

# **Envision Michigan's Future: The Value of Protecting Michigan's Natural Resources**

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Heart of the Lakes Center for Land Conservation Policy

October 2010

## Heart of the Lakes Center for Land Conservation Policy

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## Heart of the Lakes Center for Land Conservation Policy

### **Envision Michigan's Future: The Value of Protecting Michigan's Natural Resources**

#### **Purpose**

**This document makes the case for the value of protecting Michigan's natural resources and outlines the role of Michigan land conservancies among the many organizations throughout the state working to achieve individual and cumulative conservation goals in Michigan.** Specifically, this report provides background, identifies and advocates the vital role Michigan land conservancies' private **land protection priorities** play in increasing Michigan's prosperity and conservation success. It recommends policy action for strategically connecting and protecting the network of land and water across the state - Michigan's most defining resources.

As a communication tool for Heart of the Lakes' members and partners, the document should be utilized in full or by individual section in talking with policy makers, stakeholders and funders. The document outlines specific policy action recommendations that will have implications on federal, state and private funding for these issues. Providing a common message among conservancy members and conservation partners will help ensure clear, unified needs and goals to policymakers. Accompanying fact sheets that summarize each section should be used to guide talking points. Fact sheets are available in an appendix to this document and downloadable from Heart of the Lakes' website.

# 1. The Role of Michigan Land Conservancies

## ***Protecting Natural Resources on Private and Public Lands***

Michigan land conservancies help families and communities protect natural and working lands forever. At the heart of conservancy work are the willing landowners who understand the importance of their lands and the ecosystem services and aesthetic beauty they provide in the context of the state's varied land-based resources. Conservancies have a fundamental understanding of how thoughtful land protection enriches lives, secures cherished places, and meets basic needs for the people of Michigan: clean water and air, safe and abundant local foods, healthy and diverse wildlife populations, sustainable working forests, and equitable access to some of Michigan's most special places.

Today, Michigan land conservancies (Figure 1.1), 501(c)(3) nonprofit entities, have worked with hundreds of landowners to protect over 500,000 acres of natural and working lands that not only enhance regional quality of life, but also enrich Michigan's tourism, agriculture and forestry economies. They use voluntary, market-based tools to protect land. Conservancies act swiftly and professionally to help families, communities and the State of Michigan permanently protect lands of local, regional and statewide significance.

In addition to the ecosystem services Michigan's citizens receive from individual land protection projects, like cleaner air and water, many conservancies also protect lands that provide public access opportunities to natural preserves and sanctuaries in some of Michigan's most beautiful places.

Conservancies engage thousands of generous volunteers and landowners in stewardship activities to maintain the conservation values of the lands they help to protect. This not only provides an educational experience linking healthy lands with healthy water, it also allows individuals to appreciate the intangible benefits of preserving places of scenic beauty and recreational opportunity.

## ***Heart of the Lakes Supports Land Conservancies***

Heart of the Lakes strengthens the collective efforts of Michigan's land conservancies and organizations dedicated to the conservation of the state's environmentally and economically significant lands. Heart of the Lakes provides leadership, innovative ideas, and advocates for smart public policy for the benefit of our communities and for Michigan's future. Founded by Michigan land conservancies, Heart of the Lakes does what no individual land conservancy can do on its own; it unites them under the common goal of protecting Michigan's critical lands. Heart of the Lakes represents land conservancies in several emerging partnerships with state, federal and nonprofit organizations who are working together to help strategically plan for the health of Michigan's lands and waters.

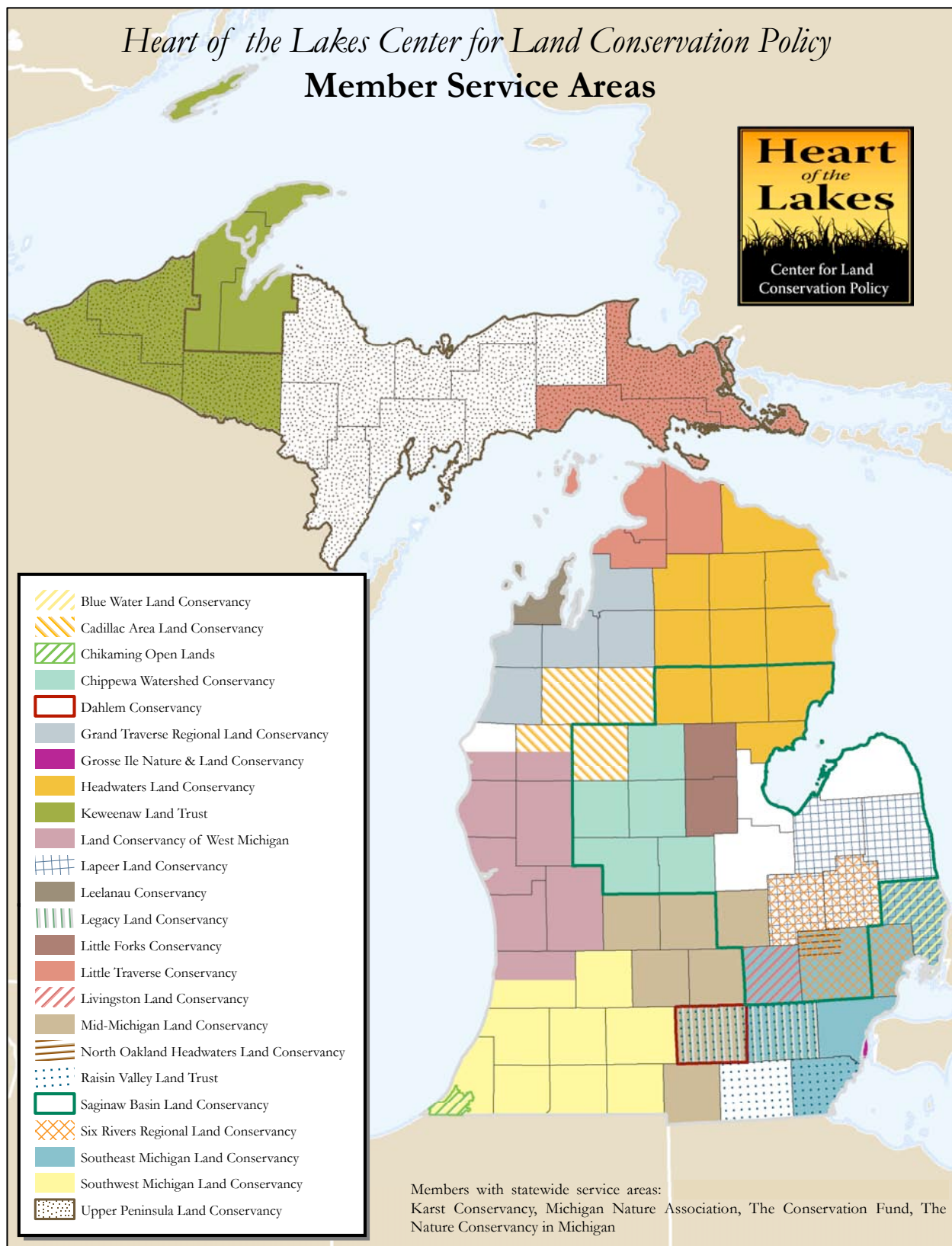


Figure 1.1. Map of Michigan's land conservancy service areas

## ***Conservation Priorities: Identifying Strategic Lands for Conservation***

Michigan land conservancies are playing an increasingly important role in, quite literally, shaping Michigan's landscape for future generations. Conservancies are strengthening their conservation planning efforts, along with their business models, to ensure that ever-diminishing resources are spent strategically with both science and society in mind as they protect Michigan's unique ecosystems and special places.

Strategic conservation planning allows land conservancies to protect land more efficiently by creating a regional land protection vision and setting clear conservation priorities. It builds upon science-based decision-making and also takes into account the social and economic priorities of regional land conservancies.

Michigan's land conservancies are protecting critical private lands within the nearly 80% of Michigan that is privately owned. Conservancies often focus on specific land cover types for their biological, social and recreational value as well as for the ecosystem services they provide. Some examples of broad land cover types conservancies protect are:

- Lands that directly affect watershed health and impact water quality
- Large, contiguous areas of farmland harboring productive soils and wildlife habitat
- Areas of scenic or recreational value
- Areas of high connectivity that increase existing areas of unfragmented natural or working land
- Areas of high biodiversity that are representative of Michigan's native plants and animals
- Habitat that supports state and federal threatened or endangered species or increases integrity of ecosystem function

Through helping conservancies view their work within the context of other statewide conservation efforts, advocating a proactive policy agenda, and providing training and capacity-building resources, Heart of the Lakes is helping Michigan land conservancies increase the pace of strategic protection of Michigan's vital land resources for future generations.

## ***Policy Priorities***

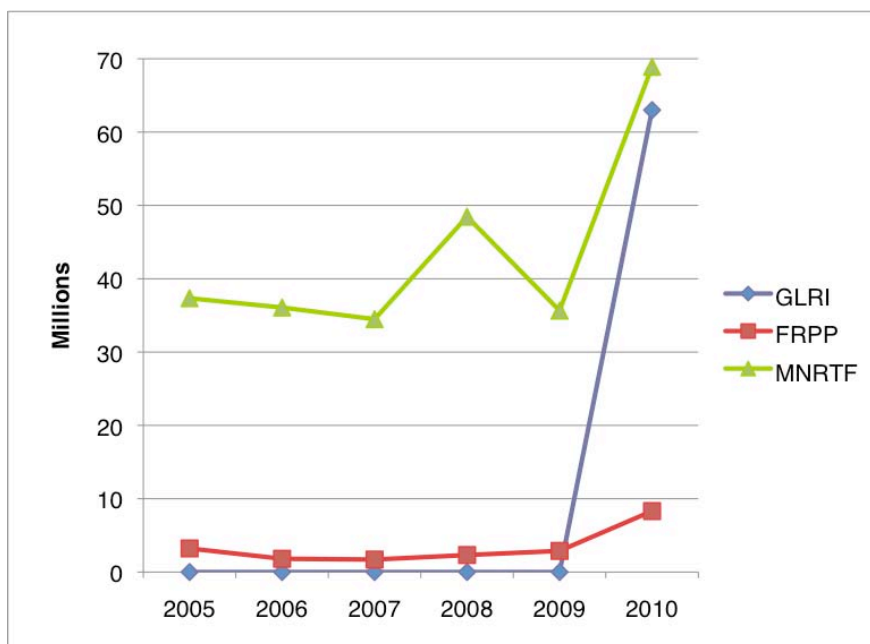
The Great Lakes are the largest source of fresh water on the planet. In coming years, water quality and availability will be determining factors in whether native ecosystems, individual wildlife populations or Michigan's farms can remain viable – thus affecting the lives of every Michigan citizen. Over 38,000 miles of rivers and streams, 19.3 million acres of forest, and 10 million acres of farmland provide scenic vistas, recreational opportunities, jobs, food and fiber sources for Michigan citizens. They support our thriving land-based enterprises (hunting, fishing, forestry, agriculture and tourism) and are among Michigan's most defining resources.

Significant opportunities exist now to have a tremendous impact on water quality, farmland preservation and protection of Michigan's most biologically and recreationally important

places. Federal programs such as Farm and Ranch Lands protection Program (FRPP) and Great Lakes Restoration Initiative (GLRI) as well as the state of Michigan's Natural Resources Trust Fund afford these opportunities (Figure 1.2.). An increased understanding by policy decision makers in the involvement that land conservancies have in protecting and conserving Michigan's lands for future generations, improving Great Lakes health through headwaters land protection work, farmland protection, removal of invasive species, and restoration of fundamental ecosystem function must be communicated if:

- 1) Conservancies are to expand Great Lakes Restoration Initiative opportunities for funding permanent land protection on lands critical to water quality,
- 2) Michigan is to continue receiving federal farmland protection funding through FRPP. Additionally, to maximize leveraging power of FRPP funds, Michigan must develop novel approaches to state funding streams and to generate local match, making our Michigan farmland preservation challenge two-fold, and if
- 3) Conservancies are to continue critical land protection actions made possible by Michigan Natural Resources Trust Fund dollars and explore continued application of future oil and gas revenues to conservation purposes.

We must take advantage of the increased federal and state attention to these issues that are core to Michigan's livelihood and be strategic in applying for and advocating for core conservation policy priorities.



(2010 FRPP total includes \$2.1 million in GLRI funds distributed through FRPP)

**Figure 1.2.** Federal water quality protection, federal farmland protection and Michigan Natural Resources Trust Fund dollars allocated to Michigan conservation between 2005-2010.



## 2. Collaboratively Protecting Michigan's Water Resources

When Congress authorized funding for the Great Lakes Restoration Initiative (GLRI) in fall 2009, many in the land conservancy community hoped that substantial additional funding would become available for protecting source waters and coastal lands through targeted land and conservation easement acquisitions. Those expectations have not been met to date (October, 2010). However, Heart of the Lakes believes that both GLRI and critical Michigan land protection goals could be met and efforts strengthened with increased land conservancy participation moving forward.

Heart of the Lakes believes that by communicating the important work that Michigan land conservancies have led and partnered in - assisting landowners in permanently protecting waterways, working lands, and wetlands that feed into the Great Lakes - conservancies will be better positioned to collaborate with partners who share the same priority areas for targeted conservation work moving forward. By leveraging multiple entities' strengths and increasing collaborative opportunities, regional conservation goals can be met in a more comprehensive manner, thus achieving existing local and regional goals as well as those identified by EPA's upcoming 2011 GLRI request for proposals.

Michigan land conservancies have been engaging in work that answers GLRI's call. They restore wetlands, remove invasive species from critical coastal areas and inland waterways, protect source waters and safeguard strategic lands in perpetuity for overall watershed and Great Lakes health. Statewide and regional strategic conservation planning efforts have targeted key areas that they will continue working to protect and restore in coming years through landowner outreach and collaborative stewardship efforts.

### ***The Land-Water Connection***

Michigan's working lands and water resource base are vitally important to the state's economy, to our quality of life, and to the character of our environmental resources. Over 38,000 miles of rivers and streams (including 868 miles of which are classified as Blue Ribbon Trout Streams due to their high water quality) support a world-class fishery; 19.3 million acres of forest and 10 million acres of farmland provide scenic vistas, recreational opportunities, food, fiber and wood product sources. Together, they support Michigan's thriving land based enterprises (hunting and fishing, forestry, agriculture, and tourism).

The Great Lakes surrounding Michigan are the largest source of fresh water in the world. **What we do on the land affects the quality and quantity of Great Lakes waters, its tributaries and surrounding wetlands** through runoff and drainage. Availability of Michigan's water resources is important to:

- Michigan's 10 million citizens who rely on a safe and abundant source of drinking water,
- Farmers who grow over 120 crop types in the state's varied soils and growing climates,



- Forest products industry and recreational users who contribute \$12 billion annually to Michigan's economy and hold 200,000 associated jobs,
- Recreational anglers, 1.4 million resident and 318,000 nonresident, purchase licenses and contribute an estimated \$2 billion annually to our economy; sportfishing contributes \$3.7 billion and equates to over 27,000 jobs, and to
- Michigan's wetlands, which provide breeding/spawning and foraging habitat for wildlife and play a key role in maintaining water quality through filtration of pollutants and sediment.

### ***Land Conservancies Protect Lands that Maintain Healthy Waters***

Land conservancies understand that the health of the Great Lakes and the streams and rivers supplying them, depend on an intact and healthy headwater stream network. Great Lakes health depends in large part on the smaller waters carrying the appropriate amount of sediment and nutrients. Natural water-flow levels that sustain, but do not overwhelm, river corridors and terrestrial and aquatic wildlife habitat are also critically important. Healthy water systems thrive in healthy landscapes where sediment and nutrient runoff are controlled by native vegetation and intact, functional landscapes.

Michigan land conservancies assist landowners along many of Michigan's most pristine rivers, streams, inland lakes and Great Lakes shorelines; protecting the intrinsic value of their land and therefore maintaining the water quality in their watershed and ultimately in Michigan's Great Lakes. Conservancies play a critical role in coastal and wetland protection and restoration, invasive species removal, and conservation of some of Michigan's most valuable working lands, which can be waterway offenders (soil runoff, nutrient loading) if responsible management practices aren't used.

**Conservancies act strategically in their protection and restoration efforts with an impressive diversity of partnerships and funding sources to target lands for protection and restoration that maintain regional and Great Lakes water quality.** These actions are a substantial investment on the part of funders, partners, and the conservation practitioners and volunteers who dedicate time and energy to this work. Statewide examples of land conservancy successes include:

- **Paw Paw River Watershed**, one of the most ecologically diverse areas in southern Michigan is a focus area for Southwest Michigan Land Conservancy, The Nature Conservancy and Michigan Nature Association. Spanning 400 square miles of forested wetlands, prairie fens and marshes, it provides valuable habitat to five known federally endangered plant and animal species. Comprehensive priority mapping for watershed health has targeted specific areas within the watershed using criteria developed by a creative partnership with local and state government, nonprofits, landowners, and Michigan State University. Collaborative partnership and funding efforts have led to nearly 2,000 acres of preserved public and private land within the Paw Paw River watershed with more on deck in the coming year.

- **Michigan Dune Alliance**, a partnership of land conservancies along Michigan's west coast, received *Sustain Our Great Lakes* funding to conduct surveys, invasive species control, and monitoring of seven major invasive plants that threaten dune stability, coastal wetlands and forests along the 505-mile shoreline of eastern Lake Michigan.
- **Arcadia Marsh**, a freshwater estuary located in northwest Michigan targeted for protection by Grand Traverse Regional Land Conservancy, Ducks Unlimited and other partners to restore coastal streams and marshland. The Marsh's preservation and restoration as a natural preserve is critical to the protection of this regionally important watershed. It serves as a spawning and nursery area for yellow perch and northern pike among other native fish and provides important stopover, breeding, and foraging habitat for migratory bird species. Grand Traverse Regional Land Conservancy has protected over a quarter of the 16,000-acre Arcadia Lake Watershed.
- The **Bioreserve Project** in southeast Michigan aims to protect remaining natural areas within the Huron River Watershed. The Huron River Watershed Council has created a Bioreserve Map of these remaining natural areas; is working with local governments to develop policies to protect natural areas; is providing information to natural area landowners to help them manage and maintain their natural areas; and is helping local governments and land conservancies including Legacy, North Oakland Headwaters and Livingston Land Conservancies, to prioritize limited funding to preserve the most critical natural areas first.

### **Watershed Management Planning**

Watershed Management Plans consider all uses, pollutant sources, and impacts within a drainage area and serve as guides for communities to protect and improve the water quality.

Conservancies have received or partnered in at least 17 Clean Michigan Initiative (CMI) Nonpoint Source Pollution Control Grant program projects and grants from Section 319 of the federal Clean Water Act. Funds have been used to implement best management practices (BMPs) identified in required Watershed Management Plans on nearly 11,000 acres of targeted lands for sustained or improved water quality.

The CMI was a \$675 million bond approved by Michigan voters in 1998 to improve and protect Michigan's water resources. Watershed Management Plans approved for CMI adhere to specific Michigan Department of Natural Resources and Environment approved criteria. Implementation funds for BMPs identified in approved Watershed Management Plans available under Section 319 must also meet the USEPA nine minimum elements ([www.epa.gov/owow/NPS/Section319/319guide03.html](http://www.epa.gov/owow/NPS/Section319/319guide03.html)).

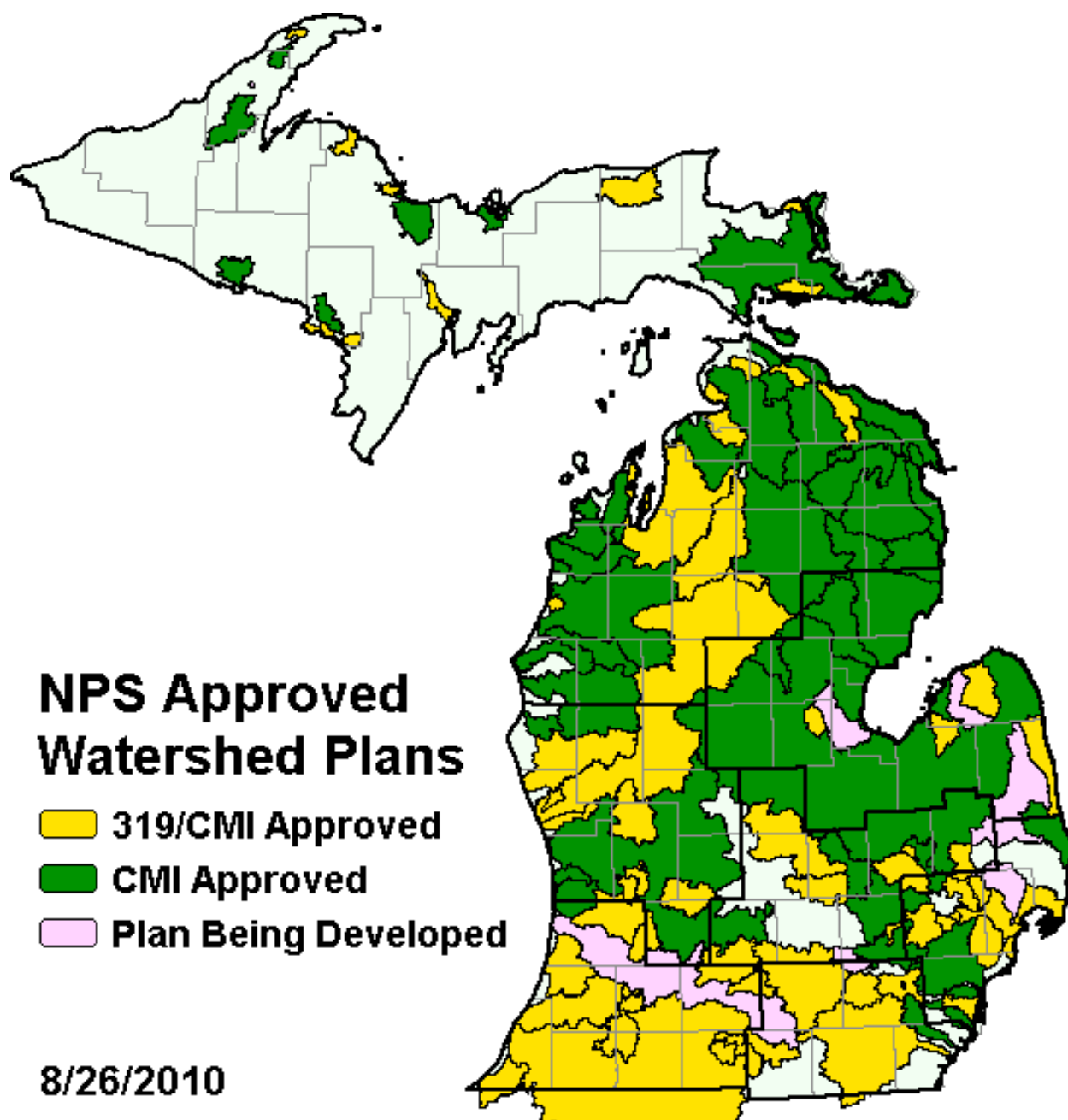


Figure 2.1. Michigan land conservancies have received or partnered in 17 Clean Michigan Initiative (CMI) Nonpoint Source Pollution Control Grant program projects and grants from Section 319 of the federal Clean Water Act. Funds have been used to implement best management practices identified in required Watershed Management Plans on nearly 11,000 acres of targeted lands for sustained or improved water quality.

## ***Strategic Conservation Planning for Water Quality Protection***

Land conservancies have a long history and involvement in protecting regional water quality and Great Lakes health. Conservancies use relationships with partners and landowners, knowledge of the landscape's history and potential, and strategic conservation planning to identify their regional conservation goals and target lands for protection and restoration.

Strategic conservation planning allows conservancies to protect land more efficiently by creating a regional land protection vision and setting clear conservation priorities. It builds upon science-based decision-making and also takes into account regional social and economic priorities.

Heart of the Lakes has worked with the Michigan State University Institute of Water Research (MSU IWR) to begin gathering information to provide conservancies with a stronger foundation for strategic conservation planning to maintain and improve water quality. Figures 2.2 – 2.8 below are examples of information conservancies can use to **map what successful land protection to reduce sedimentation and contaminant loadings from agriculture lands looks like in Michigan**.

The series of maps show a coarse statewide resolution view (8-digit watersheds) of sediment loading rates (Figure 2.2), total sediment loading (Figure 2.3), phosphorus loading rates (Figure 2.4), and nitrogen loading rates (Figure 2.5). From the statewide look at sedimentation and contaminant loading, conservancies can choose to focus on finer-scaled 10-digit (Figure 2.6) and 12-digit (Figure 2.7) sub-watersheds to gain greater insight into specific geographic regions and tributaries contributing to water quality degradation and thus, where lands contributing to water quality threats are located. Figure 2.8 is a field-level example of how a conservancy can utilize MSU IWR's High Resolution Targeting (HIT) model to view land at the parcel level (30-meter resolution aerial imagery).

The HIT model provides estimates of annual sediment loading at spatial resolutions of 900 square meters by combining erosion estimates from MSU IWR's Revised Universal Soil Loss Equation (RUSLE) with delivery ratios from the Spatially Explicit Delivery Model (SEDMOD). The data of these smaller areas were aggregated to generate estimates for entire sub-watersheds of the priority basins. These estimates reflect soil particles detached through sheet erosion, not wind, bank, or gully erosion. Therefore the estimates are likely much less than the amount of eroded soil actually reaching the stream network. Additionally, the estimates only represent overland sediment loading to the edge of streams; they do not account for instream dynamics, such as deposition, impoundment, and re-suspension. Therefore, it would be difficult to adequately compare these estimates to monitoring data gathered at the mouth of a basin. However, the estimates can be used to perform relative comparisons between sub-watersheds and in general prioritization efforts. Phosphorus and Nitrogen loading data was estimated using EPA's AtTILA (Analytical Tools Interface for Landscape Assessments), which links land cover classes to empirically derived loading coefficients.

Some identified areas may be locations where best management practices should be employed and conservancies may choose to work with Conservation Districts or other partners to stop runoff from these areas. Alternatively, these maps also highlight lands critical for protection to prevent increased sediment and nutrient loading in a particular tributary or within a watershed. Having both coarse- and fine-scale data will help conservancies develop long-term land protection goals as well as prioritize short-term land protection and stewardship decisions. Land conservancies can use this statewide data as a starting place and then focus in on their service areas, overlaying localized watershed priority mapping work they have completed, using region-specific criteria for prioritization in the context of statewide impact to better inform their land protection targeting and decision-making efforts. Forestry and urban development are two other sources of sedimentation and nutrient loading that are not reflected in these maps. Working with IWR and/or others to develop these additional data layers would provide further insight into protection of source water, watershed and Great Lakes health.

### ***Land Protection Policy Strategies for Great Lakes Health***

Michigan land conservancies have been engaging in conservation and restoration efforts that address GLRI objectives. Statewide and regional strategic conservation planning efforts have targeted key areas where conservancies will focus landowner outreach and continue working to protect and restore, thus ensuring healthy waters in surrounding lakes, streams, wetlands and our Great Lakes.

Conservancies recognize the value of collaboration and are strategically partnering to maximize GLRI and other state and federal funding to achieve protection and restoration goals for lands that sustain Michigan's valuable fresh water system.

Individually, conservancies act swiftly and professionally to help families, communities and the state of Michigan permanently protect lands of local, regional and statewide significance. Together with a wide variety of partners including local and state government, other nonprofits, MSU Institute of Water Research and other university entities, conservation efforts can be strategically multiplied; ecosystem services for Michigan's citizens ensured on larger scales; and regional goals of water quality protection met while achieving common land protection goals.

**Heart of the Lakes will advocate for full appropriations originally proposed by the Obama Administration for the Great Lakes Restoration Initiative (\$465 million annually) so that conservancies and their partners can continue to expand opportunities for permanent land protection in areas critical to water quality of our Great Lakes.**



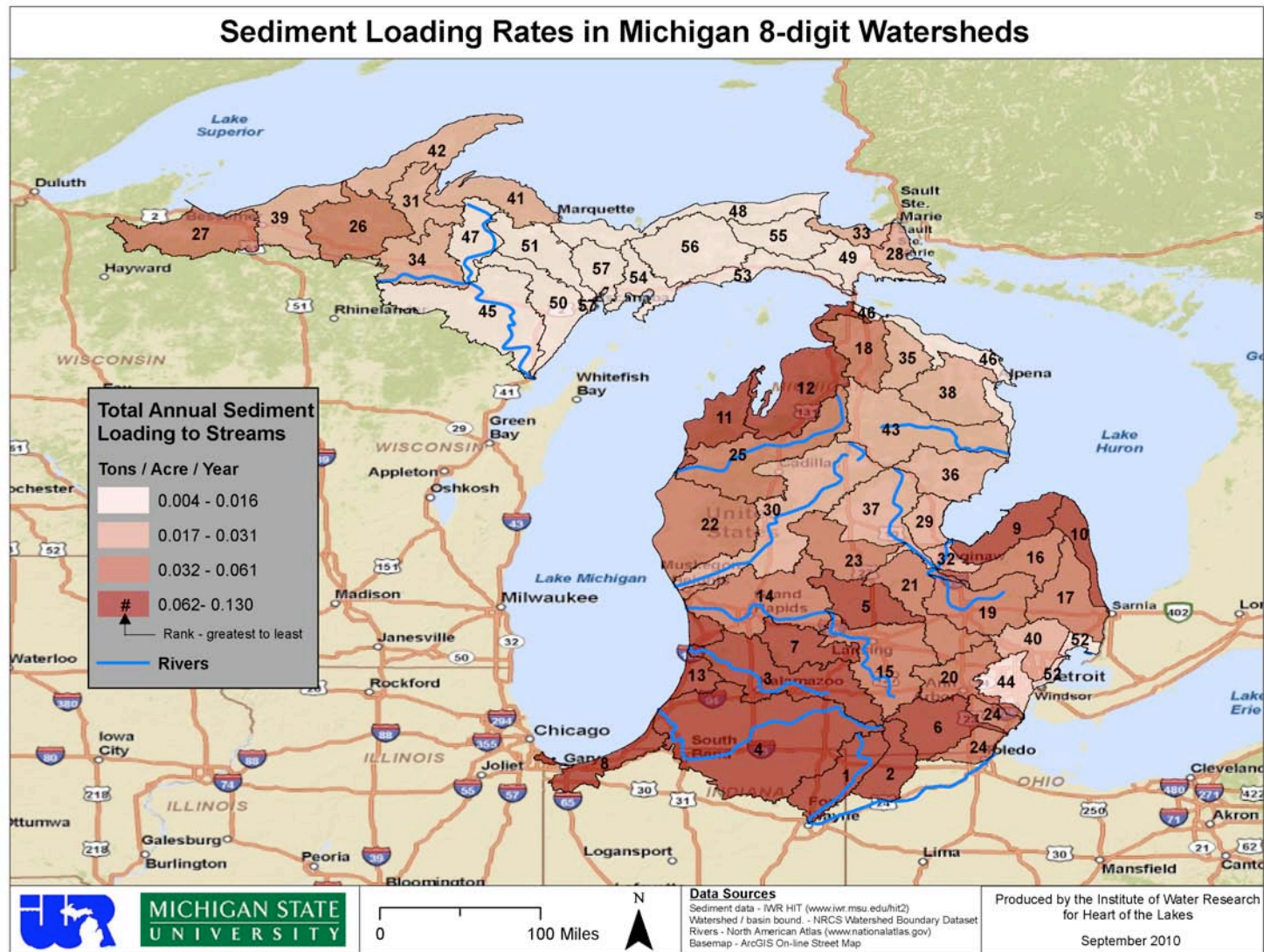


Figure 2.2. Sediment loading rates in Michigan 8-digit watersheds

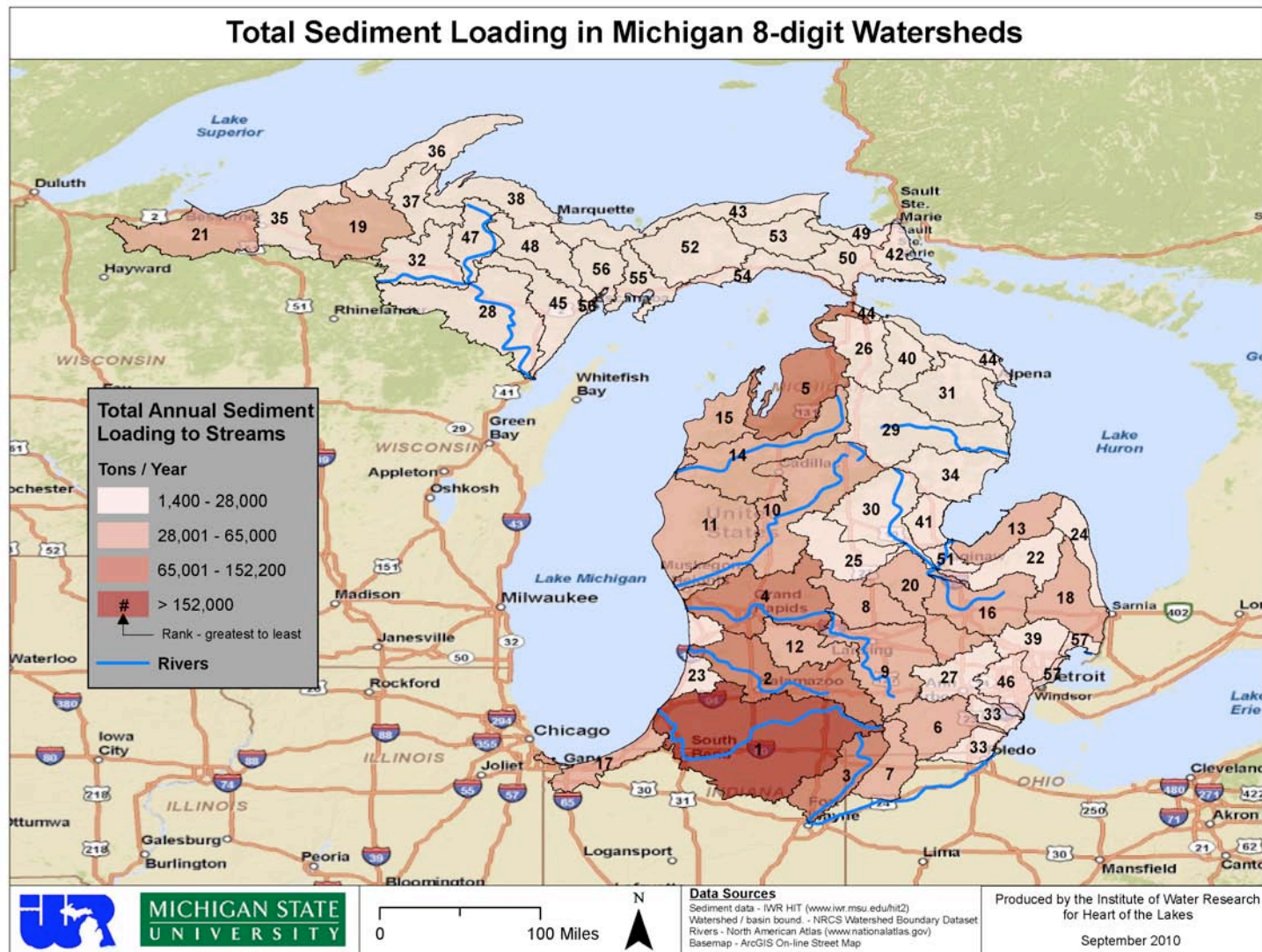


Figure 2.3. Total sediment loading in Michigan 8-digit watersheds



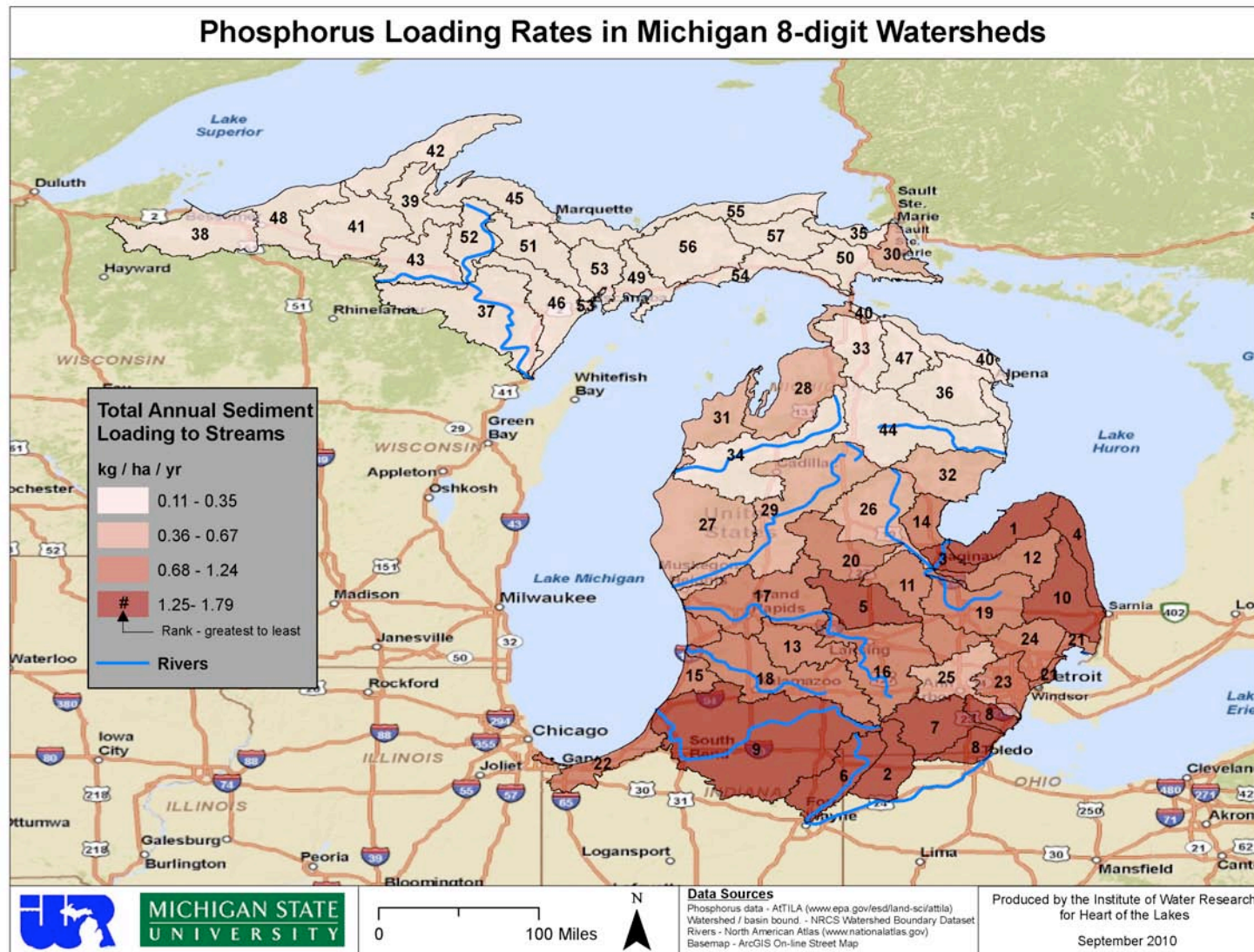


Figure 2.4. Phosphorus loading rates in Michigan 8-digit watersheds

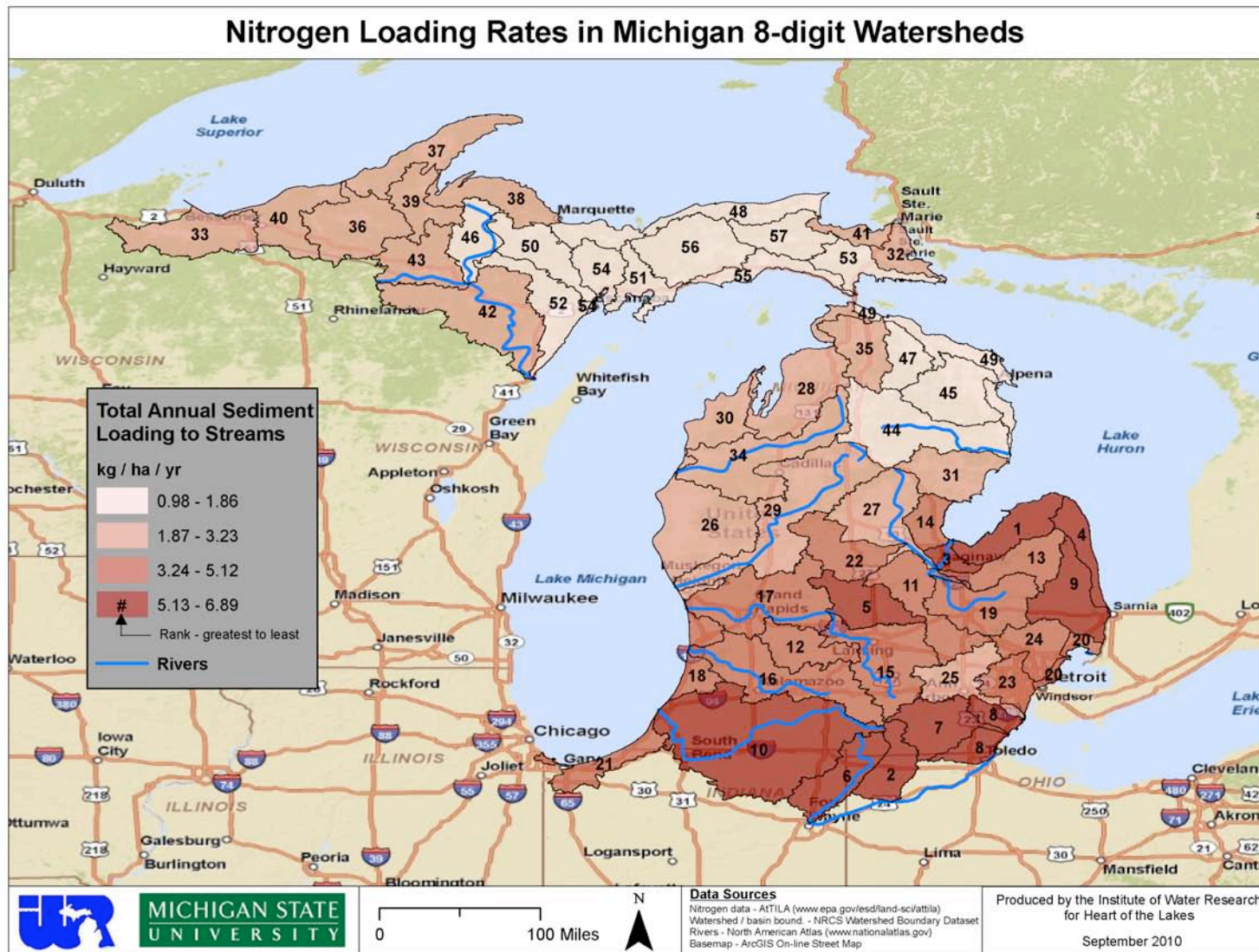


Figure 2.5. Nitrogen loading rates in Michigan 8-digit watersheds



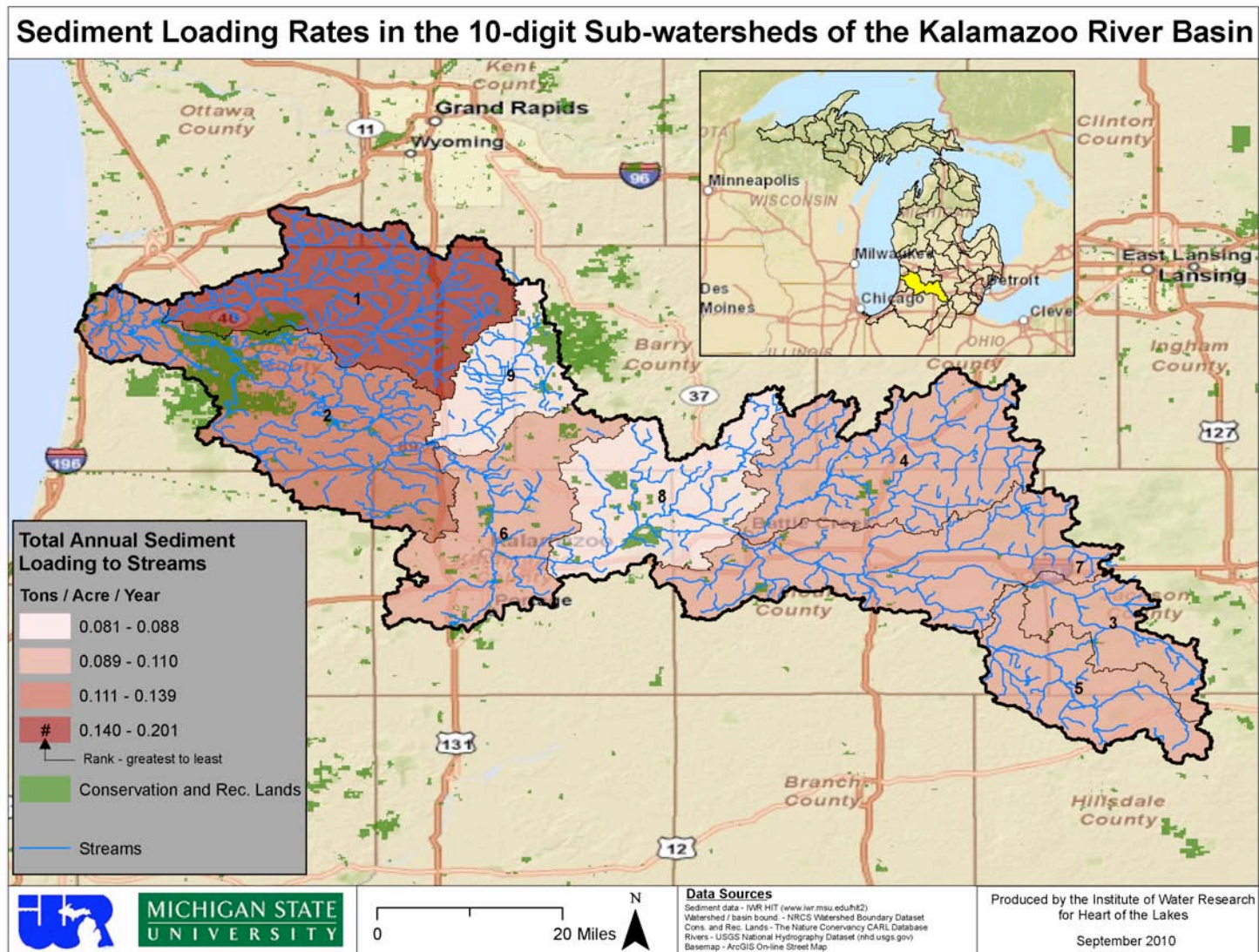


Figure 2.6. Sediment loading rates in the 10-digit sub-watersheds of the Kalamazoo River Basin

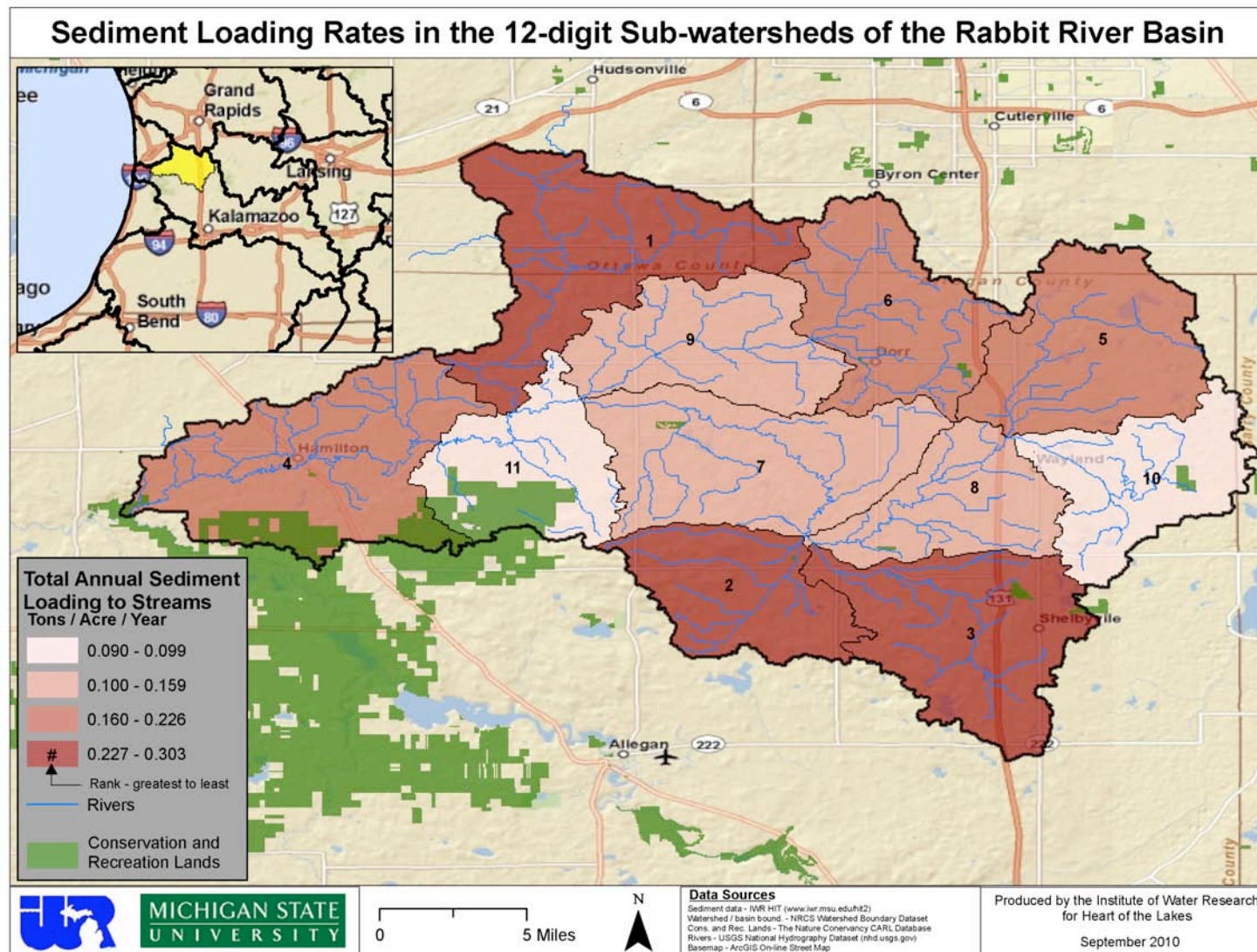


Figure 2.7. Sediment loading rate sin the 12-digit sub-watersheds of the Rabbit River Basin



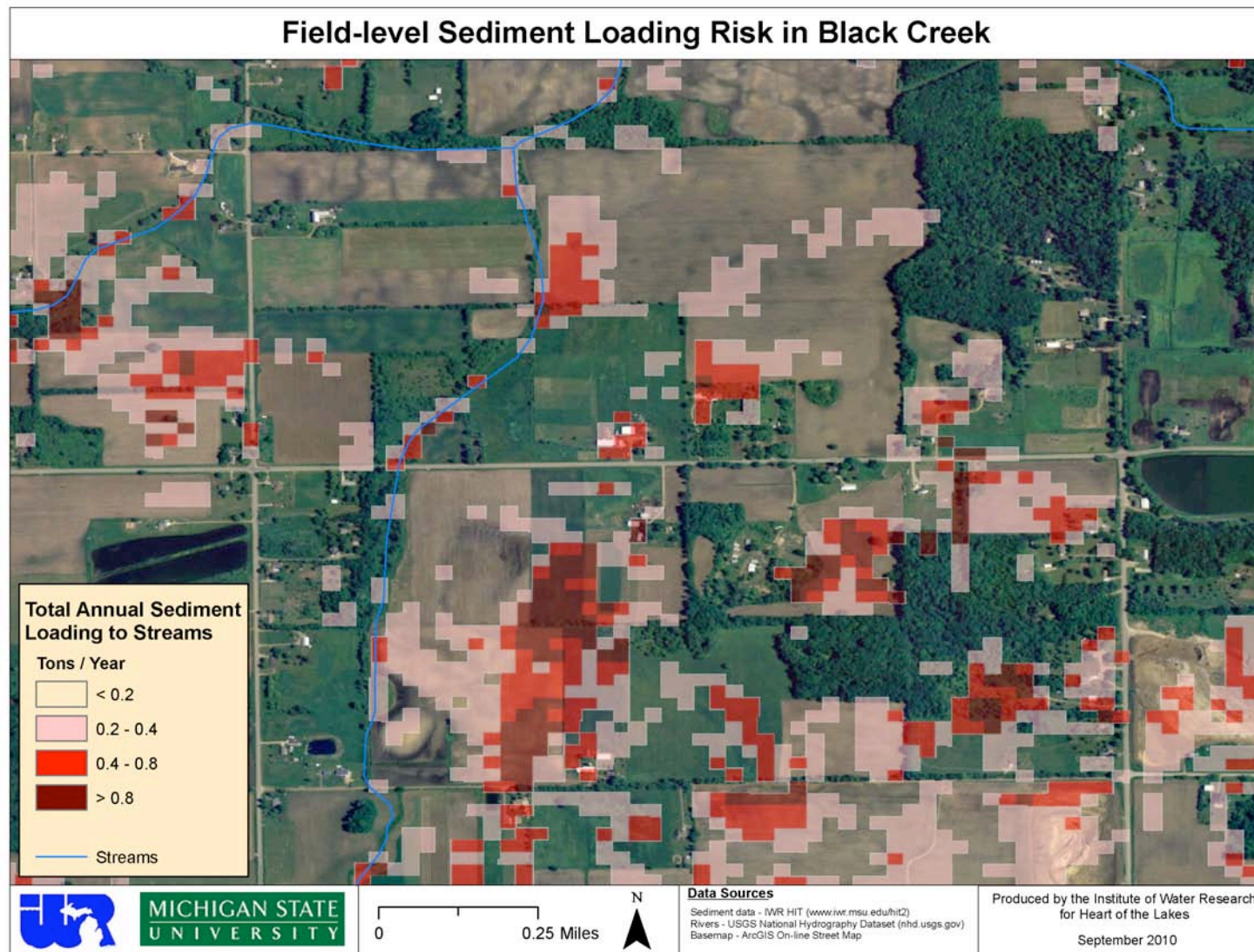


Figure 2.8. Field-level sediment loading risk in Black Creek (30m resolution)

### **3. The Value of Michigan's Farmland**

#### ***The Land-Water Connection***

Michigan's working lands and water resource base are vitally important to the state's economy, to our quality of life, and to the character of our environmental resources. Over 38,000 miles of rivers and streams support a world-class fishery; 19.3 million acres of forest and 10 million acres of farmland provide scenic vistas, recreational opportunities, food, fiber and wood product sources. Together, they support Michigan's thriving land based enterprises (hunting and fishing, forestry, agriculture, and tourism).

The Great Lakes surrounding Michigan are the largest source of fresh water in the world. What we do on our lands affects the health of these waters through runoff and drainage. Availability of water is especially important to Michigan farmers who grow over 120 commodity crops in the state's varied soils and growing climates and to Michigan's citizens who rely on a safe and abundant source of drinking water and water for recreation.

As climate change forces landscapes to adapt to warming temperatures, fluctuating precipitation and variable seasonal growth patterns, water availability will be a determining factor in whether farms, as well as specific plant and animal populations, are able to adapt and thus succeed or fail.

Michigan is well positioned, leading the United States in production of 19 commodities and the second-most agriculturally diverse state in the nation, to keep the state's agricultural production healthy, successful, and stable - as long as we're equally successful in protecting our water resources. This means ensuring availability of locally important soils that help support and connect native ecosystems occurring on an identified network of lands and waters across the state.

#### **Economic Value of Farmland**

Increasingly, Michigan's agricultural land, agricultural products, and innovative industry potential are becoming an invaluable focus on which to base Michigan's future. Annually, the agri-food business contributes \$73 billion to the state's economy and employs over 1 million residents (farming, agri-business, food processing, wholesale and retail stores); this comprises nearly 25% of the people working in Michigan.

#### **Social Value of Farmland**

Michigan's farmland – a diverse and seasonal source of fruits, vegetables and tradition. Beyond the economic incentives of securing strong agricultural production in Michigan, sustaining and increasing the availability of fresh, local food for Michigan's residents is an invaluable asset. Nutritional value of fruits and vegetables is highest when produce can be picked ripe. Having abundant, fresh, local food available in Michigan reduces transport time and ultimately lowers

fuel expenditures resulting in cleaner air. The purchase and consumption of local foods keeps Michigan citizens and its farming economy healthy. Preserving the scenic viewsheds of rolling vegetable and fruit farms in Michigan not only provides aesthetically pleasing places to travel to and through, those large contiguous areas are also preserving ecosystem services we often take for granted – clean air, clean water, plant and crop pollination – thus increasing the rural and urban quality of life in Michigan.

### **Environmental Value of Farmland**

Michigan's agriculture lands filter rain and snow, allowing groundwater recharge over large, pervious surfaces. This also allows filtration of sediment (sand, gravel, soil) and pollution through wetlands, which act as the "kidneys" of the landscape. Farming practices that adhere to conservation planning guidelines reduce sediment infilling of waterways and nutrient runoff, which can reduce water quality and harm aquatic plants, animals, and Michigan's world-class fishery, if unchecked. Unfragmented areas of agricultural land, especially fallow fields, forest, and grazing lands provide food, shelter, and breeding habitat for many wildlife species. Michigan's availability of abundant fresh water resources, prime and unique soils, as well as locally important soils, position the state to continue its legacy of sustainable agriculture production.

### ***Identifying Farmlands for Protection and Investment***

Not only have land conservancies protected thousands of acres of farmland in Michigan, they've done it with a variety of focused and region-specific strategies. Novel approaches to farmland preservation in Leelanau County through their *Farmability* program, strategic mapping efforts in Southwest Michigan, and creative partnerships in Southeast Michigan all add up and compliment the work of local, regional, state and federal efforts to help landowners protect their valuable farmland.

Land conservancies along Michigan's west coast fruitbelt, from Berrien County north to Leelanau County, have the opportunity to work with landowners who want to protect the diverse and rich soils of this unique region. Well-drained fertile soils and the tempering benefit of the Lake Michigan microclimate, stretch several miles inland and allow for a nationally renowned diversity of fruit and vegetable production in this region.

The fruit belt's bounty varies from South to North as do the temperature, precipitation levels and glacial history that dictate the varied soils. One constant factor though, is that many conservancies have embraced the importance of protecting these unique places, harboring the soils that are locally important to people and their crops – grapes, cherries, peaches, asparagus, apples, blueberries, apricots, blackberries, raspberries, pears, cucumbers, tomatoes, green beans and on and on. The tally of fruit and vegetable species produced is over 120 according to the Michigan Department of Agriculture.



In 2008, Heart of the Lakes worked with the Michigan State University Land Policy Institute to better understand the diverse network of farmland types across the state. This helped land conservancies who specialize in farmland preservation to specify land protection goals within their strategic conservation plans and better understand where critical farmlands existed within the network of important lands and waters. Find the full farmland preservation report at [www.heartofthelakes.org](http://www.heartofthelakes.org).

### ***Recommended Actions***

Beyond crop and livestock production, agriculture lands should also be valued as a scenic and vital piece of Michigan's cultural heritage, a land resource base for local food production, an opportunity for carbon offsets, and a land base for alternative energy production. We must imagine Michigan's future and the vast, potential opportunities that could exist. Now is the time to take aggressive and thoughtful steps to protect Michigan's agricultural resource base, but Michigan must have the policies in place at the local level and access to federal funds to preserve these critical lands so that farmers large and small can thrive.

#### **A novel approach to state funding streams for local farmland preservation is needed.**

Heart of the Lakes will work with Michigan Department of Agriculture, Michigan Farm Bureau, other partners and legislators to reintroduce PA 116 reform bills. This could provide much-needed funds for the State Agriculture Preservation Program, but is not an end-all solution.

Heart of the Lakes and our members will continue to explore new funding mechanisms for the State Agriculture Preservation Program to fund local Purchase of Development Rights programs. We have ready and willing landowners, but limited State funding to assist them. Seventeen counties have approved local PDR programs designating critical farmland for protection. Additional counties may seek to adopt PDR programs if Michigan's Agriculture Preservation Fund has funds available to leverage.

**Heart of the Lakes and our members will continue to advocate for federal Farm and Ranchland Protection Program funding allocation for Michigan projects** and explore new local match sources so that local farmland protection programs are able to take full advantage of federal farmland protection funding.

With the recent influx of \$3.7 million in additional FRPP allocation to Michigan combined with \$2.1 million in GLRI funds funneled through FRPP, the immediate challenge is generating local match to take advantage of these federal funds. Michigan needs those dollars to protect the vital land that supports our agricultural enterprises and helps connect our network of important lands and waters.

## 4. Protecting Michigan's Natural Infrastructure

Michigan's 4.5 million acres of state lands, in addition to federal and local public lands, provide Michiganders with a bounty of recreational opportunities. These lands and the hiking, biking, hunting, fishing and wildlife viewing (to name only a few options) that take place on these lands are deeply embedded as part of the recreational landscape and cultural heritage of Michigan.

Steps should be taken now to secure strategic connections to unify a network of lands and waters, linking the state's green infrastructure together and providing continuous access to recreational users and continuous habitat and migratory corridors for wildlife. Increased connectivity will benefit the state's biodiversity, water quality standards, and agricultural base.

All Michigan citizens deserve access to our lakes, streams, forests and the trail networks connecting them. By creating increased opportunity to access natural lands, beautiful and inspiring places for so many of us, we can reinvigorate and re-create the land ethic that Michigan citizens are losing or worse, never gaining. The Pure Michigan campaign drew an estimated 1.3 million out-of-state visitors to enjoy Michigan's splendor. We need to take the next step and provide equitable opportunity for all of our citizens to enjoy it everyday, thus taking responsibility for our invaluable land based resources and ensuring a high quality of life.

The fundamental next step needed is to identify a conservation vision for Michigan – identify what we want Michigan to look like 20, 50, 100 years from now and determine the conservation and policy actions that are needed now to achieve that vision. The conservation vision must be integrated into a fundamentally new business plan for the state.

### ***Be Connected: Biodiversity, Fragmentation and the Ecological Argument***

Biodiversity is defined as the number or variety of species in an ecosystem; its biological diversity. Maintaining high biodiversity is important for ecosystem health. Each organism, from plant to animal to bacteria plays a role in the function and process of life. For example, bees, butterflies, birds, bats, and other animals pollinate 75% of the world's staple crops and 90% of all flowering plants. Those plants feed us, clothe us and produce fiber and fuel products. New disease-and illness-fighting uses for plant extracts are being discovered every year. Protecting the ecosystems that these organisms live in, ensuring viable populations, protects our quality of life.

Maintaining high genetic diversity within an individual plant or animal population increases the potential for that population to adapt to new conditions (e.g., change in habitat or food supply). Genetic diversity is maintained when large populations are allowed to thrive and when multiple populations, each with slightly different genetic make-up, of a species exist and are provided the opportunity to intermix. Providing connectivity between multiple pockets of suitable habitat across a landscape allows individuals (or pollen, if plants) to move between populations and spread genetic diversity, thus increasing the "fitness", or increased ability to adapt to change, of the species as a whole. When suitable habitat becomes fragmented, divided into

multiple parcels, with no connectivity between them, populations are challenged to migrate, challenged to maintain their genetic diversity, and challenged to survive long term.

**Ensuring a network of healthy lands and waters that support the state's native biodiversity will ensure fit plant and animal populations and the ability for each to carry out its unique role in maintaining overall ecosystem health.**

As climate change forces ecosystems to adapt to warming temperatures, fluctuating precipitation, and variable seasonal patterns, plants and animals will be forced to adapt or face population failure. Protecting a network of important lands and waters now will ensure our best chance at success in the future for Michigan's abundant land based resources.

**Land conservancies play an important role in strategically protecting scenic and recreational lands that are also ecologically significant.** Through strategic conservation planning and strong relationships with landowners and conservation partners, conservancies are working to protect large connected areas of forest, grassland, working land, wetland and shoreline where high biodiversity exists.

### ***The Opportunity is Now***

The recent record-breaking revenues from the sale of state oil and gas leases have propelled opportunities for **Michigan Natural Resources Trust Fund** grants to protect natural and recreational lands. This is an opportunity to connect Michigan's network of critical lands and waters.

The oil and natural gas lease auction held on May 4, 2010 by the DNRE raised \$178 million in royalty payments (eight times larger than the previous lease record of \$23.6 million in 1981). Two-thirds of those revenues go toward the Michigan Natural Resources Trust Fund (MNRTF). The remaining one-third goes toward the Game and Fish Protection Trust Fund. Once the established \$500 million MNRTF cap is met (expected in 2011), future oil and gas revenue will flow into the **State Park Endowment Fund (SPEF)** to pay for operations, maintenance, development, and land acquisition in Michigan state parks. Once the SPEF accumulated principal reaches \$800 million, all revenues "shall be distributed as provided by law" (i.e., General Fund). The way in which additional funds will be expended beyond this is critically important and requires strategic discussions with state leaders to ensure Michigan leverages this important investment.

Regarding SPEF spending: The first \$10 million will be spent directly on state parks. Thereafter, earnings on the corpus plus 50% of the incoming revenue can be expended until the \$800 million cap is met. This will likely result in a sum of money in excess of \$1 billion to be spent on state parks over the time it takes for the cap to be met and will be managed by the state legislature, governor and Department of Natural Resources and Environment. Timeline for the SPEF cap to be reached is unknown at this time.

## ***Planning for our Future***

As we consider what we want Michigan to look like 20, 50 or 100 years from now, we must envision the future in very broad terms. We must consider what the state's greatest potential is now, what its soils, landscape patterns, climate and weather patterns both current and those that are projected to come with climate change will sustain. Local and regional land use planning must be done with an eye toward maximizing the greatest chance for success – in conservation planning, sustainable housing and commercial development, transportation, water, sewer and energy management.

For land conservancies, strategic conservation planning must be done with an eye toward what soils, forests, grasslands, working lands and coastlines have the greatest ecological potential to be if preserved or restored and also what society is willing to support. Conservation practitioners are increasingly collaborating with urban and rural planners, a broader cross section of state, federal and nonprofit entities as well as the private sector as they conceive both traditional and novel approaches to conservation, restoration and land protection.

Now, with potentially limited time to leverage the dollars flowing into the MNRTF and the SPEF, the conservation community should consider using this leverage point to insert the conservation argument – make the case for the importance of a connected network of land and water resources – to incoming and veteran policy makers. Starting in January 2011, the state will have a significant number of newly elected officials including:

- Governor and Lieutenant Governor
- Attorney General
- Secretary of State
- > 70% of state senators and representatives

## ***Recommended Actions***

It's been reported that the current Parks and Recreation plan calls for roughly \$300 million needed over the next few years to fulfill maintenance and operations goals. Revenues to be generated by the Recreation Passport are still unknown. Michigan's state parks system contains 98 parks and recreation areas covering 285,000 acres. There are 13,500 campsites in 142 campgrounds and 879 miles of trails. State parks receive about 25 million visitors annually. While maintaining and improving our State Parks is critically important, and funds are desperately needed to do so, the \$300 million funding goal currently identified will likely be met within a few years of SPEF revenue earnings. The way in which additional funds will be expended beyond this is critically important and requires strategic discussions with state leaders to ensure Michigan leverages this important investment. Therefore, it may be important for the state to consider:

- a) **How discussion regarding the SPEF could catalyze foundation-building for a statewide conservation strategic plan.** The SPEF funds could be leveraged in the near term as a foundation for building a statewide conservation plan for Michigan's natural resources that fits into an overall business plan and vision for the state of Michigan. Thoughtful

structuring of SPEF earnings allocation to state parks operations, maintenance, development, and land acquisition will ensure that oil and gas extraction revenues continue to be invested back into land conservation.

- a. A conservation strategic plan for Michigan incorporates, integrates and in some cases (re)directs goals of current state, federal and nonprofit strategic conservation plans for those entities. It takes into consideration Michigan's regional opportunities for conservation success and leverages existing efforts and expertise. It considers traditional along with novel funding streams to responsibly plan for sustainable protection of our resources under the realities of climate change and the adaptation challenges that our ecosystems, wildlife and subsequent human populations will face.
  - b. A new, overall integrated vision for Michigan includes sustainable business development, farmland protection, a productive forest products industry, and a thriving tourism and recreation industry among other economic development components that, working under a common statewide vision of prosperity, could lead Michigan into a new era and create the Michigan we hope will exist 100 years from now – a Michigan with high quality of life, diverse job opportunities, with attractive and accessible urban cultural centers and an identified network of healthy working and natural lands and waters.
  - c. The MNRTF should develop natural resources investment strategy criteria to support MNRTF funding for development and acquisition projects that meet the goals of protecting a critical network of lands and waters. Determining the relative value of natural resource protection between MNRTF proposed projects is a challenge. Criteria are helpful but the addition of a state conservation strategic plan would ensure strategic investments that will assure the resources protected with Trust Fund dollars result in a larger and desired conservation outcome for the state. Heart of the Lakes will continue to work with our members and conservation partners to press for a statewide conservation strategic plan that provides needed guidance for investments at state, regional and local levels.
- b) **Expand the “state park” definition.** Statute notes the Director of the Department of Natural Resources and Environment can define “state park”. Michigan has 3.9 million acres of Natural Areas, State Forests, Natural River Corridors, State Game Areas, river access points, and other state lands that the public enjoys in similar ways to state parks. A benefit of expanding the definition of state park to include all state lands could mean that in addition to maintenance and operations, SPEF could provide:
- a. Increased funds for land acquisition adjacent to current state lands thus an opportunity to complete the critical network of lands and waters in our state, preserving fundamental ecosystem function, ensuring delivery of ecosystem services and preserving a connected green infrastructure for state wildlife
  - b. Increased opportunities to leverage the Land and Water Conservation Fund, currently underutilized in Michigan. This federal program is authorized to receive

\$900 million annually but funds have consistently been diverted for other uses, shortchanging the fund by nearly \$17 billion over the last 46 years.

- c) **A statewide conversation among conservation and business leaders** (e.g., blue ribbon task force) could be assembled to discuss the future of conservation planning in Michigan and discuss how oil and gas revenues are spent in the future. Revenues from oil and gas extraction into the MNRTF and subsequent SPEF are constitutionally designated funds for conservation. Land conservancies, along with conservation partners, all of whom use or benefit from the MNRTF, should advocate for a statewide conversation on these issues.
- d) **The state could consider contributing oil and gas revenues from drilling on agricultural lands to a new farmland preservation fund or into the existing Agriculture Preservation Program.** This program is currently funded through payments made by farmers when they leave the state's PA 116 program, a temporary farmland preservation program. Funding an agriculture preservation program with funds paid to get out of farming is not a sustainable model. The state is in dire need of a novel funding strategy to fund local farmland protection efforts. The state's Agriculture Preservation Program is underfunded to the point that they are currently not able to award PDR dollars to local efforts. Thus, many willing landowners are not preserving their properties. This leaves an opening for those landowners to sell to developers and the landscape becomes even more fragmented.

Opportunities exist for needed change in the way Michigan plans for and manages natural resources and the way the state's conservation partners, including land conservancies, can help direct and implement change. As one Heart of the Lakes member put it in a recent survey comment, "Climate change adaptation is not only where the bulk of funding is in conservation right now, but the responsible, realistic way we should be planning for the future of conservation work – not only on private lands but across Michigan, the upper Midwest, the nation and the world." As climate change forces landscapes to adapt to warming temperatures, fluctuating precipitation, and variable seasonal patterns, Heart of the Lakes will help Michigan land conservancies increase the pace of strategically protecting Michigan's vital land resources. Heart of the Lakes and our members are interested in collaboratively helping to determine how lands can be best managed and stewarded across the state for the future benefit of Michigan's citizens.

## **Appendix A.**

### ***Fact sheets***

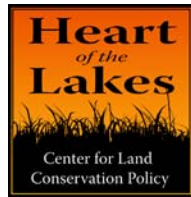
**Michigan Land Conservancies**

**Protecting Michigan's Water Resources**

**Protecting Michigan's Farmland**

**Protecting Michigan's Natural Infrastructure**





# Michigan Land Conservancies

## Permanently Protecting Natural Resources

Michigan land conservancies are nonprofit organizations that help families and communities protect natural and working lands forever. Land conservancies are uniquely well situated, using voluntary, market-based tools to protect land and safeguard Michigan's natural beauty and the conservation values of our most important lands.

## Private and Public Lands

Land conservancies also permanently protect lands that provide public access opportunities to nature preserves and sanctuaries in some of Michigan's most beautiful places. Conservancies engage thousands of generous volunteers and landowners in stewardship activities to maintain the conservation values of the lands they help to protect.

## Benefiting Our Entire State

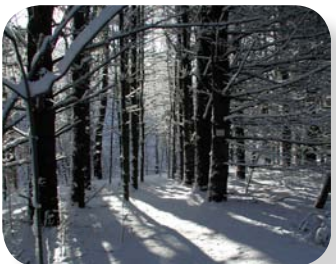
Today, Michigan land conservancies have worked with hundreds of landowners to protect over one-half million acres of natural and working lands. Land conservancies understand that thoughtful land protection enriches lives, secures cherished places, and meets vital needs for all people of the state including:

- Clean water and air
- Safe and abundant local foods
- Healthy and diverse wildlife populations
- Sustainable working forests
- Equitable access to some of Michigan's most cherished places

## Clear Conservation Priorities

Conservancies regularly help landowners protect areas with specific land cover types for their biological, social, and recreational value as well as for the ecosystem services they provide (e.g. groundwater recharge and filtration, improved air quality, pollination that sustains biodiversity and food production). These land cover types include the following:

- Lands that directly affect watershed health and impact water quality
- Large, connected areas of farmland harboring productive soils and wildlife habitat
- Areas of scenic or recreational value
- Areas of high connectivity that increase existing areas of unfragmented natural or working lands
- Areas of high biodiversity that are representative of Michigan's native plants and animals
- Habitat that supports state and federal threatened and endangered species or increases preservation of a fundamental ecosystem function



# Michigan Land Conservancies: Stronger Together

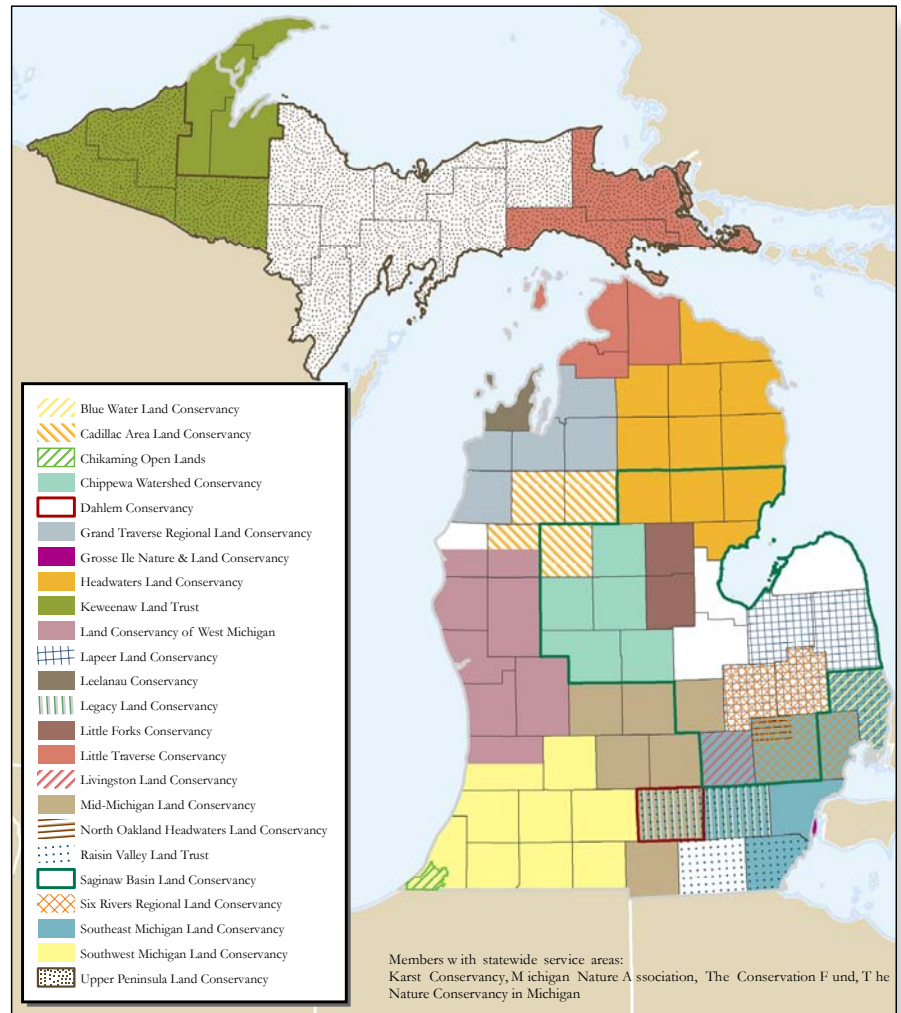
## Heart of the Lakes Center for Land Conservation Policy

Heart of the Lakes is a statewide organization that represents and strengthens the collective efforts of land conservancies and conservation organizations.

Heart of the Lakes provides leadership, support services, and advocates for smart public policy for the benefit of our communities and for Michigan's future.

## Uniting Michigan Land Conservancies

Founded by Michigan land conservancies, Heart of the Lakes does what no individual land conservancy can do on its own - it unites them under the common goal of protecting Michigan's critical lands.



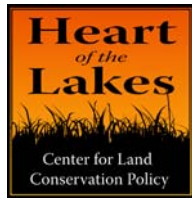
## Shared Policy Priorities

Significant opportunities exist now to have a tremendous impact on water quality, farmland preservation and protection of Michigan's most biologically and recreationally important places. Michigan land conservancies are united around policy that supports the conservation of these vital spaces.

### Michigan Land Conservancies are united around policies that:

- Support water quality protection through land preservation
- Support working farm and forest land protection
- Safeguard and increase public funds for land conservation
- Encourage tax incentives for private land conservation





# Protecting Michigan's Water Resources

## The Land-Water Connection

Michigan's land and water resource base are vitally important to the state's economy, to our quality of life and to the character of our environmental resources. Land conservancies play a critical role in waterway, coastal, and wetland protection and restoration, invasive species removal, and preservation of some of Michigan's most viable working lands. What we do on the land affects the quality and quantity of Great Lakes waters, its tributaries and surrounding wetlands through runoff and drainage.

### Michigan Livelihoods Depend on the Land-Water Connection:

- Michigan's 10 million **citizens** rely on a safe and abundant source of drinking water
- **Farmers** grow over 120 types of crops in the state's varied soils and growing climates
- **The forest products industry** and recreational users contribute \$12 billion annually to Michigan's economy and provide 200,000 associated jobs
- **Recreational anglers**, 1.4 million resident and 318,000 nonresident, purchase licenses and contribute an estimated \$2 billion annually to our economy
- **Michigan's wetlands** provide habitat for wildlife and play a key role in maintaining water quality through filtration of pollutants and sediment



## Land Conservancies: Protecting Land, Protecting Water

Michigan land conservancies act strategically in their protection and restoration efforts with a diversity of partnerships and funding sources to protect and restore lands that maintain regional and Great Lakes water quality. Examples include:

### Michigan Dune Alliance

A partnership of Michigan conservancies focusing on Michigan's west coast received Sustain Our Great Lakes funding to conduct surveys, invasive species control, and monitoring of threatened coastal wetlands and forests along a 505-mile Lake Michigan shoreline.

### Paw Paw River Watershed

A partnership between The Nature Conservancy, Michigan Nature Association, Southwest Michigan Land Conservancy, local and state government, landowners, and MSU; has strategically assessed and protected 2,000 acres (and counting!) of public and private land.

### Arcadia Marsh and Bowen's Creek

A partnership between Grand Traverse Regional Land Conservancy, Ducks Unlimited, and partners to restore coastal streams and wetlands in a fresh water estuary. Over 1/4 of the 16,000-acre watershed has been protected.

### Bioreserve Project

A conservation effort to protect remaining natural areas within the Huron River Watershed. A Bioreserve Map identifies these areas to local government, landowners, and conservancies including Legacy, North Oakland Headwaters and Livingston Land Conservancies to help prioritize limited funding and preserve the most critical natural areas for water quality.

# Michigan's Future: The Value of Strategic Conservation Planning

## Strategic Conservation Planning

Land conservancies have a long history of protecting and restoring lands that impact Great Lakes waters. Conservancies use strategic conservation planning to identify and prioritize lands for future protection.

## Clear Conservation Priorities

Spatial data resources help conservancies translate their conservation planning goals into on-the-ground success. Utilizing a variety of statewide and regional data, lands are analyzed to help conservancies work with landowners in achieving local and regional goals.

## Informed Projects

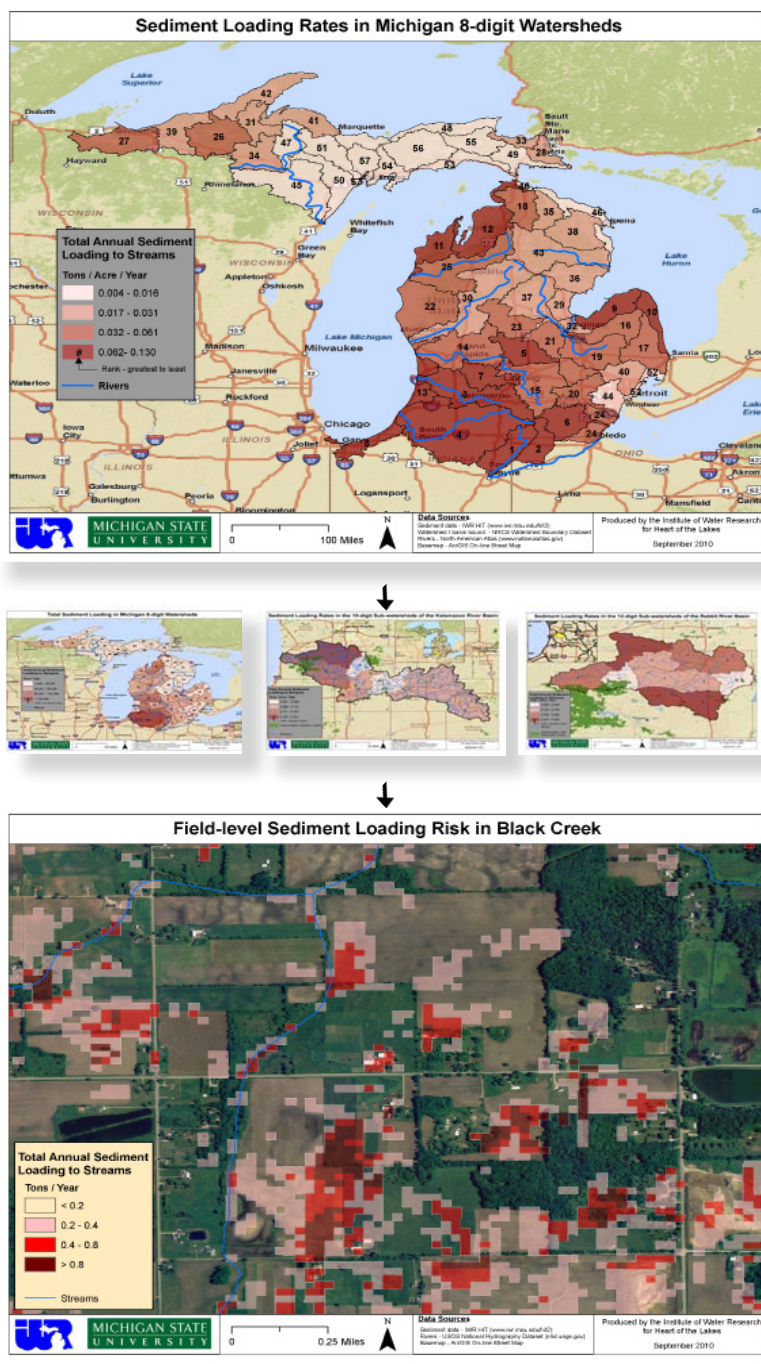
Strategic conservation planning allows conservancies to protect land efficiently by creating a long term vision and setting clear priorities. It builds upon science-based decision making and takes into account social and economic priorities.

## Strategic Partnerships

There is strength in numbers. Conservancies work with a diverse network of state, federal and nonprofit partners to address their shared conservation goals. Together, they protect and restore Michigan's water resources.

## Long-Term Success

Heart of the Lakes is working with Michigan State University Institute of Water Research to focus land protection and restoration partnership efforts on lands contributing large amounts of sediment and contaminant loadings into waterways (Figure 1).



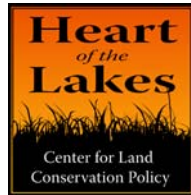
**Fig. 1** MSU Institute of Water Research is helping land conservancies plan within a statewide context

## Great Lakes Restoration Initiative

Michigan land conservancies continue to engage in work that meets the Great Lakes Restoration Initiative's objectives. Statewide and regional conservation planning efforts have identified key areas that conservancies will continue working to protect and restore; ensuring healthy waters in surrounding lakes, streams, wetlands and our Great Lakes.

Heart of the Lakes and Michigan land conservancies continue to advocate for full appropriations originally proposed for the Great Lakes Restoration Initiative (\$465 million annually) so that conservancies and their partners can continue to expand opportunities for permanent land protection in areas critical to water quality of our Great Lakes.





# Protecting Michigan's Farmland



## Land Conservancies: Protecting Critical Resources

Over 10 million acres of farmland provide scenic vistas, recreational opportunities, food and jobs that support this thriving land-based enterprise.

Land conservancies help landowners permanently protect the 80% of Michigan that is privately owned. Farmland is among a variety of land types that conservancies seek to protect within the matrix of Michigan's forests, grasslands, wetlands and coastal areas.



## Focused Farmland Preservation

Not only have land conservancies protected thousands of acres of farmland in Michigan, they've done it with a variety of focused and region-specific strategies. Novel approaches to Farmland preservation in northwest Michigan such as Leelanau Conservancy's *Farmability* program, strategic mapping efforts in Southwest Michigan, and creative partnerships in Southeast Michigan all add up and compliment the work of local, state and federal efforts to help landowners protect their valuable farmland.

## Protecting Important Land and Water in Michigan

Core to land conservancy efforts is the understanding that farmland helps support and connect native ecosystems within a network of land and water across the state. Farmlands harbor productive soils, support wildlife, and connect habitat, migration routes, and food sources for native plants and animals.



## Economic Value of Farmland

- Agriculture is a \$73 billion industry on 10 million acres
- Over 1 million citizens are employed in Michigan's agriculture industry
- Michigan crop diversity is ranked second nationally
- There are over 120 commodity crops produced in Michigan



## Social Value of Farmland

- Nutritional value of food is highest when picked ripe and consumed locally
- Local food reduces transport time and lower fuel expenditures ensuring cleaner air
- Farmland is a vital piece of Michigan heritage and scenic views



## Environmental Value of Farmland

- Farmland provides an opportunity for carbon offsets
- Farmland provides a land base for alternative energy production
- Groundwater recharge occurs on farmland
- Farmland provides wildlife habitat, shelter, and migration corridors

# Farmland Protection and Investment

## Region-Specific Strategies

Varying soils and climate across the state determine Michigan's high crop diversity. Region-specific strategies for conservation and strong conservation partnerships and financing strategies collectively compliment the work of local, state and federal efforts to help landowners protect their valuable farmland.

## Strategic Conservation Planning

Land conservancies help landowners protect Michigan's critical working lands. Conservancies use strategic conservation planning to identify and prioritize lands for future protection.

## Strategic Partnerships

There is strength in numbers. Conservancies work with a diverse network of state, federal and nonprofit partners to address their shared conservation goals. Together, they protect and restore Michigan's working lands and water resources.



## Recommended Actions

While Michigan has the opportunity to leverage more federal farmland preservation funding, one of the biggest challenges remains the lack of state and local funds required to match the federal dollars.

### Opportunity for short-term funding for farmland preservation

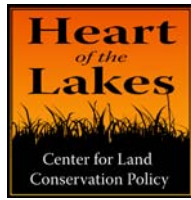
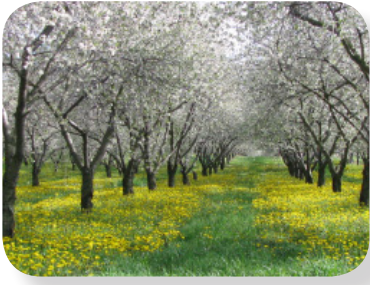
The state's Agriculture Preservation Fund is seeded through withdrawals from the state's PA 116 program, a temporary agriculture preservation program. Currently, over \$12 million in funds are owed the program through unpaid withdrawal fees and no penalties or incentives are in place to encourage repayment of these funds. Legislation to create a voluntary, discounted repayment period and establish penalties for future PA 116 withdrawals that go unpaid could provide additional funds to enable farmers to capture more federal and local dollars.

### A long-term investment strategy for farmland preservation

Michigan needs to develop an investment strategy for the long-term preservation of our natural resources, including farmland, which are critical to the economic future of our state. As the Michigan Natural Resources Trust Fund approaches its endowment cap and oil & gas revenues begin to flow into the State Park Endowment Fund, now is an opportune time to develop strategies to ensure future revenues support conservation.

Heart of the Lakes aims to work collaboratively with other conservation organizations and the new administration to seek opportunities to leverage these funding sources and explore how at least a portion of the revenues could support farmland preservation.





# Protecting our Natural Infrastructure

## Michigan's Network of Land and Water

Michigan's 4.5 million acres of state lands, in addition to local and federal public lands, provide us with a bounty of recreational opportunities and scenic views as we travel the state. These lands are deeply embedded as part of the recreational landscape and cultural heritage of Michigan.

All Michigan citizens deserve access to our lakes, rivers, fields and forests. Steps should be taken now to secure strategic connections between these lands and waters. Linking the state's natural infrastructure will provide long term benefits: ready access to recreational users, continuous habitat and corridors for wildlife, increased biodiversity, secured water quality, and a protected agricultural base.

## Biodiversity, Connectivity, and Statewide Health

Biodiversity is defined as the number or variety of species in an ecosystem. Maintaining high biodiversity is important for ecosystem health. Each plant and animal plays a role in the function and process of life. Protecting the ecosystems that these organisms live in protects our quality of life.

Providing connectivity between suitable habitat across a landscape allows organisms to move between populations and spread genetic diversity, increasing the "fitness" of the species as a whole. When suitable habitat becomes fragmented, populations are challenged to migrate, challenged to maintain their genetic diversity, and challenged to survive long term.

Ensuring a network of healthy lands and waters that support the state's biodiversity will ensure fit plant and animal populations and the ability for each to carry out its unique role in maintaining overall ecosystem health and thus, our quality of life.

## Michigan Land Conservancies: Playing a Vital Role

Protecting a network of important lands and waters now will ensure our best chance at success in the future of Michigan's abundant land based resources.

Through strategic conservation planning and relationships with landowners and partners, conservancies are working to protect large, connected areas of forest, grassland, wetland and shoreline where high biodiversity exists.





# The Opportunity is Now: Michigan's Conservation Investment

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## Michigan Natural Resources Trust Fund

The Michigan Natural Resources Trust Fund (MNRTF) is a constitutionally protected fund providing financial assistance to local governments and the State for the conservation of lands and development of public recreational opportunities. The MNRTF is supported by annual revenues from the development of state-owned mineral resources, largely oil and gas.

Due to the May 2010 record oil and natural gas lease auction, the MNRTF is anticipated to reach its \$500 million cap in 2011, causing revenues to begin flowing into the State Park Endowment Fund (SPEF) to pay for operations, maintenance, development, and land acquisition in state parks. Once the SPEF accumulated principal reaches \$800 million, revenues will begin flowing into the General Fund.

## A Strategy for Michigan

Strategic discussions must take place to determine the way in which additional funds will be expended. We must ensure that Michigan leverages this important investment and opportunity to assess how future revenues could help to drive a statewide conservation strategic plan.



## Recommended Actions

### Build a statewide conservation vision

How do we want Michigan to look in 20, 50, 100 years? We must determine the conservation and policy actions needed now to achieve that vision and how to develop it along with a fundamentally new business plan for the state.

### Call for an investment strategy for natural resources

Michigan needs to develop an investment strategy for the long-term preservation of our natural resources, which are critical to the economic future of our state. As the Michigan Natural Resources Trust Fund approaches its endowment cap and oil & gas revenues begin to flow into the State Park Endowment Fund, now is an opportune time to develop strategies to ensure future revenues support conservation. Heart of the Lakes aims to work collaboratively with other conservation organizations and the new administration to seek opportunities to leverage these funding sources for continued and expanded conservation and recreation opportunities.