



## THE STATE OF NEVADA THROUGH THE SAGEBRUSH ECOSYSTEM PROGRAM IS ACCEPTING LETTERS OF INTEREST TO FUND PROJECTS THAT GENERATE SAGE-GROUSE HABITAT CREDITS

Must Be Received Before 5:00 P.M. PST on January 9, 2017

### BACKGROUND

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The State of Nevada is pleased to announce that funds are available through the Sagebrush Ecosystem Program for projects that will enhance and restore high quality greater sage-grouse habitat on private and public land. The purpose of these funds is to not only improve greater sage-grouse habitat, but to also create a supply of “compensatory mitigation credits” to be used in the Nevada Conservation Credit System.

The Nevada Conservation Credit System was developed by Nevada, for Nevada, as a mitigation system that provides incentives and rewards for land owners and managers to enhance and protect greater sage-grouse habitat. Through the credit system, habitat projects generate credits that can be sold to parties to mitigate impacts to sage-grouse habitat resulting from development projects. To learn more about the Credit System please go to <https://www.enviroaccounting.com/NVCreditSystem/Program/Home>.

This is the second of two rounds of funding available for project implementation in 2016 and 2017. Up to \$1,200,000 of funding is available for projects that can be initiated in 2017. The Sagebrush Ecosystem Program will award funding to multiple selected parties. Private landowners, businesses, conservation organizations, mitigation bankers and state agencies are encouraged to apply for projects that enhance and protect habitat on private and/or public land. Interested parties are asked to submit a *Letter of Interest* using the form attached to this announcement. The Sagebrush Ecosystem Technical Team will work with selected project proponents to verify and collect additional information necessary to evaluate how the project meets the criteria described below. The highest scoring projects based on the criteria described below will be funded.

Funding will support implementation of habitat improvements, including the development of management plans, assessment of habitat quality and completion of all materials necessary to make projects ready to sell credits through the Conservation Credit System. Funded projects will establish a mutually benefiting partnership between the project proponent and the State. The State will provide project proponents upfront financial and technical assistance necessary to implement projects that generate credits, and then future credit sales create the opportunity for both the project proponent to receive additional payments and the State to recover the funding provided so that the State can reinvest it in additional habitat projects. Terms of cost recovery will be defined with each project proponent as part of the agreement to receive funds for each funded project.

## ELIGIBILITY & SELECTION CRITERIA

### Eligibility

At a minimum, projects must meet the following eligibility criteria to be considered for funding by the Sagebrush Ecosystem Program.

**Location** – Projects must be in recognized greater sage-grouse habitat as defined by the [Sagebrush Ecosystem Program Management Categories Map](#).

**Timeline** – Projects must be able to be implemented in 2017.

**Willingness to Participate in the Conservation Credit System** – Project proponents must be willing to participate in the Conservation Credit System, which may include receiving additional payments for committing to long-term stewardship of the project.

**Willingness to Provide Site Information and Access** -- The Sagebrush Ecosystem Technical Team must verify information provided in the Letter of Interest at a detailed level, which is expected to require several discussions and a visit to the proposed site. Project proponents must commit to being available for discussions with the Sagebrush Ecosystem Technical Team and grant the Sagebrush Ecosystem Technical Team access to sites prior to projects being selected for funding. Site visits will be coordinated with the project proponent in advance of a visit.

### Selection Criteria

Eligible projects will be evaluated according to the following selection criteria to determine funding for 2017.

- 1) Current Habitat Quality** – Current habitat quality of the entire project site will be scored based on landscape and local-scale characteristics. Landscape-scale assessment is based on the proportion of the project area in Priority Habitat Management Area (PHMA), General Habitat Management Area (GHMA) or Other Habitat Management Area (OHMA), and the amount of meadow habitat within the project area. Local-scale assessment is based on proximity to breeding and late brood-rearing habitat, presence of anthropogenic disturbances (e.g. power lines, roads, mines), presence and proximity to pinon-juniper cover, topography, and elevation.
- 2) Habitat Improvement and Risk Reduction** – Habitat improvement and risk reduction will be scored based on the proportion of the project area benefiting from habitat improvement and/or risk reduction. Examples of habitat improvement and risk reduction activities include: pinyon-juniper removal, sagebrush seeding, removing non-essential powerlines or roads, increasing and protecting forbs in wet meadows, maintaining, restoring, or enhancing Proper Functioning Condition of riparian areas, and adaptive grazing management that maintains or improves habitat conditions above established performance standard.
- 3) Credit Generation Readiness and Probability** – Credit generation readiness and probability will be scored based on the timeline for completing habitat improvement/risk reduction activities, and

### TIMELINE:

**December 13, 2016, 11:00 A.M. PST:** Question and Answer conference call and webinar will be held.

Please submit questions at any time during the development of a letter of interest to Kelly McGowan ([kmcgowan@sagebrusheco.nv.gov](mailto:kmcgowan@sagebrusheco.nv.gov)).

**January 9, 2017:** Letters of Interest due by 5:00 P.M. PST

**January 20, 2017:** Projects selected for full proposal development

**February 28, 2017:** Full proposals due

**March or April 2017:** The Sagebrush Ecosystem Council will approve project awards, and agreements between selected project proponents and the State will be initiated.

**March - December 2017:** Project implementation period

the level of commitment to generate and sell credits pursuant to the requirements of the Conservation Credit System after completing habitat improvement/risk reduction activities.

- 4) **Cost Effectiveness** – Cost effectiveness will be scored based on the total estimated credits generated by the project divided by the total funding request.
- 5) **Other** – This criterion will be used to augment the overall score for the project if there are meaningful characteristics of the project that are not captured by the other criteria. Examples include: the project improves sage-grouse habitat in a way that is not effectively measured by the assessment of current habitat quality; the project improves the overall ecosystem in a way that creates unusually significant benefits to other species and resources; the project proponent will match state funds with significant private funds to increase the credits generated from the project area; or there is meaningful evidence of particularly high-quality or low-quality site-scale habitat function.

## HOW TO APPLY

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The steps include:

1. Complete the following letter of intent and send to Kelly McGowan ([kmcgowan@sagebrusheco.nv.gov](mailto:kmcgowan@sagebrusheco.nv.gov)) with the *SUBJECT: 2017 Habitat Letter of Interest*, by **January 9<sup>th</sup> at 5:00 P.M. PST**.
2. A project selection committee will use the information submitted through the Letter of Interest to select projects for full proposal development by **January 20, 2017**. Projects will be reviewed and scored based on the selection criteria described in this Announcement.
3. If your project is selected for full proposal development, the Sagebrush Ecosystem Technical Team will follow up with you to confirm and further define the project specifics, evaluate habitat quality, and complete a full proposal. Note, this does not indicate a grant award. Full proposals are due **February 28, 2017**.
4. The Sagebrush Ecosystem Council will approve projects for award at the **March or April 2017 Sagebrush Ecosystem Council meeting**.

Please contact Kelly McGowan ([kmcgowan@sagebrusheco.nv.gov](mailto:kmcgowan@sagebrusheco.nv.gov)) if you have any questions or need assistance with your letter of interest. We hope you will consider applying.

## LETTER OF INTEREST INSTRUCTIONS

These instructions provide additional information including submission instructions, specific descriptions for questions, and additional resources which may prove useful in the development of your *Letter of Interest*.

### TIPS AND INSTRUCTIONS

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Here are some tips to get you started:

**Due date** – *Letters of Interest* must be submitted to Kelly McGowan ([kmcgowan@sagebrusheco.nv.gov](mailto:kmcgowan@sagebrusheco.nv.gov)) with the *SUBJECT: 2017 Habitat Letter of Interest*, by **January 9<sup>th</sup> at 5:00 P.M. PST**. Any materials received after this date will not be considered for this round of funding.

**Save the Letter of Interest** – You are encouraged to save the *Letter of Interest Form* to your desktop, so that you can access it at a later date or work on the form in stages if needed.

**Register for and attend Q&A session** – A *Question and Answer conference call and webinar* will be held in December 2016 to answer respondents' questions. Please be sure to register ahead of time by emailing Kelly McGowan ([kmcgowan@sagebrusheco.nv.gov](mailto:kmcgowan@sagebrusheco.nv.gov)).

**Multiple projects** – While we welcome multiple project entries from participants, each geographically separate or distinct project will need to be submitted as its own *Letter of Interest*. Multiple projects cannot be submitted with the same *Letter of Interest*.

**Additional Materials** – You are welcome and encouraged to submit additional materials that may assist the review committee in its evaluation of your project. If you wish to submit additional materials, they must be in pdf form and can be attached to the submitting email (Note: maps of the project area may be in jpg or GIS shape file formats).

**Adobe Form** – The application is in Adobe PDF format. It is fill-in enabled in any form of Adobe Reader 5.0 or higher. If you do not have Adobe Reader, go to <http://get.adobe.com/reader/> and download the latest version.

**Response Format** – All questions are fill-in enabled and limited to 300 words. Interested participants must fit all information into the allotted space. All questions must be filled in on the *Letter of Interest*. If a question does not apply to your project fill in that space with NA (not applicable).

**We are here to help** – If you have any questions at any point throughout the process, or need additional clarification please contact Kelly McGowan at [kmcgowan@sagebrusheco.nv.gov](mailto:kmcgowan@sagebrusheco.nv.gov).

## QUESTION GUIDANCE

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### Section 1 – Project Proponent & Partner Information

#### Questions 1 – 5

The information provided in this section is not related to details on the project or property, but will enable the review committee to update you on the status of your *Letter of Interest* or to follow up with you to further define your funding request and account for any local characteristics on your project.

#### Question 6 – Project Partners

Please list all entities involved in the proposed project: this may include multiple landowners, managers, monitoring agencies, construction firms, or additional stakeholders.

#### Question 7 - Timeline

Please enter the earliest you could start implementation of the project.

#### Question 8 – Statement of Recognition & Accuracy

Please sign the statement indicating your understanding that your project may not be funded and that all information provided is accurate.

### Section 2 - Property & Project Information

#### Question 9 – Number of Acres for Project

Projects may protect and enhance large areas of existing habitat and identify smaller areas for restoration. For this question, please estimate total the acreage that will be managed for habitat quality as part of the proposed project. For eligible projects, the specific restoration areas will likely be a small portion of the total project area and those restoration areas will be defined through subsequent discussion and planning.

#### Question 10 – Township and Section

In order to effectively locate the project, please list the township and section, if possible.

#### Question 11 - Map Delineating Project Area is Attached

A map delineating the boundary of each discrete area making up the overall the project must be provided with the letter of interest. Acceptable file formats include pdf, jpg, or shape file, and shape file is preferred. If a shape file, please include as a zip file with your email submission.

#### Question 12 – What is the land ownership status of the project area?

Please select all of the landowners or manager categories included in the project area.

#### Question 13 – Description of Project Area

This question is intended to give the review committee a complete understanding of the project, including each discrete area making up the overall project, the available access, topography, and physical characteristics. Please describe each discrete area making up the overall project.

#### Question 14 – Is the proposed project within the Sage-Grouse Management area?

Projects should be located within sage-grouse habitat as identified by Sagebrush Ecosystem Program's Management Categories Map. In order for participants and the review committee to make this determination we will use the Sagebrush Ecosystem Program's Management Categories Map updated on August 2014 and accessible here:

<http://sagebrusheco.nv.gov/uploadedFiles/sagebrushconvgov/content/HSM/ManagementCategoryMap.pdf>. Please locate your project(s) location on the map and answer accordingly.

**Question 15 – Which of the following are present on the property or within 6 kilometers of the project area?**

Please select and describe all of the land characteristics that apply to your project's property or within 6 kilometers of the project area. This is in order for the review committee to get a sense of what types of conservation projects may be relevant for the property, in addition to what benefits may be achieved from funding the proposed project.

**Question 16 – Briefly describe the current use of the land you are planning to restore, enhance, or manage.**

Please provide a short description of the main activities which currently occur or have occurred within the past 5 years within the proposed project area. If multiple activities have or do occur, please list all, designating which are most prevalent or if certain activities are constrained to only certain parts of the project area. Be sure to identify changes such as new roads, new structures, and sagebrush clearing.

**Question 17 – What habitat improvements / risk reduction activities will be implemented using the requested funds, and what is the amount of funding requested for each activity?**

For projects that restore or enhance sagebrush habitat, please identify the activities you are considering. These may include, but are not limited to: pinyon-juniper removal, sagebrush seeding, removal of non-essential powerline, roads or other existing infrastructure, increasing and protecting forbs in wet meadows, adaptive grazing management, and creation of fuel breaks.

Please select all habitat enhancements your project may implement, and the funding requested to implement each.

**Question 18 – What is the total amount of funding requested to implement habitat improvements / risk reduction activities?**

Please provide the total amount of funding requested and if this number is different than the sum of funding requested under question 17, describe why it is different.

**Question 19 – Have conservation funds ever been received to implement a conservation practice(s) within the proposed project area?**

Please detail any other forms of funding, financial, or technical assistance (federal, state or other) which have been received previously or are currently pending related to the proposed project area. For each funding source, provide the source, uses and contract term.

Note that receiving other forms of funding will not disqualify you from the process, but may impact strategies for future credit generation from the proposed project.

**Question 20 - Will there be any private investment contributing to habitat improvements/risk reduction activities as part of the project?**

If you plan to match the funding request from the state with private investment and are willing to share this information, provide the approximate amount of investment planned, and the habitat improvement / risk reduction activities that will be implemented by this investment.

Note that matching private investment is considered in the evaluation of projects.

**Question 21 – Is any of the proposed project area covered by a conservation easement, held by a conservation organization or agency, or otherwise had conservation values protected?**

Please list all conservation instruments which may be in place on the proposed project area, including the type of instruments, parties involved, and terms. Feel free to attach additional details along with your email submission.

## Question 22 – What is meant by "participate in the Conservation Credit System"?

The intent of the project funding is to create “credit ready” projects that will provide credits for the Nevada Conservation Credit System to mitigate for degradation of habitat that may occur from private and public infrastructure projects. The funds allocated to projects through this solicitation can be used by project proponents to improve habitat, including develop project management plans and complete all of the necessary steps to list credits for sale through the Conservation Credit System. Accepting the current funding requires the project proponent to commit to maintain habitat for a period of 5 years, and to be willing to commit to longer-term maintenance of habitat if credits are sold.

The project proponent will negotiate the price of credits with the buyer at the time of sale. The credit price will include a payment to the project proponent, and funding of a stewardship fund to cover maintenance costs for the duration of the project. Any funding provided by the State to the project will also be recovered. The terms of cost recovery will be defined with the project proponent as part of the agreement to receive funds and can include arrangements such as assigning ownership of a portion of credits to the State or agreement to repay the State if and when credits are sold.

## Question 23 – What additional site information and site access is required?

The Sagebrush Ecosystem Technical Team must verify the information provided in the Letter of Interest at a detailed level, which is expected to require several discussions. The Sagebrush Ecosystem Technical Team will also need to visit sites prior to projects being selected for funding in order to verify site information.

## ADDITIONAL RESOURCES

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### **Sagebrush Ecosystem Program**

<http://sagebrusheco.nv.gov/NH/>

The Nevada Sagebrush Ecosystem Program is a collaborative, multi-disciplinary program established to protect and enhance the sagebrush landscape. The sagebrush ecosystem, in addition to being home for much of the state's plants and wildlife, is an integral part of Nevada's culture and economy. The ecosystem program is focused on providing solutions and actions to the myriad of threats challenging the condition of the ecosystem and the plants, animals, and people dependent upon the health and resiliency of this landscape.

### **Nevada Conservation Credit System**

<https://www.enviroaccounting.com/NVCreditSystem/Program/Home>

The Conservation Credit System (Credit System) is an innovative approach to greater sage-grouse habitat protection that ensures habitat impacts from anthropogenic disturbances are fully compensated by long-term enhancement and protection of habitat that results in a net benefit for the species, while allowing appropriate development that is vital to the Nevada economy and the Nevada way of life.

Additional documents from the Nevada Conservation Credit System

#### **Pilot Project Case Study**

<https://www.enviroaccounting.com/NVCreditSystem/FileResource/GetFileResourceForProgram/e6fcc181-a71b-4b33-b1b1-d58eaf6a30ee>

Provides a real life example of how the Credit System works and functions.

#### **Nevada Conservation Credit System HQT Scientific Methods Document**

<https://www.enviroaccounting.com/NVCreditSystem/FileResource/GetFileResourceForProgram/873c64ae-ec23-4177-8b2b-f69e36f61773>

The Nevada Greater Sage-Grouse Habitat Quantification Tool (HQT) Scientific Methods Document describes a scientific approach to quantify habitat function for greater sage-grouse (*Centrocercus urophasianus*; hereafter sage-grouse) habitat in the State of Nevada.

[Nevada Conservation Credit System Manual](#)

<https://www.enviroaccounting.com/NVCreditSystem/FileResource/GetFileResourceForProgram/dfd475f1-fc90-4a84-b629-cbbfae33a777>

The Nevada Conservation Credit System Manual provides the necessary materials and information for participating in the Conservation Credit System.