

WORKING LANDS PARTNERSHIP

Name of Organization: North Dakota Natural Resources Trust, Inc.

Federal Tax ID#: 36-3512179

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MAJOR Directive:

Directive A. Provide access to private and public lands for sportsmen, including projects that create fish and wildlife habitat and provide access for sportsmen;

Directive B. Improve, maintain, and restore water quality, soil conditions, plant diversity, animal systems and to support other practices of stewardship to enhance farming and ranching;

Directive C. Develop, enhance, conserve, and restore wildlife and fish habitat on private and public lands; and

Directive D. Conserve natural areas for recreation through the establishment and development of parks and other recreation areas.

Additional Directive

Directive A. Provide access to private and public lands for sportsmen, including projects that create fish and wildlife habitat and provide access for sportsmen;

Directive B. Improve, maintain, and restore water quality, soil conditions, plant diversity, animal systems and to support other practices of stewardship to enhance farming and ranching;

Directive C. Develop, enhance, conserve, and restore wildlife and fish habitat on private and public lands; and

Directive D. Conserve natural areas for recreation through the establishment and development of parks and other recreation areas.

Type of organization

State Agency

Political Subdivision

Tribal Entity

Tax-exempt, nonprofit corporation, as described in United States Internal Revenue Code (26 U.S.C. § 501 (c))

Project Name WORKING LANDS PARTNERSHIP (WLP)

Abstract/Executive Summary.

The objective of the WLP is to partner with North Dakota private landowners in a broad scale, statewide voluntary conservation cover program that will both protect existing, and create new, grassland and wetland habitat. Restoration and protection of wetlands and grasslands improves water quality in lakes, rivers and streams. Reinvesting in natural areas helps preserve our outdoor traditions like hunting and fishing and enjoying our wildlife.

Private landowners will have options from which to choose in working with multiple delivery partners to design a working lands approach that fits both their operation's fiscal need and practical day-to-day management needs. The WLP will utilize the knowledge and practical experience of partner organizations, who have been delivering private land conservation programs for over 30 years, as well as the advice of agricultural groups and individual producers, to design the North Dakota version of what effective, efficient voluntary private land conservation programs should look like on the land.

The WLP acreage goal is based on landowner interest and expiring CRP of 1.5 million acres (see details in Purpose of Grant section). Due to funding limitations, this grant request is scaled to a much smaller acreage while demonstrating the cooperation that exists between interested landowners and partnering organizations.

This grant proposal meets all four major directives. The order of directive relevance is B, C, A, D (see details in Purpose of Grant section).

WLP offers landowners rental payments for conserving and managing their grasslands and wetlands. The majority of the WLP agreements will be ten years. Landowners willing to restore cropland to native vegetation are offered 20-year agreements. All ten-year agreements have extension options and all agreements have a buyback option.

WLP agreement offers are determined by landowner bids, with a price per acre limitation from average county rental rates provided by USDA National Agricultural Statistics Services (NASS). Landowners can choose between upfront or annual payments. The agreements will allow predictable grazing and haying management. All restoration of grass or wetlands is cost-shared at 100 percent.

Total cost of WLP grant proposal:	\$4,405,000
Outdoor Heritage Grant request:	\$3,750,000
Outdoor Heritage Grant match:	\$ 655,000

Project participants:

Landowners	ND Natural Resources Trust
Pheasants Forever	ND Beekeepers Association
NDSU Extension Service	ND Game and Fish Department
Delta Waterfowl	The Nature Conservancy

Ducks Unlimited
FARRMS

ND Private Grazing Lands Coalition
USFWS – Partners for Fish and Wildlife

A simple, practical, and flexible voluntary private land conservation project, emphasizing a working lands approach, is the best fit for landowners, farmers, and ranchers. Virtually every farm and ranch in the state has some acreage that could be placed into a conservation practice. An alternative use of these acres will increase their value to the producer as well as contributing to reduced water runoff, improved water quality, reduced soil erosion, and enhanced wildlife production. The interest farmers and ranchers have in enrolling in voluntary conservation programs shows that they recognize and appreciate these facts, and are constantly looking for programs that meet the needs of themselves, their families, and their communities.

Amount of Grant request: The grant request is \$3,750,000.

After showing successes from this grant request, it is our intention to submit another proposal during the second year of the biennium to the Advisory Board and Industrial Commission members.

Amount of Matching Funds \$655,000.00 (\$575,000 cash and \$80,000 in-kind)

Source(s) of Matching Funds

NDNRT	\$200,000.00 (cash)
NDNRT	\$ 50,000.00 (in-kind)
NDGFD – WLP	\$200,000.00 (cash)
NDGFD - PLOTS	\$100,000.00 (cash)
USFWS - PFW	\$ 75,000.00 (cash)
DU	\$ 25,000.00 (in-kind)
Delta Waterfowl	\$ 5,000.00 (in-kind)

Certifications

I certify that this application has been made with the support of the governing body and chief executive of my organization.

I certify that if awarded grant funding none of the funding will be used for any of the exemptions noted on Page 1 of this application.

Narrative

Organization Information

The North Dakota Natural Resources Trust is under direction of a six-member board of directors, each serving a two-year term, responsible for managing the Trust's affairs. Three of the directors are appointed by the governor of North Dakota, one by the National Audubon Society, one by the National Wildlife Federation, and one by the North Dakota Chapter of The Wildlife Society. The North Dakota Game and Fish Department director is an ex-officio member.

The staff of the Trust is comprised of the executive director, executive assistant, biologist/business manager, and NAWCC staff/ND NAWMP coordinator/Trust Biologist.

From its inception, the Trust has played a role as facilitator between agricultural and conservation interests. In addition to facilitating and funding sound, on-the-ground

conservation of natural resources, its goal is to identify common issues, create dialogue, and resolve conflicts.

Along with its agricultural and conservation partners, the Trust advocates for recognition, appropriate development and protection of North Dakota's unique natural resource values. It promotes productive use of private agricultural lands and private property rights that result in long-term enhancement and protection of private lands. It promotes effective use of North Dakota's public lands both for agriculture and recreation. It encourages good land use planning along urban river corridors and promotes enhancement and protection of the state's significant water resources. The Trust helps shape the landscape through its programs and does its best to help shape both public attitude and public policy to support natural resource protection.

The Trust's activities encompass statewide concerns for protection of wetlands, grasslands, and riparian habitat. It works from the Red River Valley in the east to the badlands in the west.

Purpose of Grant – Describe the proposed project identifying how the project will meet the specific directive(s) of the Outdoor Heritage Fund Program

This proposal addresses successful creation and protection of grassland and wetland habitat and will address in its entirety Directives B and C since these land use practices are known to enhance water quality, soil condition, contribute to plant diversity and will, in total, contribute to stewardship to enhance farming and ranching. Directive A will also be addressed. While not required, private land participants in WLP will be made aware of and encouraged to strongly consider a public access component that will be available through the ND Game & Fish Department's Private Land Open To Sportsmen (PLOTS). NDGFD will provide 50% of the WLP agreement costs for landowners who agree to have a public access component, up to \$200,000, and landowners will also receive a PLOTS payment. Directive D will also be addressed by prioritizing offers that are within one mile of existing parks and recreation areas of the state, federal, or nongovernmental organizations.

The opportunity for North Dakotans, working in collaborative partnership, to develop the most efficient, effective, voluntary private land conservation program anywhere is both exciting and timely. At no time since settlement has the North Dakota landscape undergone such dramatic changes. From the habitat loss and fragmentation associated with energy activity in the west, to the intense agricultural activities and conversion of conservation habitat (grasslands and wetlands) of the central and most especially the east, the alteration of the landscape is both dramatic and significant in both scale and scope.

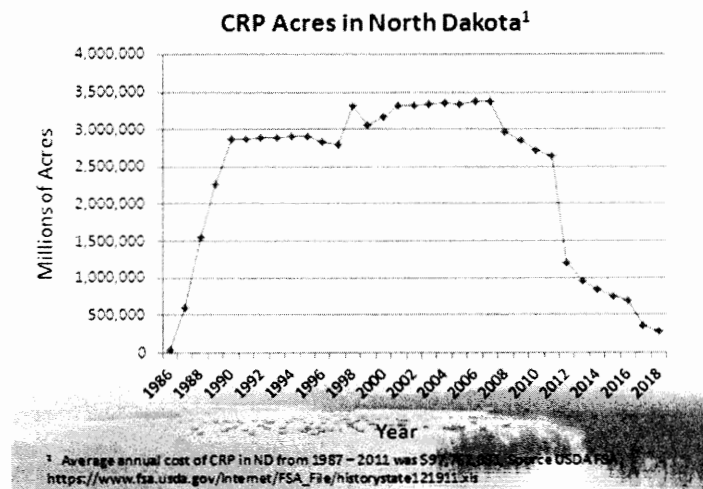
High commodity prices, combined with nearly fail safe agricultural risk management options, are creating short-term incentives that result in the loss of grassland cover (both native and tame), altered water management including tile drainage and removal of trees, old homestead sites, and many idle areas thought capable of producing a commodity. In

combination these landscape changes result in increased soil erosion, reduced water quality, reduced natural flood storage capacity, reduced wildlife habitat, and reduced landscape diversity which all combine to imperil North Dakota's outdoor heritage.

Federal conservation programs, upon which we have relied since at least the mid-1980s, are being reduced or eliminated. During all these changes, North Dakota farmers and ranchers are constantly vigilant for voluntary conservation options that will allow them to make better long-term land use decisions. The urgency for initiation of a strong, aggressive WLP at the earliest opportunity is best demonstrated by considering the following:

* United States Department of Agriculture (USDA) Conservation Reserve Program's (CRP) 43rd general sign-up in 2012, North Dakota landowners offered 333,838 acres into program. USDA accepted 190,789 acres and 143,039 acres were not accepted.

Cost to fund not accepted CRP acres: 143,039 acres @ \$45/acre = \$6,436,755 yearly
or **\$64,367,550** total for ten years.



* In North Dakota 254,000 acres of USDA, Conservation Reserve Program (CRP) acres expired on September 30, 2013.

Cost to Continue or Replace these acres: 254,000 acres @ \$45/acre = \$11,430,000 yearly
or **\$114,430,000** total for ten years.

* USDA, Natural Resource Conservation Service's (NRCS) Environmental Quality Incentives Program (EQIP) and Wildlife Habitat Incentive Program (WHIP) – These programs are designed to assist landowners in planning and implementing conservation practices that address natural resources concerns to improve and conserve soil, water, plant, animal, air and wildlife and other related resources on agricultural lands. Landowner acceptance into these programs remains high, but federal funding limitation will increase competition.

In 2013, NRCS partnered with Ducks Unlimited to offer a Special EQIP Project for Grazing Lands in Central and Eastern North Dakota. The program was available to livestock and

agricultural producers in central and eastern North Dakota counties. The program targeted CRP lands that will have expired by 2014. Applicants were eligible for EQIP practices that included fencing, planting, prescribed grazing, forage harvest management, and water infrastructure development. Landowners were given additional payment options for carbon credits and grassland easements.

This special EQIP project with a 30 day sign-up period received 201 offers requesting \$9.5 million dollars in assistance. Funding was limited to \$2.98 million; this special EQIP project funded 46 contracts on 24,842 acres, providing funds for 1/3 of the landowner interest.

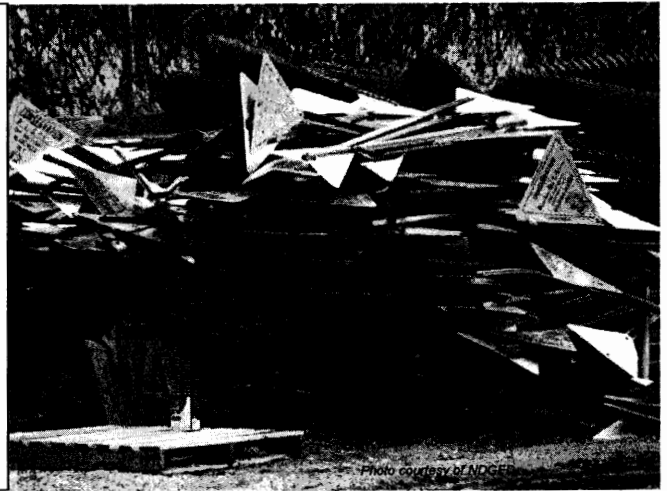
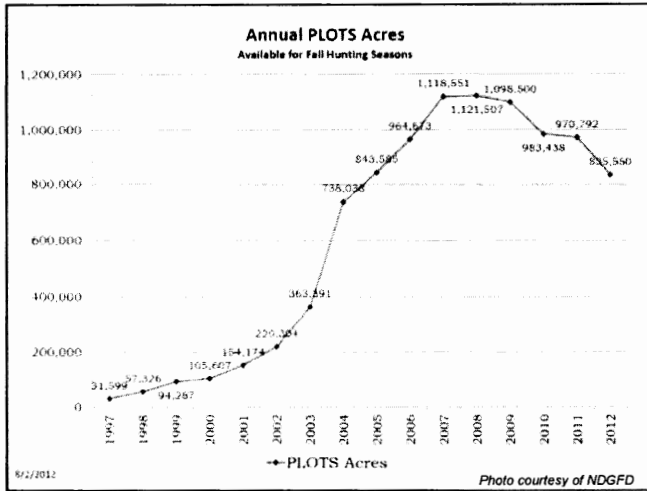
* Grassland Loss: Wright and Wimberly reports that North Dakota is losing grassland acres at a rate of over 12 acres per hour. "Historically, comparable grassland conversion rates have not been seen in the corn belt since the 1920's and 1930's."

These grassland acres have a major effect on floodwater retention and water quality.

Loss of grassland acres, in particular native grassland, poses concern for livestock producers and to North Dakota's ranching heritage.



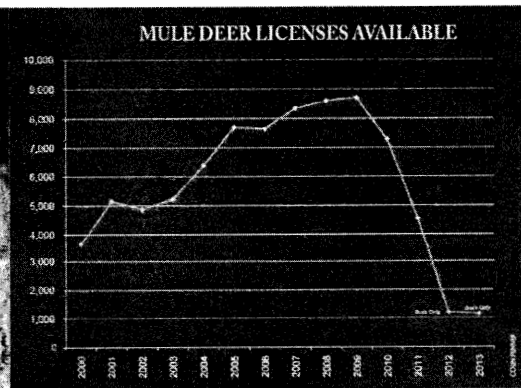
* PLOTS enrollment is down from peak in 2007 at 1,118,500 acres to 760,000 acres in 2013. This is a reduction of 358,551 acres or 32 percent (NDGFD).



* Upland game bird populations are lower: Pheasant 30% to 40%, sharp-tail grouse 51%, and Hungarian partridge 34% are all down from last year's population estimates (NDGFD).



* Deer population and hunting opportunities are trending downward. In 2013 there were 59,000 deer licenses available to hunters. The deer licenses have declined 86,000 from 2004-2013 or 60 percent (NDGFD).



* Closed seasons on grassland-dependent wildlife species including pronghorn antelope, prairie chickens, and sage grouse.

As noted earlier, the WLP will be used to partially replace federal conservation programs that are being reduced or eliminated due to federal budget constraints. There will also be opportunities for the WLP to work in collaboration with remaining federal conservation programs. Trust staff and partners are well versed in all federal, state, and NGO conservation programs and will be in the best position to alert private landowners, farmers, and ranchers to their options to maximize available funding and technical assistance.

An added benefit of this conservation/agricultural collaborative project will be the time spent by conservation and agricultural professionals, along with active producers out on the land, developing understanding and relationships, as well as contracts.

Larger Program Needs and Goals

Between 2006 and 2013, the number of acres enrolled into the USDA CRP program was reduced from 3,400,000 acres to approximately 1,200,000 acres. The project goal for the WLP would be to a total of 1.5 million acres. This proposal will accomplish approximately 8,000 acres.

Management of Project

The Working Lands Partnership characteristics include (see attached WLP guidelines):

* Landowner can offer acres without determining cropping history. All acres including cropland, wetlands, and existing grassland can receive a rental payment.

* Agreement will be ten years in length for the majority of the partnerships. Landowners who want to plant cropland to native vegetation will have the opportunity to enter into 20-year agreements.

* Landowner will set the rental rates on offered acres. There will be payment caps based on NASS data for county average rental rates for applicable land use. Expiring CRP/tame grassland and restored wetlands payments shall not exceed the county average cropland rental rate. Pastureland and noncropped wetlands payments shall not exceed the county average pastureland rental rate (see price per acre attachment).

* Landowner will have payment options including upfront or annual.

* Agreements will all have early buyback option.

* Landowner can hay one-third of contract every year and graze every year with approved grazing plan.



The Trust supports a complementary proposal submitted by NDSU Extension, titled “Management strategies to improve CRP habitat quality and livestock grazing value.” The NDSU proposal would work cooperatively with this WLP proposal resulting in improved management techniques for expiring CRP lands and how they can enhance livestock grazing and ground nesting wildlife species.

* Landowner will receive 100 percent cost share for planting grass and restoring wetlands. Landowners will be encouraged to partner with other available programs.

* Landowner can plant food plots.

The Working Lands Partnership will batch and score all offers. The scoring will have the following characteristics (see attached draft scoring worksheet):

* Grassland: highest priority for Expiring CRP acres, then native, and then tame.

* Offer Size: priority for larger tracts.

* Water Quality (wetland density):

* Restoration: priority for restoration of grasslands and wetlands.

* Parks and Recreation Areas: tracts that are located within one mile of existing state, federal, or nongovernmental lands will receive a preference.

* Management: landowner who agrees to graze and hay will receive higher priority than landowner who chooses not to utilize these management options.

* Public Access: offers that choose the public access option will receive a higher priority.

* Partners: landowners who agree to work with other available partners to complete their grass and wetland restoration, grazing plans, and additional management will receive higher priority.

* Landowner’s Cost-share: higher priority if landowner can complete the restoration work.

* Oil Producing Counties: Billings, Bottineau, Bowman, Burke, Divide, Dunn, Golden Valley, McHenry, McKenzie, McLean, Mercer, Mountrail, Renville, Slope, Stark, Ward, and Williams.

* NASS average county rental rate: if offer is lower than average county rental rate then higher priority. (Attached to scoring worksheet are the NASS average rental values by county.)

As the grant applicant, the ND Natural Resources Trust will manage the administrative aspects of the project including, but not limited to, promoting the existence of the WLP, hiring WLP delivery staff, executing contracts, making contract payments, ensuring contract compliance and, in general, working with contract holders on all aspects of the program.

The Trust has extensive experience in designing, delivering, and monitoring conservation contracts. Some current examples of the Trust's landowner partnership projects include (see Trust webpage at www.ndnrt.com for more information):

- Whole Farm and Ranch contracts
- Beginning Farmer program
- Wetland Based – Loss of Production Payment program

An important aspect of delivery and ongoing monitoring will involve partner organizations. Both DU and PF have a cadre of farm bill biologists around the state already working with landowners providing technical assistance and help in enrolling in conservation programs. The farm bill biologists will expand their efforts to the WLP. Other partner organizations will provide similar assistance, utilizing the most efficient approach to staff use depending upon geographic and temporal needs. In addition, staff or contract personnel will be employed wherever and whenever needed to ensure both enrollment and monitoring of WLP contracts are well handled.

Evaluation – Describe your plan to document progress and results.

Extensive data already exists to show that protection and restoration of grassland and wetland habitat, and overall appropriate land management, achieve the results of reduced soil erosion, natural flood control, improved water quality and enhanced wildlife habitat so there will be no need to spend time or fiscal resources evaluating those individual, community, and societal benefits. Project success is measured by the number of acres enrolled as well as the satisfaction of private landowners enrolled in WLP contracts. Trust and partner staff will monitor a subset of WLP contracts each year, interacting with farmers and ranchers to ensure contracts are meeting their shared purposes. In addition, ongoing interaction with farmers and ranchers will allow project sponsors to constantly review and improve upon the WLP.

Financial Information

Project Expense	OHF Request	Applicant's Match Share (Cash)	Applicant's Match Share (In-Kind)	Other Project Sponsor's Share
WLP agreements	\$3,670,000	\$	\$	\$200,000
Staff/Benefits/Travel	\$ 80,000	\$	\$50,000	\$ 30,000
Restoration and Management	\$	\$200,000	\$	\$ 75,000
Public Access	\$	\$	\$	\$100,000
Total Project Costs	\$3,750,000	\$200,000	\$50,000	\$405,000

Budget Narrative

WLP agreements will be between NDNRT and landowner; the actual price will be based on landowner offers (OHF \$3,670,000).

WLP agreement – NDGFD will provide 50% of the cost of WLP agreements in which landowner's will enter into public access agreements (\$200,000).

Staff, benefits and travel will fund one staff position to provide project management and coordination (OHF\$80,000).

Trust staff, benefits and travel will be in-kind and based on actual costs (\$50,000).

Other project sponsors staff, benefits and travel will be in-kind and based on actual costs (\$25,000 DU & \$5,000 Delta).

Restoration/management will be Trust cash (\$200,000) and will be USFWS (\$75,000).

Public access payments will be by NDGFD PLOTS (2,000 acres @ \$5/acre for 10 years = \$100,000).

X I certify that a project budget will be sent to the Commission

Sustainability – Indicate how the project will be funded or sustained in future years. *

The WLP larger program needs and goal include accomplishing 1.5 million acres. Gauging from the landowner interest in existing federal programs combined with the WLP structure the Trust and partnering organizations feel confident in our ability to deliver the program if long-term funding is available.

The Trust is planning to submit a WLP proposal in the second year of the biennium and will continue beyond the biennium to submit the WLP proposal when new appropriations are allocated to the Outdoor Heritage Fund.

Whenever possible, the Trust will leverage Outdoor Heritage Funds to expand the WLP through any federal, state, and private funding if possible.

Other complementary opportunities exist for WLP partners, as well as other North Dakota citizens and groups interested in voluntary private land conservation, to promote a more effective state-federal partnership. As future USDA Farm Bill legislation is developed we will promote higher allocations of conservation program acres to states that have complementary conservation cover programs, such as WLP. This approach not only helps spread the cost of conservation programs between federal, state and nonprofit agencies and organizations, but strengthens our relationships.

Partial Funding Delivering land-partnership programs with annual rental payments requires a strong funding commitment to implement, as presented in the larger program needs and goals proposal narrative. This proposal already is reduced to a smaller scale. If the OHF Advisory Board determines that the grant warrants funding, but at an even smaller amount,

we will simply scale back accordingly, but will be even less able to provide the voluntary private land conservation funding dollars so sought after by North Dakota's farmers and ranchers.

OHF - Working Lands Partnership Acre Projection Table

10 year agreements

	OHF \$	\$/acre					
		\$30	\$40	\$50	\$60	\$70	\$80
Year 1	3,870,000	12,900	9,675	7,740	6,450	5,529	4,838
Year 2	3,870,000	12,900	9,675	7,740	6,450	5,529	4,838
Total	7,740,000	25,800	19,350	15,480	12,900	11,057	9,675
<i>Acres</i>							

20 year agreements

	OHF \$	\$/acre					
		30	40	50	60	70	80
Year 1	3,870,000	6,450	4,838	3,870	3,225	2,764	2,419
Year 2	3,870,000	6,450	4,838	3,870	3,225	2,764	2,419
Total	7,740,000	12,900	9,675	7,740	6,450	5,529	4,838
<i>Acres</i>							

Calculation Example: WLP agreements having a \$50 per acre rental payment for 10 years
would enroll 7,740 acres with \$3,870,000 of Outdoor Heritage Funds

Working Land Partnership Guidelines

1.0 Definitions

- 1.1 Eligible participant means a participants owning land within the State of North Dakota.
- 1.2 Program means the Working Lands Partnership (WLP).
- 1.3 Wetland means an area the under normal circumstances will support or dues support a prevalence of hydrophytic vegetation.
- 1.4 Native prairie means land that have never been tilled and considered non cropland (NC) on Farm Service Agency maps.
- 1.5 Cropland means land considered cropland on Farm Service Agency maps
- 1.6 CRP means land previously enrolled in the USDA Conservation Reserve Program.
- 1.7 Grazing system means a grazing system approved by Natural Resources Trust staff.

2.0 Program Objectives

The objectives of WLP are to enter into 10 or 20 year agreement to preserve and manage grasslands and wetlands.

3.0 Habitat Pools - Four habitat pools will be available for landowners to bid into the Working Lands Partnership Program

- 3.1 Expired CRP and tame grass; CRP contract that have expired, existing grass cover that has previously been cropped, but has not been destroyed
- 3.2 Cropland seeded to perennial vegetation (introduced or native species)
- 3.3 Non cropped wetlands (based on FSA maps)
- 3.4 Native prairie

4.0 Program agreements - The North Dakota Natural Resource Trust (Trust) shall have the authority to enter into agreements with landowners for the conservation of grassland, wetlands and other habitats. These agreements shall be developed with the eligible participant outlining length, payment rate, use, cost-share amount, and access.

4.1 Contract Length

- 4.1.1 Contracts shall 10 years with the possibility of 5 or 10 year extensions
- 4.1.2 Contracts converting cropland to native grassland may be 20 years in length with the possibility for 5 or 10 year extensions.

4.2 Payment rate

4.2.1 Eligible participants will bid eligible land into the programs. Bids will be accepted batched and ranked on a monthly basis according to the ranking system outlined in Appendix B.

4.2.2 Payment caps will be based on the USDA's National Agricultural Statistics Service (NASS) data for average rental rate for the applicable land use. NASS average county rental rates can be found at <http://land.nd.gov/docs/surface/ctyrent13.pdf>. The most current year's data will be used.

4.2.3 Trust reserves the right to reject bids above the NASS county rental rate average for cropland or pastureland based on the following habitat types

- i. Expired CRP and tame grass payment not to exceed county average **cropland** rental rate
- ii. Restored or cropped wetlands payment not to exceed county average **cropland** rental rate
- iii. Non cropped wetlands (based on FSA maps) payment not to exceed county average **pastureland** rental rate
- iv. Native prairie based on bid not to exceed county average **pastureland** rental rate
- v. Payment rates will be adjusted at 5 year intervals, pending availability of funding. Program annual rates will not be adjusted downward.
- vi. The payment(s) will be issued as per the agreement with the landowner option of up front lump sum or annual payments. Up front lump sum payment will be computed by taking the annual rental rate times the length of agreement (10 or 20 years).

4.2.4 Early buyout - The property owner has the right to buy back from the Trust agreement at any time during the agreement. To exercise this right, the property owner must contact the Trust of their intention to buy back from the program. The cost of the buyback will be established in Trust agreement as outlined in this section.

The Trust will allow partial buyback from the agreement. The determination of partial buy back will be made by Trust and if the partial buyback erodes the integrity of the original agreement a total buy back will be recommended. If the Trust approves the partial buy back the property owner may withdraw an agreed upon acreage from the program upon payment to the Trust of an amount equal to the number of acres removed over the total number of program acres times the buyback price for the entire

program. Upon receipt of the payment, the Trust will provide the owner a written partial release for the acres agreed to be released and the partial release will be attached agreement as Exhibit X. Buy-out payments made by the program participant will be deposited in an account held the TRUST and applied to new contracts or rental rate increases.

Buyout payment schedule:

First two years of contract – 120% of annual rental rate

Year 3 – 100% of annual rental rate

Year 7 through year 10 - prorated dependent on years remaining in agreement.

- 4.2.5 If during the agreement period the landowner sells or otherwise divests himself of the ownership or right of occupancy of the land, the new landowner may continue such agreement under the same terms or conditions or may choose to exercise the buyback provision of the program.
- 4.2.6 Termination of agreement. The Trust may terminate or amend any agreement by mutual agreement with the landowner if Trust determines that the termination would be in the programs interest. Buyout payments may be applicable to terminated contracts.

4.3 Use of land

- 4.3.1 Use of land will be based on habitat pool. Participants will be allowed to use as outlined in the contract based on the following habitat pools:
 - i. Expired CRP or tame grass
 - a. Haying
 - i. After July 15
 - ii. Entire contract every third year or
 - iii. 1/3 of contract every year
 - b. Grazing
 - i. Annually under a grazing system,
 - ii. No season long use
 - ii. Cropland seeded to perennial vegetation (introduced or native species)
 - a. Haying
 - i. After July 15
 - ii. Beginning the 2nd year after planting, every third year thereafter
 - 1. Entire contract every third year or
 - 2. 1/3 of contract every year

- b. Grazing
 - i. Beginning the 2nd year after planting,
 - ii. Annually under a grazing system,
 - iii. No season long use
- iii. Non cropped wetlands (based on FSA maps)
 - a. Haying
 - i. After July 15 every third year
 - b. Grazing
 - i. Annually under a grazing system,
 - ii. No season long use
- iv. Native prairie
 - a. Haying
 - i. After July 15
 - 1. Entire contract every third year or
 - 2. 1/3 of contract every year
 - b. Grazing
 - i. Annually under a grazing system,
 - ii. No season long use

Other land management option can be available by request, these include, but limited to burning, discing, and interseeding.

- v. Wildlife Food Plots – Food plots may be established within existing CRP or tame grass. Food plots cannot can be the sole land use within an agreement. Food plots may be seeded annually to small grains or row crops. The row crop must remain over winter, the small grain could be baled and/or stacked and left on the tract for winter feed for wildlife. Food plots are not allowed on native prairie or wetland habitat types. The size of the food plot will be commensurate with the acreage enrolled in the program and will be determined with the Trust staff and program participant. Food plots discontinued prior to agreement expiration must be seeded to the species found on the adjacent grass cover at owner's expense. Food plots must be protected from grazing and haying.
- vi. The participant must provide adequate measures to control noxious weeds in accordance with state law (NDCC 63-01.1).

5.0 Cost-Share - Working Lands Partnership Program will provide cost-share for installation of practices to establish grass on cropland and restore drained wetlands. Program participants are encouraged to use of other agency or nonprofit origination cost share programs for the establishment of grassland cover, wetland restoration and management practices.

5.1 Tame grass seedings will use the following grass/forb mix and rates

- Tall wheatgrass at 6.1lbs. PLS/acre
- Intermediate wheatgrass at 2.5 lbs. PLS/acre
- Alfalfa at 1.3 lbs. PLS/acre
- Sweet clover at 0.5 lbs. PLS/acre
- Payment 100% actual cost based on receipt provided to NDRNT

5.2 Native grass seedings will use the based on NRCS ecological sites and designed by Trust staff (and/or other natural resource agencies)

- Payment 100% actual cost based on receipt provided to NDRNT

5.3 Seeding operation – Flat rate of \$25.00 per acre

5.4 Wetlands restoration \$650/plug or receipt for actual cost

6.0 Duties of landowner - In the agreement between the Trust and a landowner, the landowner shall agree:

6.1 Place in the program for the period of the agreement land areas as determined eligible by the Trust.

6.2 Not to drain, burn, fill, or otherwise destroy the wetland areas.

6.3 Not to use lands under agreement for annual cropping except for wildlife food plots.

6.4 Consider the use of other agency or nonprofit origination cost share programs for the establishment of grassland cover, wetland restoration and management practices.

6.5 Repay a portion of the annual rental payment for not following management requirements as outlined in section 4.3. Repayment will be based on severity of violation.

6.6 Upon transfer of the landowner's right and interest in the lands during the agreement period, to forfeit all rights to further payments under the agreement.

6.7 The agreement of the landowner under this chapter shall be made binding on any tenant or operator of the land covered by the agreement.

6.8 This agreement will run with the land and will bind all persons and entities who will come into ownership or possession of the land during the terms of this agreement. Reference to and inclusion of this agreement must be made in all purchase agreements, deeds, or other conveyances during the agreement, and failure to do so constitutes a material breach of this agreement. The Cooperators, successors and assigns, will notify the Trust in writing of any sale or transfer of any portion of the land subject to this agreement at least 60 days prior to said sale or transfer.

6.9 Landowner is responsible for all property taxes on the land.

7.0 Duties of Trust - In return for the agreement of the landowner, the Trust shall:

7.1 Make an annual payment to the landowner for the period of the agreement at the rate determined by Trust to be fair and reasonable in consideration of the obligations undertaken by the landowner. If the landowner and Trust agree, all or part of the payments to the landowner may be issued at the onset of the agreement.

7.2 Provide advice on conservation and development practices on land areas enrolled in the program adjacent.

7.3 Provide cost share for seeding tame and native grass and wetland restoration.

7.4 Monitor the agreement to determine if program goals are being met.

8 Receipt of funds - The Trust and the program participant may receive funds for this program from any private or public source to partner with the Trust. The Trust may work with the North Dakota Game and Fish Department, USDA, Natural Resources Conservation Service, United States Fish and Wildlife Service, nonprofit conservation organizations, and any other public official or private organization or citizen to develop sources of funding to implement this program including cost-share for installation practices and/or management.

9 Conservation and development practices - For the purpose and implementation of the agreement the landowner may enter into agreements with other state and federal agencies or nonprofit organizations for any assistance which may be appropriate and which will further the objectives of this program.

10 Access – Public access is encouraged through this program but not required. Eligible participants are encouraged to work with the North Dakota Game and Fish Department to develop an access agreement.

Working Lands Partnership (WLP) Scoring Worksheet

Participant:		Total Score	0
Address:			
		Total Acres	0
County:		Exp CRP	0
		cropland	0
Legal Description:		native grass	0
		wetlands	0

Scoring Items	10	8	6	4	2	0	Score
1. Existing Grass	Exp CRP	Native	Tame				0
2. Offer Size	>160	>80	>40	>20	<20		0
3. Water Quality (wetland density)	20% to 80%	>10%	>5%	<5%/>80%	100%		0
4. Restoration Wet/Grass	yes		no				0
5. Recreation Area & Parks (1 mile)			yes		no		0
6. Farm & Ranch (management)	yes					no	0
7. Sportsmen Public Access				yes	no		0
8. Partnership Agreement	yes		no				0
9. Landowner Cost-Share	yes				no		0
10. Oil Producing Counties			yes		no		0
11. \$ NASS avg rental rate	<25%	<15%	<10%	<5%	=	>	0

Comments: _____

	2013 Non -Irrigated Cropland Avg Rental Rate	2013 Non -Irrigated Pastureland Avg Rental Rate
Adams	35.50	15.70
Barnes	79.50	24.20
Benson	46.70	17.50
Billings	33.90	17.50
Bottineau	44.50	16.30
Bowman	32.70	13.20
Burke	37.20	12.10
Burleigh	44.10	17.40
Cass	106.60	25.30
Cavalier	64.70	17.30
Dickey	104.40	36.00
Divide	35.30	9.80
Dunn	34.60	18.30
Eddy	50.00	17.00
Emmons	72.20	21.00
Foster	69.00	23.20
Golden Valley	29.80	11.50
Grand Forks	91.70	17.40
Grant	31.70	15.30
Griggs	68.00	16.30
Hettinger	40.50	16.50
Kidder	47.20	18.80
LaMoure	105.60	30.10
Logan	58.50	23.50
McHenry	40.50	16.80
McIntosh	64.20	27.00
McKenzie	26.60	9.20
McLean	58.90	16.40
Mercer	37.30	15.10
Morton	38.40	17.70
Mountrail	39.90	13.10
Nelson	50.00	19.10
Oliver	41.90	14.90
Pembina	95.50	29.50
Pierce	51.40	18.40

Ramsey	52.40	21.70
Ransom	92.90	24.30
Renville	46.90	17.40
Richland	129.50	47.60
Rolette	42.00	16.60
Sargent	98.20	37.10
Sheridan	46.00	18.80
Sioux	31.30	15.90
Slope	35.80	15.90
Stark	39.80	19.30
Steele	75.80	19.60
Stutsman	75.60	21.10
Towner	45.30	17.60
Trall	107.40	14.40
Walsh	86.10	15.60
Ward	48.90	15.00
Wells	52.70	16.00
Williams	34.20	11.70
State Average	57.53	19.13



REGIONAL OFFICE
Matthew Holland
679 W. River Drive
New London, MN 56273
Voice and Fax: (320) 354-4377
E-mail: ringneck@rds.net

November 27, 2013

Mr. Keith Trego, Executive Director
North Dakota Natural Resources Trust
1605 East Capitol Avenue, Suite 101
Bismarck, ND 58501

Dear Mr. Trego,

Pheasants Forever writes this letter in enthusiastic support of the North Dakota Natural Resources Trust "Working Lands Partnership" proposal. We appreciate the opportunity to review and consult on this innovative proposal for North Dakotans, and Pheasants Forever fully supports the effort to work with private landowners to place conservation cover on the landscape. This proposal achieves several of the directives as outlined by the North Dakota Outdoor Heritage Fund and will serve to improve and enhance nesting and winter cover for pheasants, grouse, and other wildlife.

Pheasants Forever strongly supports the effort to work with private landowners to establish new cover, sustain existing cover, and enhance farm and ranch operations with wildlife habitat. Pheasants Forever pledges to support this work through our North Dakota team of chapters, members, and biologists working to improve habitat in North Dakota.

Sincerely,

Matt Holland, Director of Grant Development
Pheasants Forever, Inc.

Cc: Howard K. Vincent, CEO
Tom Fuller, North Team Regional Director
Matt Olson, ND Regional Representative

NORTH DAKOTA GAME & FISH DEPARTMENT

"Variety in Hunting and Fishing"

GOVERNOR, Jack Dalrymple

*DIRECTOR, Terry Steinwand
DEPUTY, Duane DeKrey*

*100 North Bismarck Expressway
Bismarck, North Dakota 58501-5095
Phone: (701) 328-6300
FAX: (701) 328-6352*

December 2, 2013

Karlene Fine, Executive Director
North Dakota Industrial Commission
ATTN: Outdoor Heritage Fund Program
State Capitol – Fourteenth Floor
600 East Boulevard Ave., Dept. 405
Bismarck, ND 58505

RE: Natural Resources Trust - Working Lands Partnership Grant Proposal

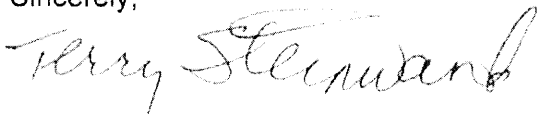
Dear Ms. Fine:

The North Dakota Game and Fish Department's (Department) mission is to protect, conserve and enhance fish and wildlife populations and their habitats for sustained public consumptive and non consumptive use. The Department's Private Land Initiative is the mechanism for delivering the mission on to the private landscape. A main component of PLI includes the Private Land Open To Sportsmen (PLOTS) program, which creates or enhances habitat on private lands and provides public access for walk-in hunting.

We believe the North Dakota Natural Resources Trust (NRT) grant proposal meshes very well with the Department's PLOTS program and will assist the NRT in achieving its mission. The Department is supporting the NRT Working Lands Partnership grant proposal; as a project partner, the Department will provide \$300,000 in grant match for Outdoor Heritage Funds.

We are pleased to provide our endorsement of the NRT Working Lands Partnership grant proposal and look forward toward its future opportunities and accomplishments.

Sincerely,



Terry Steinwand
Director, North Dakota Game and Fish Department

November 21, 2013

Karlene Fine, Executive Director
North Dakota Industrial Commission
ATTN: Outdoor Heritage Fund Program
State Capitol – Fourteenth Floor
600 East Boulevard Ave., Dept. 405
Bismarck, ND 58505

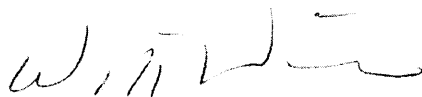
Dear Ms. Fine:

The North Dakota Beekeepers Association is writing in support of the ND Natural Resources Trust Working Lands Partnership grant proposal for Outdoor Heritage Funds.

Honey bee pollination is valued at \$14.6 billion in the United States and North Dakota is among the leading honey producing states. Grasslands provide habitat needed to maintain healthy bee populations in the state, including a source of food and a place to lay their eggs. The Working Lands Partnership grant proposal will provide agricultural producers with a voluntary, simplified, and flexible approach for conserving existing grasslands and seeding new grasslands. Private landowners will have options to choose from in working with delivery partners to design a working lands approach that fits both their operation's fiscal need and practical day-to-day management needs. We believe this will benefit agricultural producers and bee keepers, as well as provide conservation benefits.

We are happy to provide our endorsement of the Working Lands Partnership grant proposal and look forward toward its future opportunities and accomplishments.

Sincerely,



Will Nissen Pres.
North Dakota Beekeepers Association

School of Natural Resource Sciences
NDSU Dept. 7680
P.O. Box 6050
Fargo, ND 58108-6050

November 25, 2013

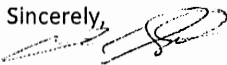
Karlene Fine, Executive Director
North Dakota Industrial Commission
ATTN: Outdoor Heritage Fund Program
State Capitol – Fourteenth Floor
600 East Boulevard Ave., Dept. 405
Bismarck, ND 58505

Dear Ms. Fine:

Missions of the Natural Resources Extension Management and Range Programs at North Dakota State University Extension Service is to establish and implement educational based programs and applied research/demonstration directed toward educating land managers, including ranchers and farmers. One of our primary objectives is to help land owners and managers understand the "true value" of perennial plant communities and how implementing better management practices can benefit the producer and the land. We hope this knowledge will enable them to employ these practices in solving problems associated with managing our natural resources to their highest potential while maintaining the best uses for society and the integrity of our natural systems. We are writing in support of the North Dakota Natural Resource Trust Working Lands Partnership grant proposal for Outdoor Heritage Funds.

With increasing human pressure and a growing need to balance competing demands, we need innovative ways to manage and use natural resources. Consistent with the NDSU Extension Service - Natural Resources Management mission, the Working Lands Partnership (WLP) will provide agricultural producers with a voluntary, simplified, and flexible approach for conserving existing grasslands and wetlands, and creating new grasslands and wetlands. Private landowners will have options to choose from in working with delivery partners to design a working lands approach that fits both their operation's fiscal need and practical day-to-day management needs. We believe this partnership will benefit farmers and ranchers, as well as provide conservation benefits. Finally, the WLP complements our education and research efforts on management strategies to improve Conservation Reserve Program habitat quality and livestock grazing value.

We are happy to provide our endorsement of the Working Lands Partnership grant proposal and look forward toward its future opportunities and accomplishments.

Sincerely,


Kevin K. Sedivec, Ph.D.
Extension Rangeland Specialist, Professor and Range Program Leader
Range and Natural Resources Management
NDSU, Dept 7150 PO Box 6050
Morrill Hall - Room 201
Fargo, ND 58108-6050

Entomology
NDSU Dept. 7650
P.O. Box 6050
701.231.7582
Fax 701.231.8557

Natural Resources Management
NDSU Dept. 7510
P.O. Box 6050
701.231.8180
Fax 701.231.7590

Range Science
NDSU Dept. 7510
P.O. Box 6050
701.231.8901
Fax 701.231.7861

Soil Science
NDSU Dept. 7680
P.O. Box 6050
701.231.8901
Fax 701.231.7861



November 27, 2013

Karlene Fine, Executive Director
North Dakota Industrial Commission
ATTN: Outdoor Heritage Fund Program
State Capitol – Fourteenth Floor
600 East Boulevard Ave., Dept. 405
Bismarck, ND 58505

Dear Ms. Fine:

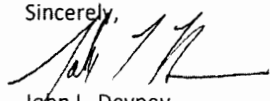
As a nonprofit organization, Delta Waterfowl is committed to habitat conservation and a focus on duck production. Delta Waterfowl is the voice of duck hunters, and an advocate for ducks and their habitat. We are pleased to be writing this letter as our endorsement of the North Dakota Natural Resource Trust's Working Lands Partnership grant proposal for Outdoor Heritage Funds.

Consistent with the mission and vision of Delta Waterfowl, the Working Lands Partnership will provide landowners with a voluntary, incentive based program that is simplified and provides a flexible approach to conserve and enhance grasslands and wetlands on North Dakota's working farms and ranches. North Dakota farmers and ranchers have consistently participated in this type of programming in the past and we believe this program, based on its flexibility, allowance for use and other program options, will perhaps even meet the needs of our producers better than other programs. We perceive this proposal as a wonderful marriage, blending the needs for conservation with a program uniquely tailored to the needs of North Dakota's farmers and ranchers.

We are happy to provide an in-kind match in the amount of \$5,000 for Delta Waterfowl's technical input to the project and we are also providing our strong endorsement of the Working Lands Partnership proposal. We look forward toward its success in achieving positive conservation outcomes in partnership with our State's farmers and ranchers.

Thank you for your consideration of our perspective.

Sincerely,



John L. Devney
Vice President of U.S. Policy

November 27, 2013

Karlene Fine, Executive Director
North Dakota Industrial Commission
ATTN: Outdoor Heritage Fund Program
State Capitol – Fourteenth Floor
600 East Boulevard Ave., Dept. 405
Bismarck, ND 58505

Dear Ms. Fine:

The Nature Conservancy would like to offer our support of the North Dakota Natural Resources Trust *Working Lands Partnership* grant proposal for Outdoor Heritage Funds. The *Working Lands Partnership* will provide agricultural producers with a voluntary, simplified, and flexible approach for conserving existing grasslands and creating new grasslands. Private landowners will have options to choose from in working with delivery partners to design a working lands approach that fits both their operation's fiscal need and practical day-to-day management needs. We believe this partnership will benefit farmers and ranchers, as well as provide conservation benefits.

The Nature Conservancy has worked in North Dakota for more than 30 years and values the critical role of private landowners in maintaining healthy grasslands and wetlands. These areas are essential to maintaining healthy wildlife populations, filtering and slowing water run-off, and supporting grass-based agricultural operations.

The mission of The Nature Conservancy is to conserve the lands and waters on which all life depends. Our vision is to leave a sustainable world for future generations. Today's society faces unprecedented challenges. Dwindling natural resources, declining economies, a rapidly changing climate and other threats require that all of us begin working together to reach common solutions. More than ever before, we must find innovative ways to ensure that nature can continue to provide the food, clean water, energy and other services our growing population depends upon for survival.

We are happy to provide our endorsement of the Working Lands Partnership grant proposal and look forward to its future opportunities and accomplishments.

Sincerely,


Peggy Ladner
State Director



Stephen E. Adair, Ph.D
Director
Great Plains Region

2525 RIVER ROAD • BISMARCK, ND 58503-9011 • (701) 355-3511 • FAX (701) 355-3512 • www.ducks.org

November 27, 2013

North Dakota Industrial Commission
ATTN: Outdoor Heritage Fund Program
600 East Boulevard Ave., Dept. 405
Bismarck, ND 58505

Dear Industrial Commission & OHF Advisory Board Members:

Please accept this letter of support by Ducks Unlimited for the North Dakota Natural Resources Trust's "Working Lands Partnership (WLP)" OHF proposal. We commend the Trust for their hard work in the development of this project and efforts to bring together a diverse group of local, state and federal stakeholders. We're also pleased to provide \$25,000 of in-kind match support for this project.

North Dakota's landscape is undergoing significant changes. This project provides a new and innovative approach to conserving habitat on private lands that's simple, flexible and attractive to landowners. By working in partnership with the North Dakota Game and Fish Department, this project will also provide an important public access component that will benefit our state's sportsmen, women and rich outdoor heritage.

We greatly appreciate the Commission and Board's collective efforts in the development of the OHF program and we're excited to see this program grow, foster strong partnerships and achieve success over time.

Thank you for your time and support.

Sincerely,

Dr. Stephen E. Adair
Director, Great Plains Region

cc: Mr. Keith Trego, ND Natural Resources Trust
Mr. Terry Allbee, ND Natural Resources Trust

LEADER IN WETLANDS CONSERVATION

November 25, 2013

Karlene Fine, Executive Director
North Dakota Industrial Commission
ATTN: Outdoor Heritage Fund Program
State Capitol – Fourteenth Floor
600 East Boulevard Ave., Dept. 405
Bismarck, ND 58505

Dear Ms. Fine:

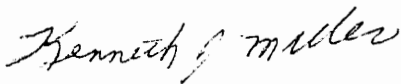
The North Dakota Grazing Lands Coalition is a grassroots group organized in 1996 to promote the health and sustainability of North Dakota's 13.5 million acres of grazing lands. The NDGLC believes that through voluntary actions, respect for private property rights, and education on the values and multiple benefits of well managed grazing resources, their goals are achievable. We are writing in support of the North Dakota Natural Resource Trust Working Lands Partnership grant proposal for Outdoor Heritage Funds.

Coalition members have a very strong focus on the importance of managing for soil health and systems biodiversity as a key to sustainable farming and ranching. They continue to implement and demonstrate new technologies that: improve soil health, productivity and profitability, reduce input costs, and integrate livestock and crops in a whole farm systems approach.

Consistent with the Coalition mission, the Working Lands Partnership will provide agricultural producers with a voluntary, simplified, and flexible approach for conserving existing grasslands and seeding new grasslands. Private landowners will have options to choose from in working with delivery partners to design a working lands approach that fits both their operation's fiscal need and practical day-to-day management needs. We believe this partnership will benefit farmers and ranchers, as well as provide conservation benefits.

We are happy to provide our endorsement of the Working Lands Partnership grant proposal and look forward toward its future opportunities and accomplishments.

Sincerely,



Kenneth J. Miller
Chairman
North Dakota Grazing Lands Coalition

November 21, 2013

Karlene Fine, Executive Director
North Dakota Industrial Commission
ATTN: Outdoor Heritage Fund Program
State Capitol – Fourteenth Floor
600 East Boulevard Ave., Dept. 405
Bismarck, ND 58505

Dear Ms. Fine:

As a nonprofit organization, the mission of FARRMS is to further the sustainability of thriving farms and rural communities. Our goal is to educate and promote diversified farms and build up local foods systems. Our hope is to create thriving communities and draw young people interested in agriculture back to the farm. We are writing in support of the North Dakota Natural Resource Trust Working Lands Partnership grant proposal for Outdoor Heritage Funds.

The vision of FARRMS is to empower people to dream and realize those dreams creating thriving, exciting, diverse, and sustainable rural communities. We establish links between people, good food, living farms and the environment through hands-on educational experiences. We model sustainability by acting with appreciation and respect for the environment, society, and just economics. FARRMS builds a better world through powerful, creative actions.

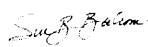
Sustainability is central to our organization. FARRMS has determined "sustainability" to contain the following components:

- Approaches to community and agriculture which foster self-renewal, are in harmony with natural cycles and conserve natural resources.
- Activities which benefit and nurture the land and rural community.
- Activities and approaches which are socially as well as economically just and contribute to the common prosperity of the community.
- Cultural and agricultural practices which ensure the health and diversity of the land and the life it supports.

Consistent with the mission and vision of FARRMS, the Working Lands Partnership will provide agricultural producers with a voluntary, simplified, and flexible approach that will conserve existing, and create new, grassland and wetland habitat. Private landowners will have options to choose from in working with delivery partners to design a working lands approach that fits both their operation's fiscal need and practical day-to-day management needs. We believe this partnership will benefit farmers and ranchers, as well as provide conservation benefits.

We are happy to provide our endorsement of the Working Lands Partnership grant proposal and look forward toward its future opportunities and accomplishments.

Sincerely,

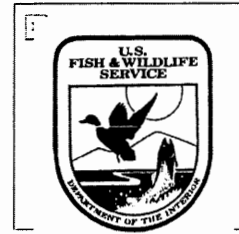


Sue Balcom
Executive Director



United States Department of the Interior

FISH AND WILDLIFE SERVICE
North Dakota Partners for Fish and Wildlife Office
3425 Miriam Avenue
Bismarck, North Dakota 58501



November 26, 2013

Karlene Fine, Executive Director
North Dakota Industrial Commission
ATTN: Outdoor Heritage Fund Program
State Capitol – Fourteenth Floor
600 East Boulevard Ave., Dept. 405
Bismarck, ND 58505

RE: Working Lands Partnership Grant Proposal

Dear Ms. Fine:

The U.S. Fish and Wildlife Service's Partners for Fish and Wildlife supports the North Dakota Natural Resource Trust Working Lands Partnership grant proposal for Outdoor Heritage Funds.

The USFWS is a very diverse federal agency, consisting of many different divisions working on many different conservation issues across North Dakota. For example, USFWS refuge staff is responsible for managing lands that are part of the National Wildlife Refuge system; USFWS Fisheries staff manage fish habitat and fish populations; the USFWS Habitat and Population Evaluation Team (HAPET) help develop the scientific data that guides conservation delivery actions; just to name a few. The USFWS also has a long history of working closely with private landowners, providing financial and technical assistance on voluntary conservation efforts to conserve wetland and grassland habitat on private land. The U.S. Fish and Wildlife Service's North Dakota Partners for Fish and Wildlife (ND PFW) program serves as a bridge to owners and managers of private lands to develop partnerships by restoring important wildlife habitat that benefits North Dakota's farmers, ranchers and our natural resources. Our approach is simple: Engage willing partners, through non-regulatory incentives, to conserve and protect fish and wildlife values on their property. The ND PFW program was established in 1987 and since that time has worked on more than 3,600 habitat projects with more than 3,000 North Dakota farmers, ranchers and other private landowners.

As a project partner with a lengthy history of successfully delivering habitat conservation on private lands across North Dakota, the USFWS ND PFW will provide \$75,000 in grant match to help deliver associated wetland and grassland restorations identified in the North Dakota Natural Resource Trust Working Lands Partnership grant proposal for Outdoor Heritage Funds.

Sincerely,

Scott J. McLeod,
USFWS, State Coordinator, ND Partners for Fish and Wildlife