

Natural and Scenic Area Grant Program

2019 Program Manual



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I. PROGRAM INFORMATION

The Natural and Scenic Area program assists local governments and school districts in acquiring fee title acquisition and permanent easement acquisition of natural and scenic areas. Applications must be submitted by **March 29, 2019** to be eligible for funding assistance for the current year.

The Natural and Scenic Area Grant Program is intended to protect high quality natural and/or scenic areas. Additionally, public access should be provided to the extent necessary to allow users to experience the natural and scenic qualities protected. High levels of development or active use are not appropriate.

FUNDING

The program finances projects using state dollars authorized by the Minnesota State Legislature. Typically, the state dollars available are either state bond dollars or Environment and Natural Resources Trust Fund dollars recommended by the Legislative Citizens Commission on Minnesota Resources (LCCMR). In addition to state funds, federal funds may be available through the Land and Water Conservation Fund (LAWCON). The amount of grant dollars available for distribution each year varies. Applications are solicited in advance of the actual appropriation to ensure that projects are ready to start after the funding becomes available.

GRANT AWARDS AND MATCH REQUIREMENTS

Grants are reimbursed up to 50 percent of the total eligible costs. The remaining 50 percent "local share" can consist of cash or the value of materials, labor and equipment usage provided by the local sponsor or by local donations or any combination thereof. Volunteer unskilled labor is valued, for this grant program, at \$9.00 per hour. The minimum grant award is \$10,000 and the maximum grant award is \$500,000.

Costs must be incurred and paid for before reimbursement can be made. Grant agreements generally expire within 24 months and projects must be completed by then.

ELIGIBLE APPLICANTS:

Cities, counties, townships and school districts.

Note: The applicant must be the current or intended owner and manager of the property to be acquired or developed. Multi-organization collaboration is not required for this program.

ELIGIBLE PROJECTS:

- Fee title acquisition of natural or scenic areas.
- Permanent easement acquisition of natural or scenic areas
- Minimal betterment activities are eligible as part of an acquisition project including site surveying, boundary signing, and immediate measures needed to stabilize the site and ensure the safety of users

- Active restoration efforts are eligible as part of an acquisition project that would significantly improve the site's natural resource values.

INELIGIBLE FACILITIES AND COSTS:

Ineligible facilities or costs are those items that cannot be funded with a Natural & Scenic Areas Grant or included as part of the local match requirement. The following list includes common types of ineligible facilities. A determination of eligibility will be made by the Department of Natural Resources.

- Costs incurred before the grant contract start date
- Administrative Expenses, Contingency Allowance, Legal Fees
- Acquisition of land already in public ownership
- Incidental costs of land acquisition (Appraisals and legal fees)
- Recreational development
- Operation and maintenance
- Surveys of natural or archeological resources

GUIDELINES FOR USE AND DEVELOPMENT OF NATURAL AND SCENIC AREAS:

1. **Compatible Use and Development:** In general, outdoor recreation use of natural and scenic areas should be limited to passive outdoor recreation activities, such as nature observation, walking or hiking, bird watching, cross country skiing, snow shoeing, canoeing, photography and similar low impact activities. In some cases, environmental education activities may be appropriate. Limited facilities to support these activities, such as trails, overlooks, interpretive displays, benches, informational and boundary signing, protective fencing, and parking, are allowable uses. In some cases, rest room facilities and limited picnic facilities may also be compatible.

All development plans should be submitted for review and prior approval by the Local Grants Program staff of the Department of Natural Resources (DNR). Development proposals will be reviewed on a case-by-case basis, taking into account the specific characteristics of the natural and scenic area. Any development should be designed to avoid damage to natural resources and features, steer activities away from sensitive areas (such as steep bluffs, erosion prone shorelines, rare plant communities, etc.), and discourage inappropriate recreational use. Facilities must meet all safety and accessibility standards.

2. **Incompatible Use and Development:** Natural and scenic areas should not be developed for more active outdoor recreational uses, such as athletic fields and courts, campgrounds, motorized sports, etc. Any use or development that could result in damage to significant natural and/or scenic resources must be avoided. In some cases, it may be necessary to prohibit access to certain portions of the property to avoid damage to highly sensitive or rare resources. Protective fencing may be used when appropriate. Natural and Scenic Areas sites may not be used for a wetland mitigation or banking area. The intent of this program is to expand and protect natural and scenic areas and not provide areas that can be used for replacement of natural areas lost through development.

II. THE APPLICATION PROCESS

The application is available to download from the [Natural and Scenic Area Grant Program](#) web page. We urge applicants to begin the application process early in order to allow time to complete application requirements such as obtaining community involvement and completion of appraisals.

Completed applications are to be submitted electronically in a “.pdf” format by March 29, 2019 using the instructions in the application form. Staff members are available to discuss your project or review application materials. You are encouraged to submit any draft application or materials by March 9th if you would like staff to provide comments.

APPRAISAL REQUIREMENTS

The application must include an appraisal report by a general real property appraiser licensed by the State of MN and meet the Uniform Appraisal Standards for Federal Land Acquisition (UASFLA). The appraisal must include the DNR and the National Park Service as intended users and the landowner or designated representative must be given an opportunity to accompany the appraiser during the inspection of the property. Appraisals must have an effective date within 13 months of the application deadline.

If your application is selected for funding, you may be required to submit a technical review of the appraisal report conducted by an appraiser who is not associated with the original appraiser and who is qualified to perform technical reviews under the UASFLA and 49 CFR Part 24.104 See UASFLA Section C-1 for further guidance on technical reviews.

COMPETITIVE REVIEW AND SELECTION PROCESS

The program is competitive and requires a review and ranking process to make funding determinations and awards. The review and ranking process will take place after the application deadline, and funding announcements will be made in the summer/fall. Completed applications received later than the deadline will not be eligible for funding consideration during this cycle. Program staff will review applications and, if necessary, a site visit will be conducted.

MINNESOTA'S 2014-2018 STATE COMPREHENSIVE OUTDOOR RECREATION PLAN

The [2014-2018 State Comprehensive Outdoor Recreation Plan \(SCORP\)](#) is Minnesota's outdoor recreation policy plan. This plan was developed with the input of Minnesota outdoor and natural resource leaders. It establishes outdoor recreation priorities for Minnesota to assist outdoor recreation and natural resource managers, the state legislature, and the executive branch in decision-making about the state's outdoor recreation system and sets out criteria for awarding grants consistent with these identified priorities. This program focuses on the Strategic Direction, Acquire Land and Create Opportunities in the SCORP Plan specifically identified under Strategic Acquisition. Applications are assessed to ensure that the proposed project is consistent with priorities established in the SCORP document.

SELECTION PRIORITIES:

Natural Resources Qualities (Approximately 45%): Natural resources qualities include endangered, threatened, rare or special concern species or communities, high quality native terrestrial or aquatic ecosystems, ecological viability, outstanding geological or physiographic features, protection of water quality, protection of shoreland along rivers, lakes or streams, restoration efforts, high priority inholdings and potential vulnerability to exotic species.

Scenic Qualities (Approximately 25%): Scenic Qualities include, blufflands or other elevated terrain that afford an opportunity for viewing scenic vistas, viewing unique natural features, viewing unique historical or cultural features, protection of the scenic character of the landscape, and availability of public to access.

Other review components (Approximately 30%): Include adjacent lands, educational and scientific values, open space and historical/cultural values, cost vs benefit, match and local government commitment.

AWARD OF FUNDS

All applicants will receive official written notification regarding their request for funding. If your proposed project has received preliminary approval for funding, you will be contacted regarding additional information requirements needed before an agreement can be processed. These requirements may include Minnesota Historical Society review, permits and other details.

Projects cannot begin until all final documentation has been submitted and a grant agreement has been completed. This process can take three months to complete. Any project costs incurred prior to the start date of the grant agreement will not be eligible for reimbursement.

Payment of grant funds to the local sponsor is on a reimbursement basis. The grant recipient must initially expend monies that are then reimbursed under the terms of the grant agreement. A portion of the grant funds will be retained until a final inspection has been completed.

GRANTS AND PUBLIC INFORMATION

Under [MN Statute 13.599](#), responses to a request for proposal are nonpublic until the application deadline is reached. At that time, the name and address of the grantee, and the amount requested becomes public.

After the application evaluation process is completed, data (except trade secret data) becomes public. Data created during the evaluation process is nonpublic until the negotiation of the grant agreement with the selected grantee(s) is completed.

[MN Statute 13.44](#) categorizes estimated or appraised value of real property prior to purchase and sale as confidential data on individuals or protected nonpublic data. See also Minnesota Government Data Privacy Act for more information. This information, along with corresponding budget information, will be redacted from the applications before making them public.

III. PROGRAM REQUIREMENTS

LAND RETENTION REQUIREMENTS

CONVERSION OF USE: All land improved or acquired with assistance from this grant program must be retained and operated solely for natural and scenic purposes. The Grantee shall not at any time convert this property to other uses without the prior written approval of the State and for federal grants, the National Park Service. The State will consider a conversion request only after the following pre-requisites have been met:

1. All practical alternatives to the conversion have been evaluated and rejected on a sound basis.
2. The Grantee has agreed to replace the converted lands with other lands of at least equal fair market value and reasonably equivalent recreational usefulness as determined by the State.

The State shall have the authority to approve or disapprove conversion requests.

DEED RESTRICTION REQUIREMENT: The Grantee will be required to record a condition with the deed of the real property funded by the grant agreement that notifies the public of the grant and the grant program requirements.

The Site Boundary Map submitted with your application will delineate and establish the property boundaries subject to the grant agreement. Therefore, it is very important that any existing public facilities and any known future public facilities (e.g., wells, lift stations, roadway improvements, etc.) are clearly identified and excluded from the boundaries of the project. The site boundaries should include only the property that the project sponsor plans on managing for natural and scenic uses in perpetuity.

NATIVE RESTORATION REQUIREMENTS

All restoration activities will require a restoration and management plan to be submitted prior to contract approval and must follow the Board of Soil and Water Resources “[Native Vegetation Establishment and Enhancement Guidelines](#)” in order to ensure ecological integrity and pollinator enhancement.

When restoration activities are completed using grant funds, the grantee must conduct evaluations on parcels where activities were implemented both 1) initially after activity completion and 2) three years later as a follow-up. Evaluations should analyze improvements to the parcel and whether goals have been met, identify any problems with the implementation, and identify any findings that can be used to improve implementation of future restoration efforts at the site or elsewhere. Evaluation reports must be submitted to the State.

The grantee should consider contracting with the Conservation Corps of Minnesota for restoration activities.

REVIEW FOR POTENTIAL IMPACTS ON HISTORICAL/ARCHEOLOGICAL RESOURCES

The Minnesota Historical Society will be contacted to review your project to determine if the site is a potential location for historical or archeological findings. If the Historical Society determines that a survey is required, the survey would need to be completed prior to any site disturbance for development projects and prior to the final reimbursement of the grant funds for acquisition projects.

REPORTING REQUIREMENTS

It is the policy of the State of Minnesota to monitor progress on state grants by requiring grantees to submit written progress reports at least annually until all grant funds have been expended and all of the terms in the grant agreement have been met. A progress report form will be provided by program staff. Grant payments shall not be made on grants with past due progress reports unless program staff have given the grantee a written extension. [Policy 08-09: Grant Progress Reports](#)

MONITORING REQUIREMENTS

It is the policy of the State of Minnesota to conduct at least one monitoring visit per grant period on all state grants of over \$50,000 and to conduct at least annual monitoring visits on grants of over \$250,000. [Policy 08-10: Grant Monitoring.](#)

CONFLICT OF INTEREST

It is the policy of the State of Minnesota to work to deliberately avoid actual, potential and perceived conflict of interests related to grant making at both the individual and organizational levels.

A conflict of interest (actual, potential, or perceived) occurs when a person has actual or apparent duty or loyalty to more than one organization and the competing duties or loyalties may result in actions which are adverse to one or both parties. A conflict of interest exists even if no unethical, improper, or illegal act results from it.

Actual Conflict of Interest:

An actual conflict of interest occurs when a decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict. Examples include, but are not limited to:

- One party uses his or her position to obtain special advantage, benefit, or access to the other party's time, services, facilities, equipment, supplies, badge, uniform, prestige, or influence.
- One party receives or accepts money (or anything else of value) from another party or has equity or a financial interest in or partial or whole ownership of the other party's organization.
- One party is an employee, board member or family member of the other party.

Potential Conflict of Interest:

A potential conflict of interest may exist if one party has a relationship, affiliation, or other interest that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interests. For example, when one party serves in a volunteer capacity for another party, it has the potential to, but does not necessarily, create a conflict of interest, depending on the nature of the relationship between the two parties. A disclosed potential conflict of interest warrants additional discussion in order to identify the nature of the relationship, affiliation, or other interest and take action to mitigate any potential conflicts.

Perceived Conflict of Interest:

A perceived conflict of interest is any situation in which a reasonable third party would conclude that conflicting duties or loyalties exist. A disclosed perceived conflict of interest warrants additional discussion in order to identify the nature of the relationship, affiliation, or other interest and take action to mitigate any potential conflicts.

Organizational Conflict of Interest:

A conflict of interest can also occur with an organization that is a grant applicant or grantee of a state agency. Organizational conflicts of interest occur when:

- A grantee is unable or potentially unable to render impartial assistance or advice to the State due to competing duties or loyalties
- A grantee's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties
- A grantee or potential grantee has an unfair competitive advantage through being furnished unauthorized proprietary information or source selection information that is not available to all competitors.

The Grantee, by signing a grant contract with the State, must certify it has read and understands the Office of Grants Management [Conflict of Interest Policy 08-01](#), will maintain an adequate Conflict of Interest Policy and, throughout the term of the contract, monitor and report any actual, potential, or perceived conflicts of interest to the State.

CLOSEOUT PROCEDURES

Upon completion of your project, a final billing must be submitted to our office. Program staff will complete a final inspection of all development and/or redevelopment projects. The inspection will focus on ensuring that the project was completed in accordance with the grant agreement, that facilities developed are accessible and a funding acknowledgment sign is installed. Prior to final reimbursement of your grant and official closeout notification of your project, any problems that are revealed during the inspection must be corrected and a copy of the recorded deed restriction received.

All expenditures are subject to verification by an independent state audit and, therefore, you must retain all project records for a period of at least six years after you receive the official closeout notification letter.

Periodic post-completion inspections will be conducted to ensure that the site is being properly operated and maintained and that no conversion of use has occurred.

ACKNOWLEDGMENT SIGN

All projects acquired or developed with assistance from this program must display a state approved funding acknowledgment sign at the main entrance to the park. The grant program staff will provide the specific sign information.

AVAILABILITY TO USERS

Public property, facilities & programs that receive state assistance and future development of a site that has received state or federal assistance shall be open to entry by all persons regardless of race, color, national origin, religion or sex. No person shall, on the basis of disability shall be excluded from participation in any program or activity receiving state assistance. Finally, discrimination on the basis of residence, including preferential reservation, membership or annual permit systems is prohibited except to the extent that reasonable differences in admission and other fees may be maintained on the basis of residence. Fees charged to non-residents cannot exceed twice that charged to residents and must be comparable to fees charged at other state or local facilities.

IV. CONTACT INFORMATION

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