

## MN CREP Training: 2018 Adjustments

June 28<sup>th</sup>, 2018

This PowerPoint contains edits made after the 6/28/18 Teleconference to reflect revisions to the RIM General Program Guidance document and Batching Period Deadlines

<u>AGENDA</u>	MINUTES
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Welcome	5
CCRP and Impact on CREP	10
SWCD Engagement Meetings	
and Input Process	10
Rates and Payment	
Calculations	35
Updated Program Guidance	
and Roundout Details	45
Determining Extent of	
Restorable Wetlands	20
Questions & Answers	20



#### CCRP



- CCRP Signup now occurring
- New Soil Rental Rates (SRR's) as of June 4, 2018
- 100% of SRR instead of 120% of SRR
- SIP, PIP not available
- Able to accept offers through August 17th

#### CCRP and Impact on CREP



- CCRP: Signup now occurring
  - CREP: Signup continues
- CCRP: New Soil Rental Rates (SRR's) as of June 4, 2018
  - CREP: New SRR's are in effect for CREP, as well
- CCRP: 100% of SRR instead of 120% of SRR
  - CREP: Still uses 160% of SRR
- CCRP: SIP, PIP not available
  - CREP: SIP and PIP are still available
- CCRP: Able to accept offers through August 17th
  - CREP: Able to accept offers through August 17th

## Last CREP Batching Periods of Federal Fiscal Year \*



\*

Edited after 6/28/18 Teleconference

- ¹July 15<sup>TH</sup>: All CP's
- <sup>2</sup>August 1<sup>ST</sup>: All CP's
- <sup>2</sup>August 20<sup>TH</sup>: All CP's

<sup>1</sup>This should be considered the soft deadline for applications that include a reenrollment into CRP as part of CREP, to ensure the greatest opportunity to meet FSA's 9/30/18 deadline for CRP-1 approval.

<sup>2</sup> BWSR strongly recommends starting the cultural resources review process and CRP planning as soon as possible, even before applications are submitted into the CREP application module.





### CCRP and Impact on CREP, Batching Periods

# Questions?

#### CREP Update Input/Engagement Meetings





- 4 Locations within CREP Area
- Heard input from local staff on what's working/what needs adjustments



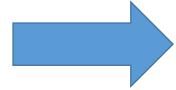


#### Common Points:

- Increase payment rates
- More of the total payment should be paid up front
- Allow more non-cropland to be included in the easement
- More CRP practices to be eligible under CREP
- Allow existing CRP acres to be eligible
- Simplify the payment calculation process
- Opposition to perpetual easements













Board Resolution # 18- 37

MN Conservation Reserve Enhancement Program (MN CREP) 2018 Adjustments

Gerald Van Amburg, Chair

**Board of Water and Soil Resources** 

Attachment: MN Conservation Reserve Enhancement Program (MN CREP) 2018 Adjustments

Date:

#### Rates and Payment Calculations



#### • Common Points:

- 1
- Increase payment rates
- More of the total payment should be paid up front
- Allow more non-cropland to be included in the easement
- More CRP practices to be eligible under CREP
- Allow existing CRP acres to be eligible
- Simplify the payment calculation process
- Opposition to perpetual easements

## Let's dive in!







- 2018 MN CREP Landowner Payment Rates
  - Uses new values released January 2018 by the UofM
- Sent via email morning of June 28th

2018 MN CREP Landowner Payment Rates  June 2018  MN Land Economics website data released Jan 2018  Metro counties located at the end of this document			8 MN CREP	20:	18 RIM-only	20	018 RIM-only
County	Township/City	Cro	oland Rate	CRE	P Crop Rate	CRE	Noncrop Rate
Clay	Glyndon city	\$	4,244.85	\$	3,784.17	\$	2,193.72
Clay	Glyndon twp	\$	4,913.35	\$	4,380.12	\$	2,539.20
Clay	Goose Prairie twp	\$	4,161.02	\$	3,709.44	\$	2,150.40





- 2018 MN CREP Landowner Payment Rates
- Sent via email morning of June 28th

201 County	2018 MN CREP Landowner Payment Rates  June 2018  MN Land Economics website data released Jan 2018  Metro counties located at end of this document  County  Township/City		3 2018 MN CREP Cropland Rate		WEW)  4  2018 RIM-only  CREP Crop Rate		5 2018 RIM-only CREP Noncrop Rate	
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WAS:



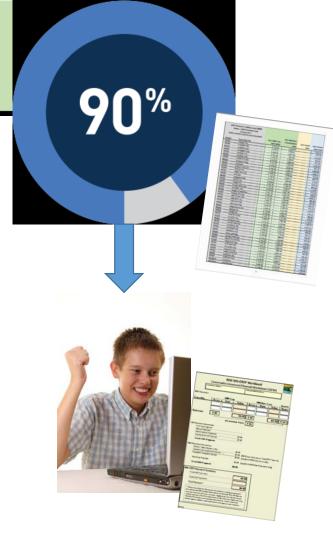


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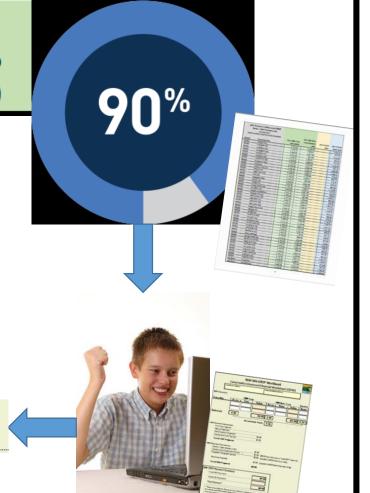


### WAS:





WAS:

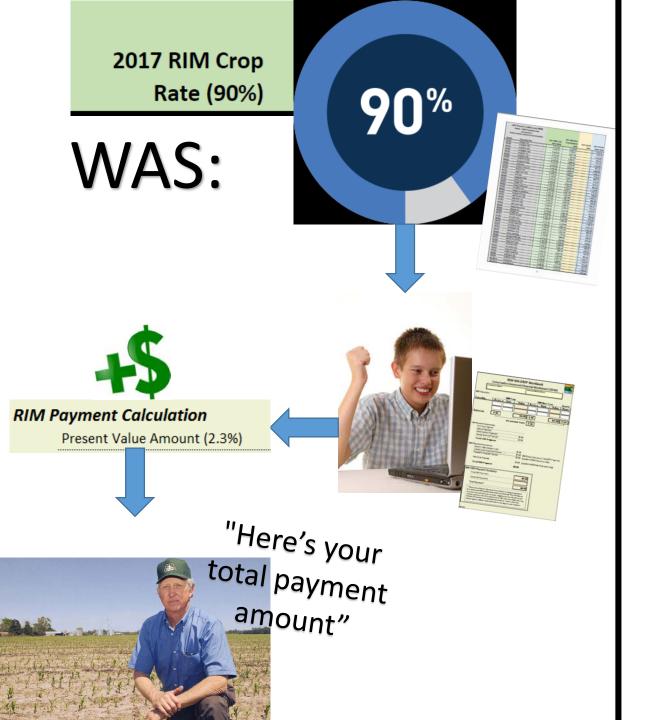




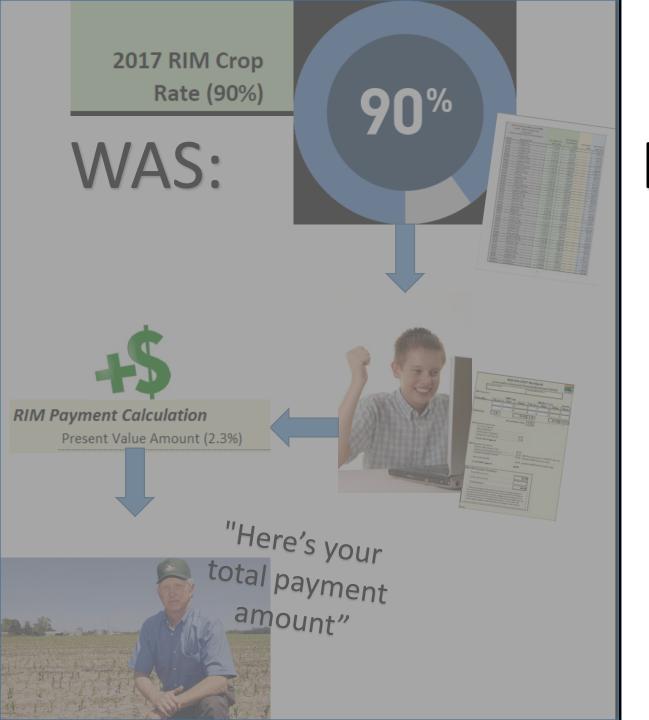
**RIM Payment Calculation** 

Present Value Amount (2.3%)



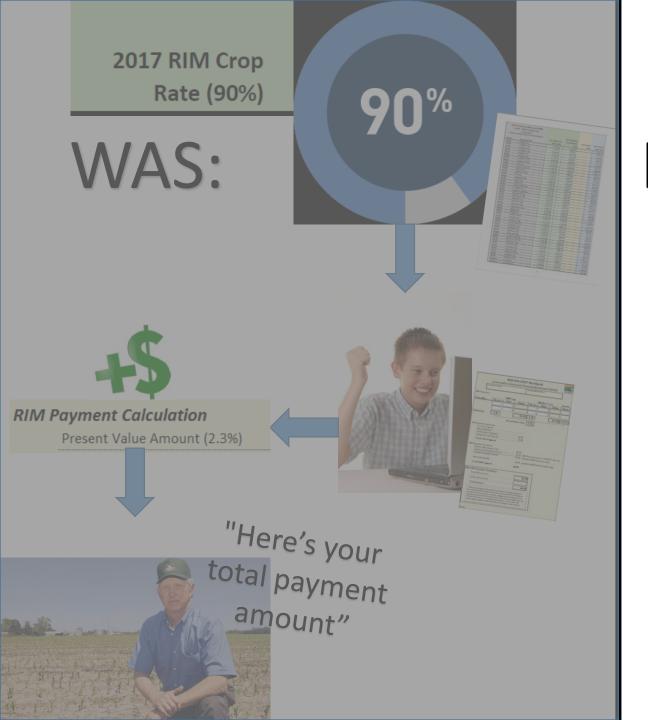




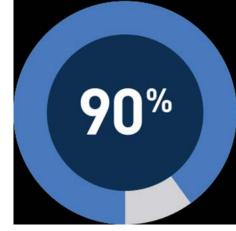




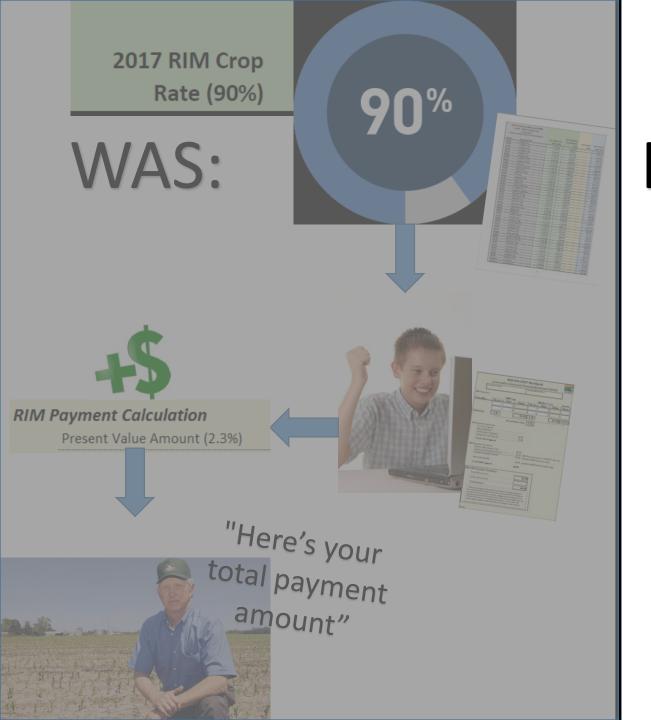
#### IS NOW:



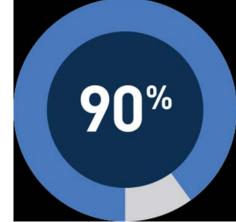
### IS NOW:







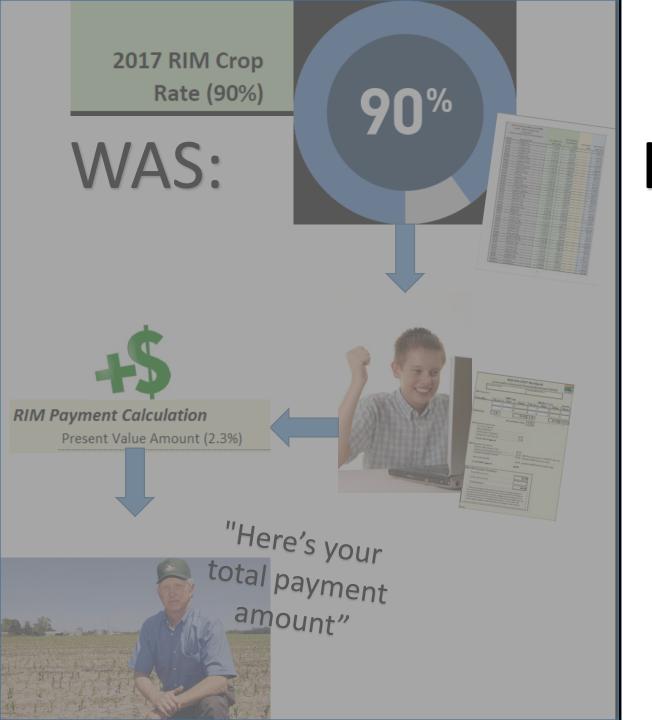
#### IS NOW:



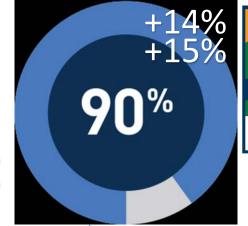


Present Value (+14%)

RIM Incentive (+15%)



### IS NOW:





Present Value (+14%)

RIM Incentive (+15%)

2017 RIM Crop Rate (90%) WAS: **RIM Payment Calculation** Present Value Amount (2.3%) "Here's your total payment amount"

2018 MN CREP Cropland Rate

#### IS NOW:

+14% +15% **90**%



Present Value (+14%)

RIM Incentive (+15%)

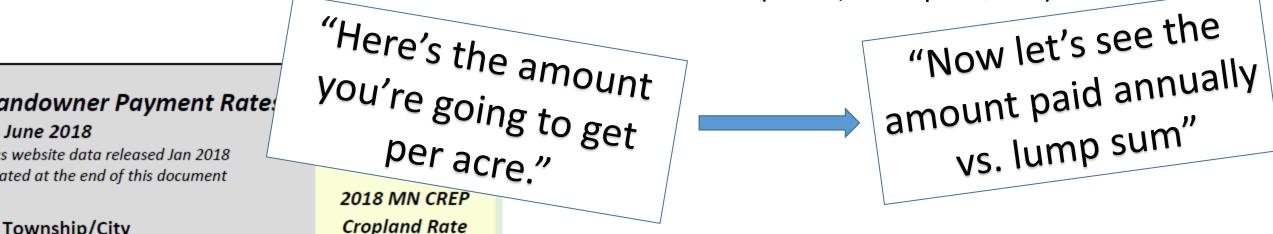
"Here's total payment amount"



#### Rates and Payment Calculations



- Example: \$1000/acre before is now \$1,290/acre with the adjustment.
- The MNCREP Cropland Rate includes:
  - 90% of AATV (example: \$1000)
  - Present Value estimation folded in to rate from the start (+14%, example: \$140)
  - RIM Incentive folded in to rate from the start (+15%, example: \$150)



Township/City

Riceland twp 7,115.77

## Rates and Payment Calculations

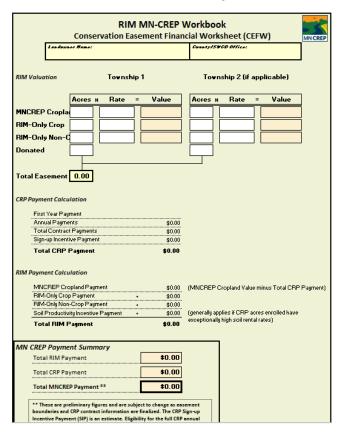


# Questions?

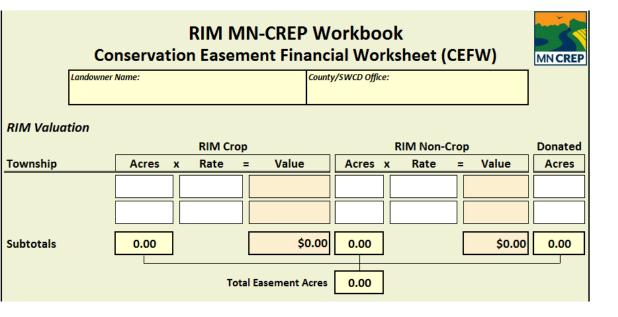


MN CREP

- What's changed with the Workbook?
  - Slight edits to the checklist to clarify necessary maps
  - CEFW revisions



#### WAS:



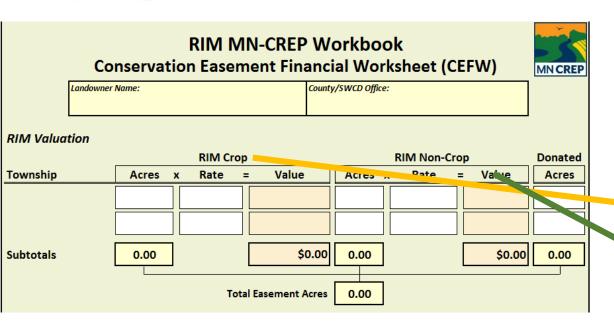
#### IS NOW:



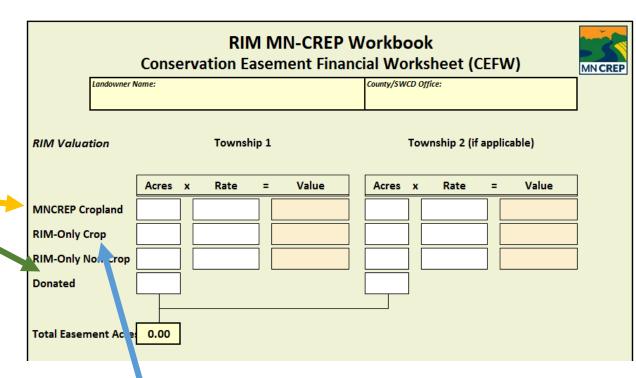
RIM MN-CREP Workbook Conservation Easement Financial Worksheet (CEFW)										
Landowner N	Landowner Name:				County/SWCD C					
RIM Valuation	Township 1			To						
	Acres x	Rate	= Valu	e	Acres x	Rate	=	Value		
MNCREP Cropland										
RIM-Only Crop										
RIM-Only Non-Crop										
Donated										
Total Easement Acres	0.00									



#### WAS:



#### IS NOW:



### **New Valuation Type**





- We've shared what's changing with the MNCREP Cropland Rate.
- What about the RIM-Only Non-Crop rate?
  - This is calculated the same way, and is 60% of the AATV
- What about this new rate, the RIM-Only Crop rate?



IS NOW:

Present Value (+14%)

RIM Incentive (+15%)



90%



2018 RIM-only CREP Crop Rate

IS NOW:

Present Value (+14%)

RIM Incentive (+15%)



90%





IS NOW:



RIM Incentive (+15%)



90%







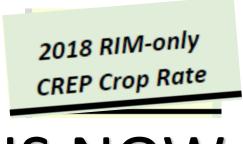


**RIM Incentive** (+15%)





What's this rate used for?

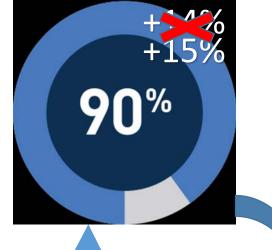






RIM Incentive (+15%)







We'll get into specifics later, but there are two scenarios:

- 1. Enrolling existing CRP (non-reenrolls)
- 2. Expanding from 4:1 up to 8:1 on CP-23a's



#### **Lands with Crop History:**

MNCREP Cropland: Easement acres eligible for this higher payment rate must meet both CRP and RIM eligibility and crop history requirements and be enrolled in MN CREP.



RIM-Only Crop: Easement acres eligible for this payment rate must meet RIM eligibility and crop history requirements, but do not currently meet CRP requirements for enrollment as MNCREP Cropland acres. Easement acres eligible for this payment rate are limited.

#### **Lands without Crop History:**

RIM-ONLY NON-CROP: Easement acres eligible for this payment rate must meet RIM eligibility, but do not meet crop history requirements. Easement acres eligible for this lower payment rate are limited.

## Rates and Payment Calculations

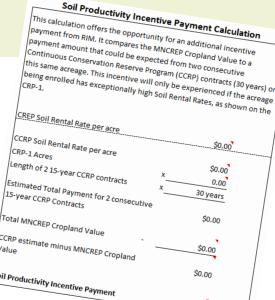


# Questions?

#### RIM Payment Calculation

Total RIM Payment		\$0.00	high soil rental rates)
Soil Productivity Incentive Payment	+	\$0.00	(generally applies if CRP acres enrolled have exceptionally
RIM-Only Non-Crop Payment	+	\$0.00	
RIM-Only Crop Payment	+	\$0.00	
MNCREP Cropland Payment		\$0.00	(MNCREP Cropland Value minus Total CRP Payment)

- A new additional incentive payment
- Basically, calculates what the landowner would have received if they signed up for two consecutive CCRP contracts
  - Application workbook back-calculates the SRR
  - Uses current CCRP process (100% of SRR's, no SIP)
- We'll share additional detail on this at a later time (prerecorded webinar, or a follow-up webinar the week of July 9th)



\$0.00



- MN CREP
- BWSR Staff ran the numbers for current applications (184 Pending and Funded apps)
- Majority of applications have a payment increase from RIM using the new rates and workbook
  - 10 applications were exceptions to this rule- these still get their previous rate amount and use the Version 4 workbook
- BWSR will:
  - 1. Upload these workbooks to the App module
  - 2. Notify SWCD via email of these new amounts
  - 3. Mail the Landowner a letter to inform them of new amount, and that no action is needed on their end to accept (cc'ing the SWCD)
    - Four SWCDs sending their own letter
- Apps will pick up where they left off (no new Agreement will be sent)

### Rates and Payment Calculations



# Questions?

#### Updated Program Guidance and Roundouts





MN CREP
RIM General Program
Guidance Document
6/27/18



Included in this guidance document for MN CREP is important information relating to application eligibility, submittal requirements, enrollment of non-CRP eligible areas, conservation plans, practices, practice payments, and state of MN requirements for vegetation establishment on Reinvest in Minnesota (RIM) Reserve conservation easements.

The term offer and application should be considered similar terms. Offer is typically used with the CRP Program, while application is used frequently with the RIM Program.





#### • Highlights:

- Ensure app checklist is reviewed and make sure application is complete
  - Impacts if we can verify scoring
- Scoring & Ranking of offers with multiple CP's: Scored based on CP with the largest acreage
  - Other CP's come along for the ride
- Easement payment
  - Remember those 3 types (MNCREP Cropland, RIM-Only Crop, and RIM-Only Non-Crop)?
  - We'll go over the situations where the RIM-Only ones will apply.





#### • Common Points:

- Increase payment rates
- More of the total payment should be paid up front
- Allow more non-cropland to be included in the easement
- More CRP practices to be eligible under CREP
  - Allow existing CRP acres to be eligible
- Simplify the payment calculation process
  - Opposition to perpetual easements



#### Updated Program Guidance and Roundouts

#### RIM-Only Crop: \*

• Existing CRP (limited to no more than 50% of MNCREP Cropland acres): Areas currently enrolled in a CRP contract that meet the following criteria may be enrolled at the RIM-Only Crop rate: Existing CRP contract must have been approved prior to June 4<sup>th</sup>, 2018, acres must abut or adjoin some portion of the MN CREP application acres, and acres must have originally been enrolled into CRP at a cropland rate. If acres were originally enrolled into CRP at a non-cropland rate (i.e., pastureland), these may be included as RIM-Only Non-Crop acres utilizing this same maximum 50% ratio (see RIM-Only Non-Crop Other Exception Criteria below).



Edited after 6/28/18 Teleconference to match 6/28/18 Program Guidance



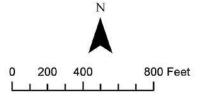
6 - A - Eligibility Allow RIM only
for existing CRP



#### Legend

Proposed RIM Easement
Existing CRP Contract

Proposed RIM Easement: 100 Acres
Existing CRP Contract: 30 Acres







#### Updated Program Guidance and Roundouts

#### RIM-Only Crop:

• Acres that exceed the CP-23a 4:1 upland to wetland ratio: Areas that will add additional upland acres beyond the 4:1 upland to wetland acres allowed under CRP. The maximum upland acreage shall not exceed an 8:1 upland to wetland ratio. If upland acres do not meet RIM crop history requirements, these may be included as RIM-Only Non-Crop acres utilizing this same maximum 8:1 ratio (see RIM-Only Non-Crop Other Exception Criteria below).



6 - B - Eligibility -Current CP23A Upland to Wetland Ratio

<u>Legend</u>

Upland Area



Wetland Basins

Upland Area: 100 Acres

Wetland Basins: 25 Acres

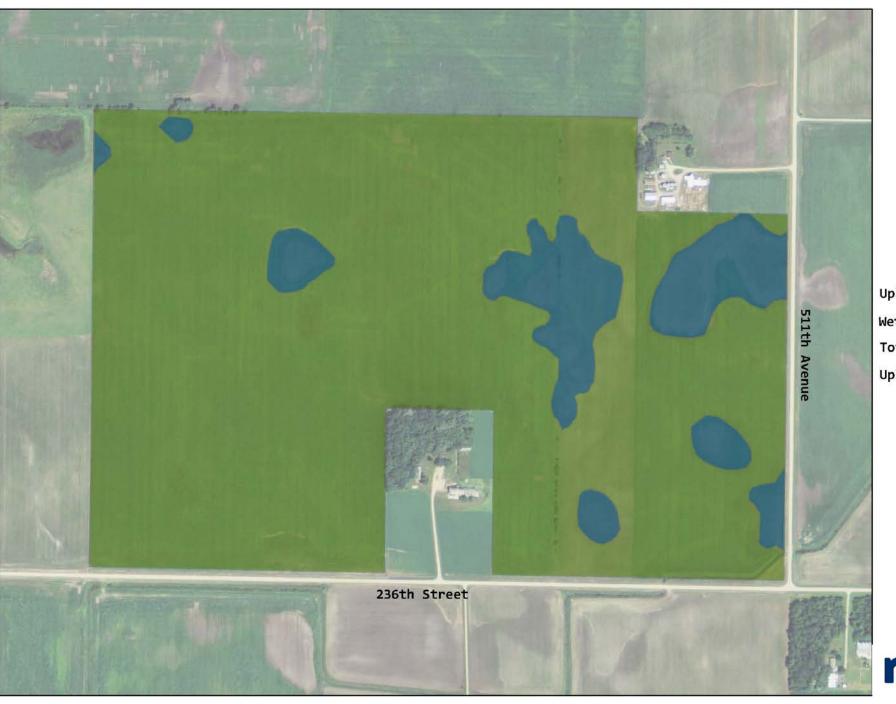
Total RIM Easement: 125

Upland to Wetland Ratio: 1:4



200 400 800 Feet





6 - B - Eligibility - CP23A Upland to Wetland Ratio Change

#### <u>Legend</u>



Upland Area



Wetland Basins

Upland Area: 185 Acres

Wetland Basins: 25 Acres

Total RIM Easement: 210 Acres

Upland to Wetland Ratio: 1: 7.4



200 400 800 Feet





#### Updated Program Guidance and Roundouts

# Questions?





- RIM-Only Non-Crop:
  - Standard Criteria (NTE 20% of MNCREP Cropland acres)
    - Landlocked areas (filling in the donut)
    - Areas with VH, H DWSMA Vulnerability
    - MN Biological Survey areas of biodiversity significance
    - Areas where enrollment would provide manageable boundaries

Maps! Maps! Maps!





- RIM-Only Non-Crop:
  - Other Exception Criteria
    - Areas needed for wetland restoration (this used to be part of the 5% noncrop allowance): limited to areas needed for successful restoration of wetlands on the MNCREP Cropland area
    - Existing CRP: limited to 50% of MNCREP Cropland acres
      - Re-stated here, as some CRP was enrolled at a noncropland rate (was pastureland prior to enrollment)
    - Acres that exceed the CP-23a 4:1 upland to wetland ratio
      - Re-stated here, as some of these lands may be noncropland areas.
    - Easement Section Manager can waive criteria in extremely rare circumstances





- Ability to Mix & Match multiple criteria:
  - Landowner can enroll existing CRP (RIM-Only Crop), enroll land under Standard Criteria (RIM-Only Non-Crop), and enroll wetland areas needed for restoration (RIM-Only Non-Crop)
- Allows you to work with multiple types of situations
- Documentation is key for BWSR to verify
  - Maps! Maps! Maps!







• RIM Reserve Policy on USFWS Lands (Appendix 2)

Small Wetland Acquisition Program (SWAP) wetland easements, generally referred to as a no fill, drain or burn easements:

"When RIM is partnering with another governmental unit or conservation organization and as a result is providing a discounted or reduced easement payment (i.e. CREP), these USFWS easement lands are eligible for full easement payment from RIM in accordance with the partnership criteria."

receive payment, as long as also eligible for the CRP portion of CREP.



#### Updated Program Guidance and Roundouts

# Questions?

## Determining Drained and Altered Wetland Areas

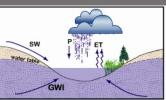
Scoring vs. Conservation Planning



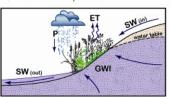


#### Definitions

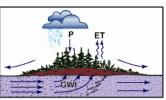
- Depressional Wetlands
- Non-Depressional Wetlands
- Farmed Only Wetlands
- Drained Wetlands
- Basin
- Size of Largest Basin



Ground Water - Depression

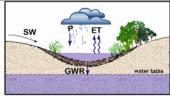


Ground Water - Slope

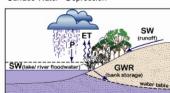


Ground Water - Extensive Flat

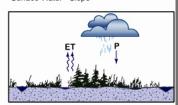
P = Precipitation ET = Evapotranspiration SW = Surface Water



Surface Water - Depression



Surface Water - Slope



Surface Water - Extensive Flat

GWI = Ground Water Inflow GWR = Recharge to Ground Water

#### Example

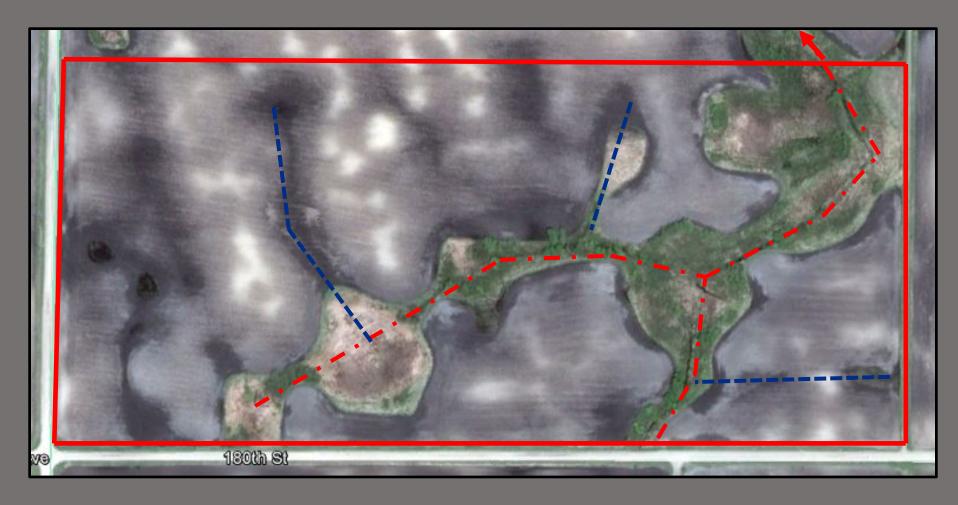
Assume 100% Eligible for MNCREP Scored as Depressional Landscape Setting





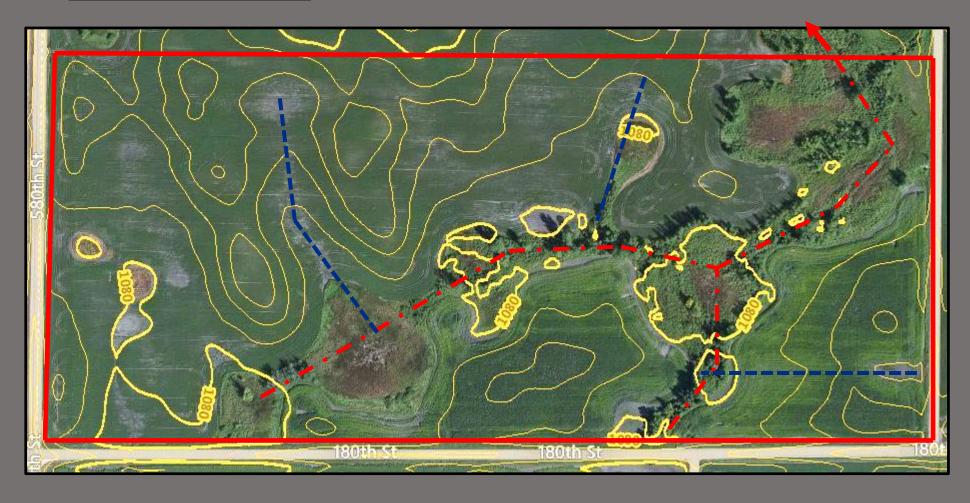


Drainage Ditch
 Drainage Tile





Drainage DitchDrainage Tile





Ditch Plug
Tile Block



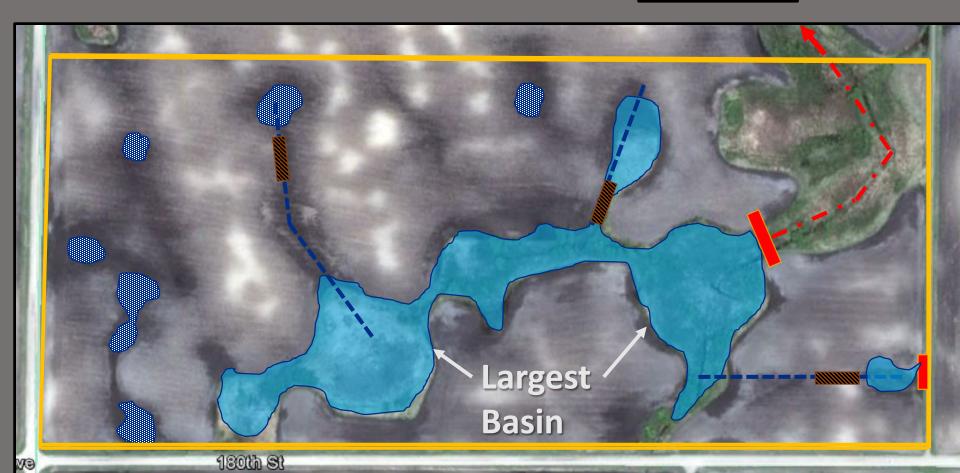


**Drained, Restorable Wetland Basin** 

Farmed Only - Basin

Ditch Plug Tile Block





**Drained, Restorable Wetland Basin (Pool)** 

Farmed Only - Basin

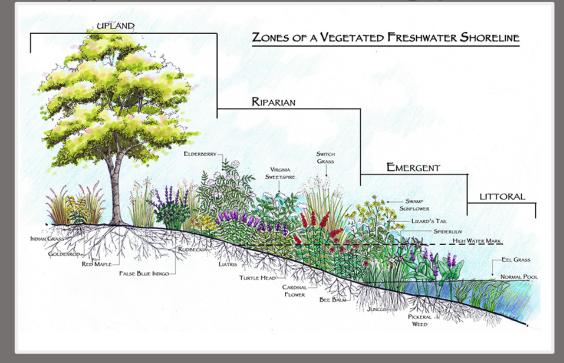
MN CREP

Wetland basin areas used for scoring purposes <u>not equal</u> to restored wetland areas used for conservation plans



Wet Meadow Wetland (saturated soils)

### Shallow/Deep Marsh Wetland (open water with wet fringe)





- For program purposes, drained wetlands not physically restored are still considered "minimally restored" upon establishment of vegetation
- Want to report <u>all</u> restored wetland acres via appropriate wetland practice within respective program conservation plans
  - Accomplishment reporting
  - Practice funding



### Determining Drained and Altered Wetland Areas

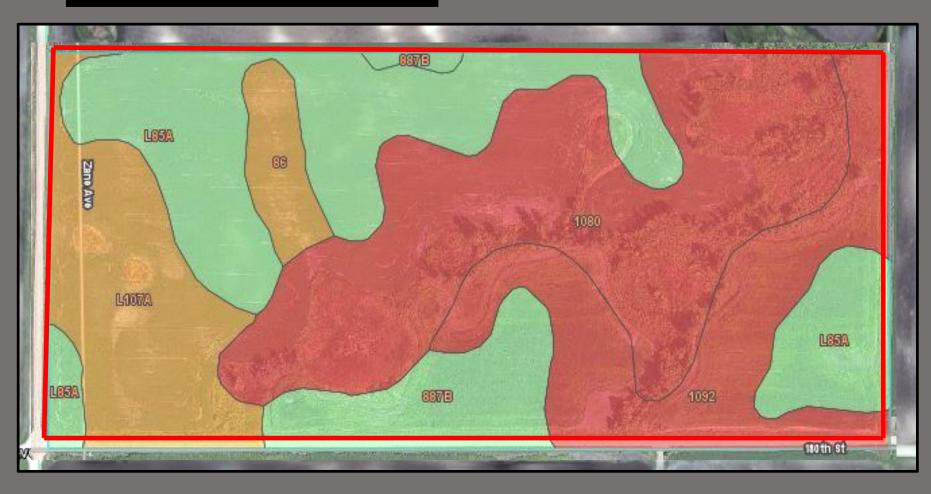
MN CREP RIM General Program Guidance Document - Appendix 1

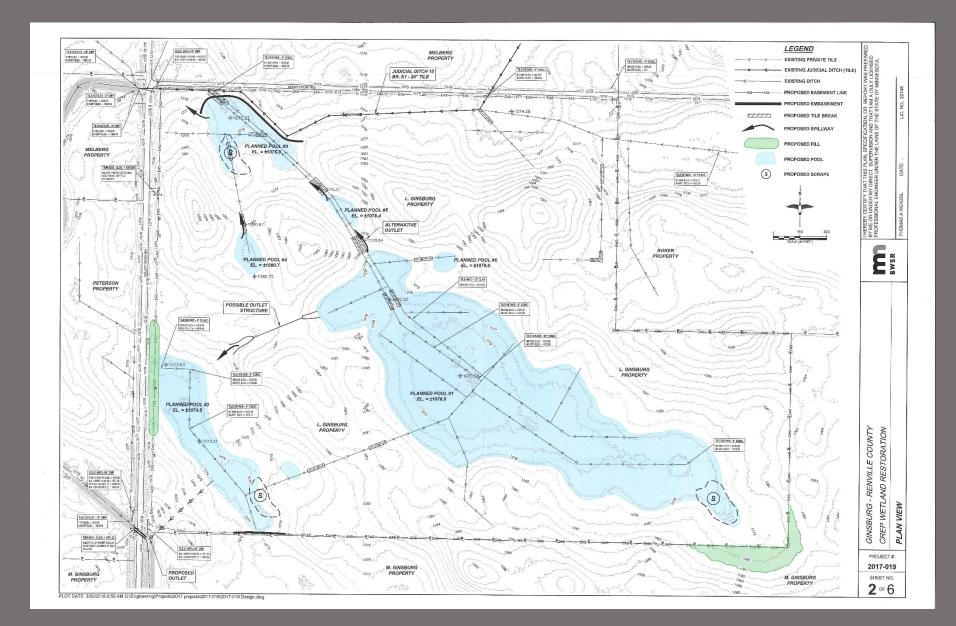
Predominantly Hydric

**Partially Hydric** 

**Predominantly Non-Hydric** 









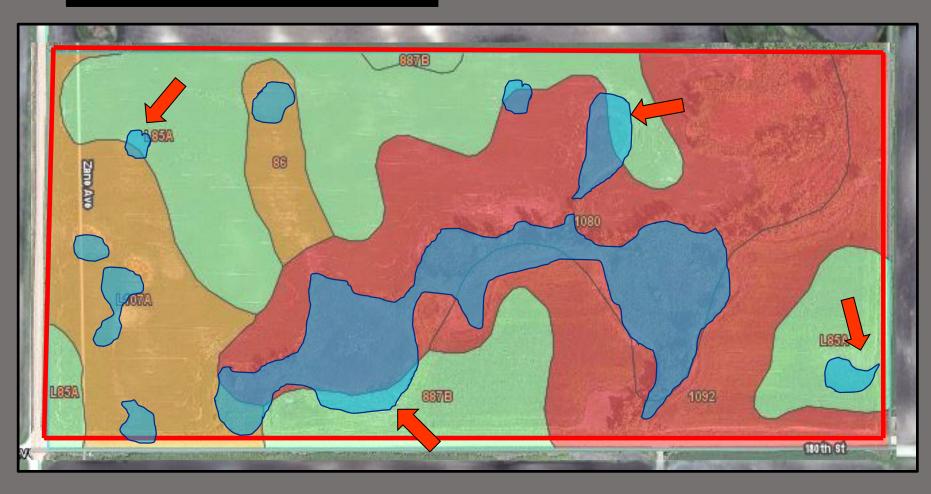
Predominantly Hydric

**Partially Hydric** 

**Predominantly Non-Hydric** 

Restorable Wetland Basin (Pool)





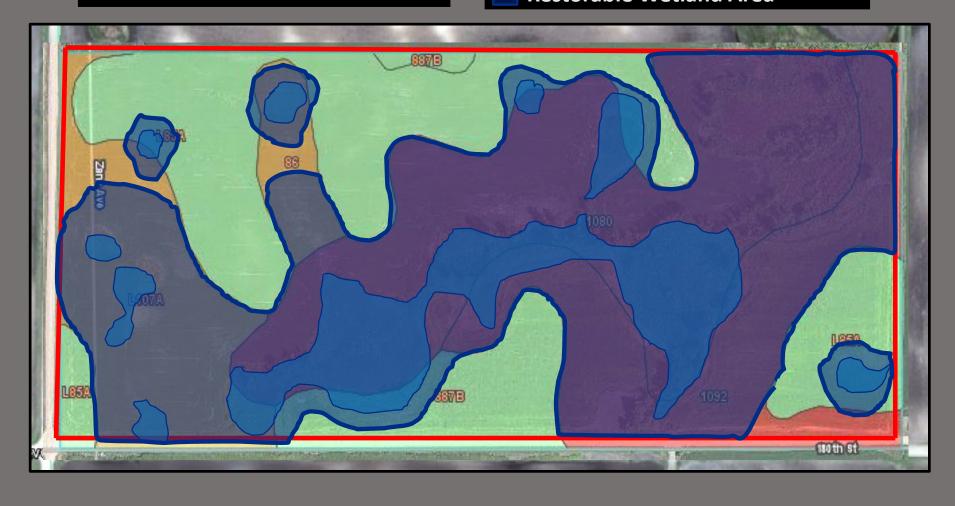
Predominantly Hydric

Partially Hydric

**Predominantly Non-Hydric** 

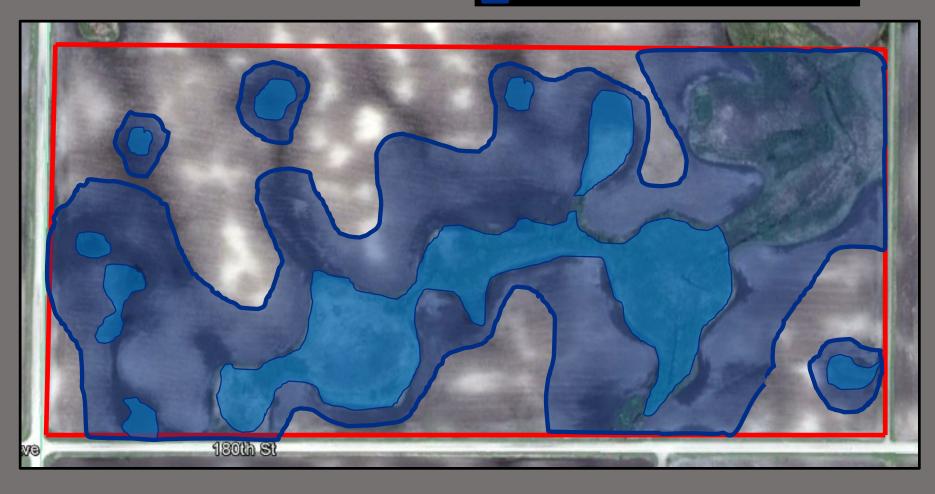
Restorable Wetland Basin (Pool)
Restorable Wetland Area





Restorable Wetland Basin (Pool)
Restorable Wetland Area





### Determining Drained and Altered Wetland Areas



# Questions?



# Questions & Answers