3.6

Explain the success/shortage of acre goals

Leverage for fee-title protection led to exceeding goal for fee title AMA. Failed acquisitions left money unspent and resulted in missed goals for easements. Landowners rejected offers to purchase FFF easements. Two trout stream easement acquisitions failed when mortgage holders did not provide release to landowners to sell easements.

Outcomes

Programs in the northern forest region:

Improved aquatic habitat indicators ~ Trout stream easement will be monitored by DNR Fisheries staff, and forest easements will be monitored by DNR Forestry staff. The Birds Eye Lake AMA will have site level guidance developed for management and will be managed by DNR Fisheries staff. The water quality and habitat of lakes with protection from this appropriation are excellent, and the protection in place will help maintain these conditions.

Programs in southeast forest region:

Rivers, streams, and surrounding vegetation provide corridors of habitat ~ Trout stream easements will be monitored by DNR Fisheries staff. The easement agreements provide a protected corridor including riparian vegetation.

Parcels

Sign-up Criteria?

[Yes - Sign up criteria is attached](#)

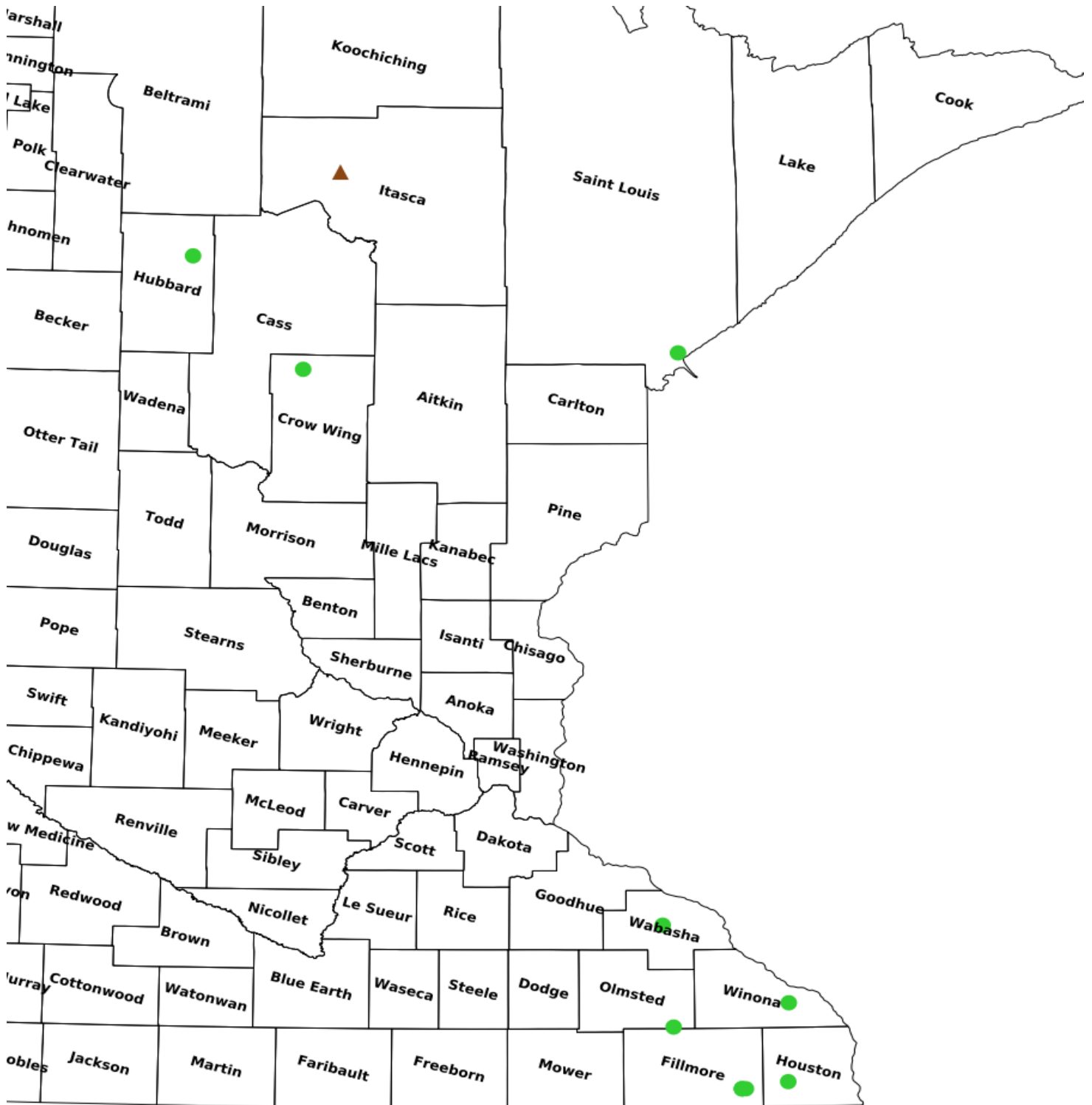
Fee Parcels with Buildings

Name	County	TRDS	Acres	Est Cost	Existing Protection	Buildings	Value of Buildings
Birds Eye Lake	Itasca	14826228	41	\$600,000	No	3	\$2,500

Easement Parcels

Name	County	TRDS	Acres	Est Cost	Existing Protection
Laurel Big Trout Lake	Crow Wing	13828225	133	\$126,000	No
Wisel Creek	Fillmore	10108206	1	\$10,000	No
Wisel Creek	Fillmore	10108206	2	\$10,000	No
Wisel Creek	Fillmore	10108206	1	\$10,000	No
Wisel Creek 1	Fillmore	10108205	6	\$40,000	No
West Beaver Creek	Houston	10606230	5	\$35,000	No
West Beaver Creek	Houston	10206230	4	\$25,000	No
Kabekona Plemmons	Hubbard	14332206	38	\$25,000	No
Mill Creek tr8a	Olmsted	10511231	1	\$5,000	No
Chester Creek	St. Louis	05014216	1	\$20,000	No
Spring Creek AMA, Tr 16	Wabasha	11012227	2	\$20,000	No

Parcel Map



0 14 28 42 mi

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