

\$750,000 AVAILABLE NOW TO FUND PROJECTS THAT GENERATE SAGE-GROUSE HABITAT CREDITS FOR NEVADA'S CONSERVATION CREDIT SYSTEM

A Letter of Interest Must Be Received Before 5:00 P.M. PST on November 1st, 2019

BACKGROUND

With mitigation through Nevada's Conservation Credit System (CCS) now a requirement for development projects that impact greater sage-grouse habitat, the State of Nevada is pleased to announce that seed funds are again available through the Sagebrush Ecosystem Program (SEP) for projects that will enhance and restore high quality greater sage-grouse habitat on private land. The purpose of these funds is to not only improve greater sage-grouse habitat, but to also provide funds to create a supply of compensatory mitigation credits to be used in the Nevada CCS.

The CCS was developed by Nevada, for Nevada, as a mitigation system that provides incentives and rewards for landowners and managers to enhance and protect greater sage-grouse habitat. Through the CCS, habitat projects generate credits that can be sold to mitigate impacts to sage-grouse habitat resulting from development projects. To learn more about the CCS please go to sagebrusheco.nv.gov/CCS/ConservationCreditSystem/.

This is the third solicitation effort where seed funding has been made available for project implementation. Approximately \$750,000 of funding is available for multiple projects that can be initiated in 2020. Landowners are encouraged to apply for projects that enhance and protect habitat on private lands. Interested parties are asked to submit a *Letter of Interest* using the form attached to this announcement. The Sagebrush Ecosystem Technical Team (SETT) 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 herein will be funded.

Funding will support implementation of habitat improvements, assessment of habitat quality to determine the credits available for sale, development of management plans, initial annual monitoring assistance, and provide the opportunity to sell credits through the CCS. Projects selected for funding will establish a mutually beneficial partnership with the State. The State will provide project proponents the financial and technical assistance necessary to implement projects that generate credits. Then potential future credit sales will create the opportunity for both the project proponent to receive payment for long-term stewardship commitments and the State to recover the seed 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 (SEP).

Location – Projects must be on private property in recognized greater sage-grouse habitat as defined by the <u>SEP Management Categories Map</u>.

Timeline – While independently funded projects can move forward at their own pace, credit projects receiving seed funds must be able to implement the HQT, develop and finalize a management plan, and implement on-the-ground improvements in two calendar years.

Willingness to Participate in the Conservation Credit System (CCS) – Project proponents must be willing to take actions to improve habitat and participate in developing, maintaining, and potentially selling credits in the CCS for committing to long-term stewardship.

Willingness to Provide Site Information and Access -

The Sagebrush Ecosystem Technical Team (SETT) will require information in the Letter of Interest and, if selected to move forward with a full proposal, proof of ownership will need to be verified. Assessment of the potential project and the information provided will likely require several discussions and a visit to the proposed site. Project proponents must commit to being available for discussions with the SETT and grant the SETT access to sites prior to projects being selected for funding. Site visits will be coordinated with the project proponent in advance of a visit.

TIMELINE:

Friday, October 18th, 2019 at 10:00 am PST: Question and Answer conference call and webinar will be held. See how to register below.

Friday, November 1st, 2019 at 5:00 pm PST: Letters of Interest due.

Friday, November 8th, 2019 at 5:00 pm PST: Projects selected to move forward in the process.

Monday, December 2nd, 2019 at 5:00 pm PST: Final Proposals due.

Late December of 2019 or Early January of 2020: Seed grant awardees announced with agreements expected to be finalized shortly thereafter.

April 15th **to June 30**th **of 2020** – Habitat Quantification Tool (HQT) implementation period to determine credits available.

July of 2020 to spring of 2022 – Develop and finalize Management Plan development and implement habitat improvement actions.

Until 2030 – Implement management plan, submit annual management and monitoring reports, and if credits are not sold at an earlier date, maintain credits available for sale at a price suitable to you.

Selection Criteria

Eligible projects will be evaluated according to the following selection criteria to determine funding for 2019.

- 1) Project Area Habitat Quality Scores the current habitat quality of the entire project area using the Habitat Suitability Index (HSI) and is based on the total estimated credits to be generated per project acre, which are influenced by overall mitigation ratios that take into account habitat management categories (PHMA, GHMA, OHMA), meadows, as well as local scale function.
- 2) Surrounding Habitat Suitability Scores the current greater sage-grouse habitat suitability (according to the HSI average) in the analysis area that surrounds the project area.
- 3) Risk Assessment Invasive Annuals Scores the inherent risk to greater sage-grouse and habitat in the project analysis area in the long run by assessing the percentage of land in the analysis area dominated (30% +) by invasive annuals.

- **4) Risk Assessment Wildfire** Scores the inherent risk to greater sage-grouse and habitat in the project analysis area in the long run by assessing the percentage of land impacted by wildfire within the last five years.
- 5) **Project Size –** Scores the extent of sage-grouse habitat conservation potential.
- **6) Surrounding Land Ownership** Scores the extent of fragmentation of land ownership in the analysis area.
- 7) Active Sage-Grouse Leks Scores the number of active leks in the analysis area.
- 8) Anthropogenic Disturbance Scores the extent of major (weight of 75% or above) anthropogenic disturbance affecting the project area.
- 9) Habitat Improvement and Risk Reduction Scores the extent of habitat improvement efforts and the likelihood that uplift in habitat function or risk reduction will be achieved through the project. Improvements can include meadow treatments, seedings/plantings, PJ removal, fencing/watering infrastructure, significant weed treatments, etc.
- **10) Cost Effectiveness** Scores the cost effectiveness of the State's overall investment in the project, as estimated by assessing the proposed investment by the State per estimated credit.
- 11) Relevance to Areas of Elevated Priority for Mitigation Scores whether or not the project location lies in the Biologically Significant Units (BSUs) most in need of CCS credits to offset disturbances locally. These include the Central Great Basin, Lone Willow, Owyhee, Northwest Interior, and Pueblo Range BSUs, which are shown in Figure 1 on the following page.
- **12)** Other –Scores characteristics of the project that are not captured by the other criteria and have a very meaningful impact on the outcomes generated from the project.

HOW TO APPLY

The steps include:

- Complete the following letter of interest and send to Dan Huser (dhuser@sagebrusheco.nv.gov) with the SUBJECT: 2020 CCS Credit Project Seed Funding Letter of Interest, by Friday, November 1st, 2019 at 5:00 P.M. PST. Any materials received after this date will not be considered for this round of funding.
- 2. A project selection committee will use the information submitted through the Letter of Interest to select projects for full proposal development by **Friday**, **November 8**th, **2019**. 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 SETT will follow up with you to confirm and further define the project specifics, evaluate habitat quality and potentially visit the site, and finalize the proposal. Note, this does not indicate a grant award. Full proposals will be due Monday, December 2nd, 2020.
- **4.** The Sagebrush Ecosystem Council will approve projects for award in **Late December or Early January**.

Please contact Dan Huser (dhuser@sagebrusheco.nv.gov) or Kathleen Petter (kpetter@sagebrusheco.nv.gov) if you have any questions or need assistance with your letter of interest. We hope you will consider applying.

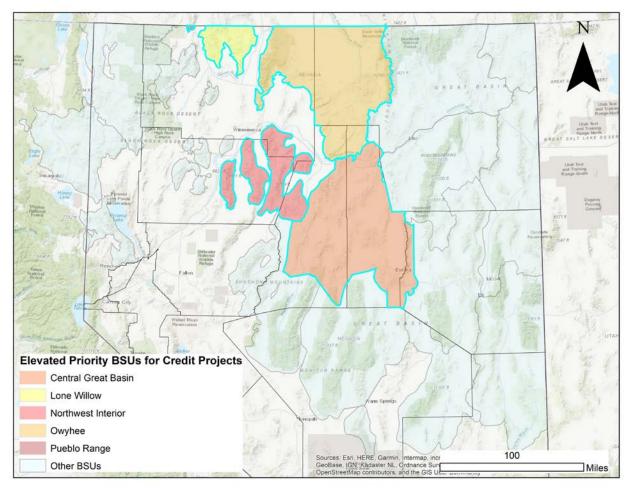


Figure 1. The map shows the Biologically Significant Areas (BSUs) most in need of credits to offset disturbances locally. Projects in these locations will receive a bonus in the ranking process.

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

Here are some tips to get you started:

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 on October 18th to answer respondents' questions. Please be sure to register ahead of time by emailing Dan Huser (<u>dhuser@sagebrusheco.nv.gov</u>) or Kathleen Petter (<u>kpetter@sagebrusheco.nv.gov</u>).

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 –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 Dan Huser at dhuser@sagebrusheco.nv.gov or Kathleen Petter at kpetter@sagebrusheco.nv.gov.

Section 1 – Project Proponent & Partner Information

Questions 1 - 4

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 5 - 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 6 - Other Projects

Please list the other projects, and if different, the contact person and mailing address for the other projects, if associated with a credit project already or another letter of interest,

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 - Eligibility, Project Area, Actions, & Preliminary Budget

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 the categories pertaining to the land ownership of the project area.

Question 13 – 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 December 2015 and accessible here:

<u>sagebrusheco.nv.gov/uploadedFiles/sagebrusheconvgov/content/HSM/Mgmt_Cats.pdf</u> Please locate your project(s) location on the map and answer accordingly.

Question 14 - Other Eligibility Requirements

The expectations of seed grant recipients are provided. Please select all of these expectations you would plan to accomplish if awarded seed funding.

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 are expected to 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 10 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.

The Sagebrush Ecosystem Technical Team must also 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.

Question 15 - 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 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 – Which of the following are present or within 3 kilometers of the project area?

Please select and describe all of the land characteristics that apply to your project's property or within 3 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 18 - What is the Preliminary Budget for Actions to Develop and Make Credits Available for Sale?

Please indicate the preliminary requests for seed funding to work with a CCS verifier to have the HQT run to determine the credits available for sale, develop a CCS management plan, and assist with the initial annual monitoring effort. General costs have been provided to assist in estimating needs.

Question 19 – What habitat improvements / risk reduction activities will be implemented using the requested funds, and what is the amount of funding requested for each activity?

Habitat improvement or protection actions are to be implemented as part of all awarded projects. Please check, describe, and provide the seed grant funding requested for all habitat improvement and risk reduction activities that apply.

Question 20 - What is the total amount of funding requested?

Please provide the total amount of funding requested within the previous questions. If awarded, the funds expended would be recovered by the Sagebrush Ecosystem Program on a per credit basis should a sale of credits occur for investment into additional projects. If additional funds outside of the categories cover are necessary to project success, please provide the intent of these funds, the rationale, and the additional amount requested as well.

Question 21 – 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 22 - Will there be any private investment contributing to the credit development or 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 23 – 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.

ADDITIONAL RESOURCES

Sagebrush Ecosystem Program

sagebrusheco.nv.gov/

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

sagebrusheco.nv.gov/CCS/ConservationCreditSystem/

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:

Nevada Conservation Credit System Manual

Nevada Conservation Credit System HQT Scientific Methods Document



LETTER OF INTEREST - TO REQUEST CONSIDERATION FOR FUNDING Due by Friday, November 1st, 2019

The *Letter of Interest* is organized into two sections:

- 1) Project Proponent and Partner Information, and
- 2) Eligibility, Project Area, Actions, and Preliminary Budget

Interested parties should complete the letter of interest template on the pages that follow using the adobe fillable form. Please provide an answer to all questions, as it may not be possible to evaluate project eligibility if questions are left blank. If you are uncertain how to best answer a question, you are encouraged to first review the *Letter of Interest Instructions*. If questions remain, feel free to contact Dan Huser (dhuser@sagebrusheco.nv.gov) or Kathleen Petter (kpetter@sagebrusheco.nv.gov) of the Sagebrush Ecosystem Technical Team or call us at 775-684-8600. A Question and Answer Conference Call and Webinar is also scheduled for Friday, October 18th, 2019, at 10:00 am PST so long as sufficient registration occurs.

After you have answered the questions to the best of your ability, please submit additional supporting materials including maps of your parcels with the area of interest for your project highlighted, grazing or management plans, and pictures of the project area (and potentially other materials) with your *Letter of Interest*. When you have filled out the Letter of Interest template that follows and compiled the additional information requested, send the collective materials to Dan Huser (dhuser@sagebrusheco.nv.gov) with the *SUBJECT: 2019 CCS Credit Project Seed Funding Letter of Interest*, no later than **November 1**st at 5:00 **P.M. PST**.

	SECTION 1 - PROJECT PROPONENT & PARTNER INFORMATION	
Contact Person Name & Title	Provide first and last name of authorized agent and agent's title.	
2. Mailing Address	Provide mailing address for authorized agent.	
3. Telephone	Provide telephone number where authorized agent can be reached (home, work or cellular).	
4. Email Address	Provide email address for authorized agent.	
5. Project Partners	Please list all entities involved with the proposed project.	
6. Other Projects	If associated with a credit project already or another letter of interest, please list the other projects, and if different, the contact person and mailing address for the other projects.	
7. Timeline	Provide the expected project start date.	
8. Statement of Recognition & Accuracy	Ognition & Conservation Credit System (CCS) Credit Project Seed Funding. I recognize that not al	
	Authorized Agent Date	

SEC.	TION 2 – ELIGIBILITY, PROJECT	AREA, ACTIONS, & PR	RELIMINARY BUDGET	
9. Number of Acres for Project	10. Township, Range, and Section		11. Map Delineating Project Area is Attached	Yes
12. Status of property ownership? (check all that apply)	Check all that apply to the project as are eligible for funds. I own the property and w I do not have an Owner's provide copies of the appropriation Land Ownership (Deed) I have a written Lease Ag dates for the lease): Please describe:	vill provide proof in the (Title) Policy; I have coriate documents showing Water Rights	e form of an Owner's control over the following proof of control	(Title) Policy ing and will e/Mineral Rights
13. Is the proposed project within the Sage-Grouse Management Area?	Indicate whether the proposed projet be located within the Sage-Grouse Projet			<u>ea Map.</u> Projects must Unsure
14. Other eligibility requirements.	The expectations of seed grant recipients are listed below. Please select all you would plan to accomplish if awarded seed funding: I am willing to grant the SETT and hired Verifiers access to the project area if provided reasonable notice. I am willing to work through the CCS toward a potential sale of credits at a cost suitable to me in exchange for committing to actions that preserve habitat long-term. I am willing to use seed funding to take actions that improve or protect habitat in the next two calendar years. I am willing to work with a CCS Verifier to have the Habitat Quantification Tool (HQT) run to determine the credits available within the project area, develop a CCS management plan, and assist with the initial annual monitoring effort in the next two calendar years. I am willing to follow my CCS management plan, conduct annual monitoring and reporting, allow the SETT to make qualitative assessments onsite, all for up to 10 years prior to selling, then should credits be sold for at least 30 years thereafter? I understand that the seed funds expended would be recovered by the Sagebrush Ecosystem Program on a per credit basis should a sale of credits occur for investment into additional projects.			

15. Description of	Please describe each discrete area defined on the required map of the project area submitted with the letter of interest, and specify the general road access to the property, and/or place names.
Project Area	interest, and specify the general road access to the property, and/or place names.
16. Briefly describe the current use of the	Briefly describe the current use of the proposed project site.
land you are	
planning to restore, enhance or	
manage.	

17. Which of the following are present on the property or within 3 kilometers of the project area?	Please check and describe the locations and acreages of all that apply. Seeps and areas of wet meadows Describe:
	Anthropogenic disturbances (power lines, roads, mines, etc.) Describe:
	Pinyon-Juniper/Cheatgrass Describe:
	Other Describe:
18. What is the Preliminary Budget for Actions to Develop and Make Credits Available for Sale?	Indicate the preliminary requests for seed funding to work with a CCS verifier to have the HQT run to determine the credits available for sale, develop a CCS management plan, and assist with the initial annual monitoring effort. HQT (costs average \$15/acre) Funding requested:
	Management Plan Development (costs often \$10,000 -\$20,000) Funding requested:
	Assistance from Verifier with 1st Annual Monitoring effort (costs likely \$1,000 -\$1,500) Funding requested:
	Are additional funds requested for completion of annual monitoring over a ten year period should credits not sell earlier along this timeline? Annual monitoring and reporting are often conducted by land owners/managers and can likely be completed in a work day for 1,000 to 2,000 acre projects.
	☐ Yes ☐ No ☐ Unsure
	Funding requested:
	Comments:

19.	what habitat improvements and risk reduction activities will be implemented, and	Habitat improvement or protection actions are to be implemented as part of all awarded projects. Please check, describe, and provide the seed grant funding requested for all habitat improvement and risk reduction activities that apply. Removing Existing Infrastructure
	what is the amount of seed grant funding requested for each activity?	Describe: Funding Requested:
		Removing Pinyon-Juniper (required in the project area where appropriate) Describe:
		Funding Requested:
		Protecting High Quality Habitat Describe:
		Funding Requested:
		Significant Weed or Annual Invasive Grass Treatment Actions Describe:
		Funding Requested:
		Improving wet meadows (e.g., establishing grade controls, forb or grass seeding, etc.) Describe:
		Funding Requested:
		Planting/Seeding Sagebrush Describe:
		Funding Requested:
		Adaptive Grazing Management Describe:
		Funding Requested:
		Other (please specify) Describe:
		Funding Requested:
		Willing to commit to actions but will determine improvement efforts based on HQT Describe:
		Funding Requested:
		Comments:

20.	What is the total amount of funding requested?	Please provide the total amount of funding requested in the above questions below. If awarded, the funds expended would be recovered by the Sagebrush Ecosystem Program on a per credit basis should a sale of credits occur for investment into additional projects. If additional funds outside of the categories covered are necessary to project success, please provide the intent of these funds, the rationale, and the additional amount requested:
21.	Have conservation funds ever been received to implement a conservation practice(s) within the proposed project area?	Indicate if you have ever received an outside source (federal, state, private or other) of funding to implement conservation on your proposed project area. If yes, provide funding source, uses of the funding and contract period for each funding source. Yes (describe below) No Unsure
22.	Will there be any private investment contributing to the credit development or habitat improvements/risk reduction activities as part of the project?	Indicate if you plan to match the funding request from the state with private investment. If yes, and you 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. Yes (describe below) No Unsure
23.	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?	Indicate whether there are any existing conservation easements or external conservation restrictions on the property. Provide additional clarification here if needed. Yes (describe below) No Unsure