



January 4, 2018

The Honorable Sarah Strommen  
Mayor of Ramsey, MN  
7550 Sunwood Drive, NW  
Ramsey, MN 55303

Dear Mayor Strommen:

I am the president of Tallgrass Land Conservation, LLC ("TLC"), a wetland mitigation banking company located in Illinois and Wisconsin. After reading the article "*Mississippi River mayors eye wetlands and parks to reduce flooding and environmental damage*" by Leila Navidi of the Star Tribune, I began thinking of ways that we could possibly work together.

Enclosed are two brochures that will help you become familiar with TLC, our wetland restoration process, wetland mitigation banking, and the importance and beauty of wetlands.

If you have any questions or desire more information, please contact me. I hope that we have an opportunity to meet with you and explore a mutually beneficial relationship. You can reach me at 847-342-8020 or via email at [mkasper@tallgrasslandconservation.com](mailto:mkasper@tallgrasslandconservation.com). I look forward to hearing more about your projects and to see how we can contribute to reduce flooding and environmental damage along the Mississippi.

Regards,

A handwritten signature in black ink, appearing to read "MKasper", written over a horizontal line.

Mitch Kasper  
President  
Enclosures



## WETLAND BANKING WITH TALLGRASS LAND CONSERVATION INVITATION TO LANDOWNERS

Tallgrass is introducing you to an extraordinary opportunity that improves the environment AND benefits you financially. We are creating wetland banks, restored wetlands that sell credits to land developers. We can ‘turn-key’ a mitigation project, assuming the financial and management costs to develop a revenue stream for our partners.

### ***What is a wetland?***

Wetlands are shallow-water habitats, including marshes, swamps, bogs, fens with their own complex mix of plants and animals. They are beautiful in all seasons and provide healthy habitats for wildlife, including endangered birds, mammals, and shellfish. Wetlands also protect our lives and homes by holding and controlling floodwaters, filtering pollutants that flow into our water systems and by storing carbon, delaying the release of gases that cause climate change

More than half of the almost 120 million acres of American wetlands have been lost to agriculture and development. Urgently needed wetlands protection came with the national “No Net Loss” policy. This policy was first adopted by President George H.W. Bush’s administration in 1989. It was strengthened in 2008 with the Clean Water Act and expanded further by President Obama in 2015.

### ***What is a wetland bank?***

A wetland bank is a piece of property restored as a functioning wetland in order to maintain wetlands and their valuable benefits while still allowing development. Developers can buy mitigation credits from a wetland bank, a necessary step in order to receive regulatory approval for their projects. Establishing a wetland bank is a complex, multi-year, multi-faceted process that not just anyone can undertake. Tallgrass has the experience and expertise to make this balance of conservation and development work.

### ***How are parcels critiqued for suitability?***

Site evaluation for wetland bank suitability consists of a comprehensive layering of characteristics including:

- Parcel size of approximately 40-120 acres
- Geographic and watershed location
- Current and historical site conditions
- Current and historical surrounding land use
- Market supply and demand for wetland credits
- Market construction costs and credit sales prices

### ***What is the timeline?***

The development and implementation of a wetland bank is dependent on a number of factors including regulatory agency processes and approvals.

- Wetland banking runs on a 7-10 year timeline
- Regulators assign from 0.25 to 1 credit per acre, based on the scope of the restoration
- Tallgrass sets the price per credit, based on project needs, regional costs, and market influences
- A restoration design plan will take approximately 1-2 years to develop and become approved
- Restoration and maintenance is then conducted on-site over multiple years

### *Where do the responsibilities lie?*

#### *Tallgrass*

- Works with regulators (ACOE, DNR, USF&W and EPA) to get wetland bank designations
- Constructs complex wetland habitats
- Sells credits to generate revenue for Tallgrass and Landowners

#### *Landowners*

- Provide unencumbered land for the wetland bank and a current survey
- Receive revenue from credit sales

## **PROPOSAL TO LANDOWNERS**

### *Deal Terms*

- Landowner agrees to put their land under conservation easement and allow wetland bank development
- Tallgrass capital will be used to fund project management, construction, and long-term monitoring and maintenance
- Tallgrass will return up to 20 percent of gross revenue from credit sales to landowner

### *Beyond cash for credits*

- Wetland banking is a truly “green” investment
- The land has potential for credit stacking—receiving credits for water quality improvement, stream restoration, carbon sequestration, etc.
- The landowner retains ownership of a professionally restored natural habitat

## **ABOUT TALLGRASS**

### *Tallgrass has the experience*

- Our first wetland bank was established in 2012 in Rock County, Wisconsin
- Our current bank projects span Illinois, Wisconsin, Iowa, Indiana, Tennessee, and North Carolina
- For nearly 2 decades, we have provided ecological restoration services to hundreds of public and private clients in the Midwest, bringing thousands of acres of wetlands, woodlands, and prairies back to life

### *We are recognized in our field*

- More than a dozen of our properties have earned Conservation and Native Landscaping Awards from the US EPA and Chicago Wilderness
- We also received accolades from the US Army Corps of Engineers, with exceptional ratings in quality, schedule, and safety, for our work on the Burnham Prairie Nature Preserve Restoration, a multi-million dollar project of the Great Lakes Fishery and Ecosystem Restoration program

### *We have the know-how*

- Our affiliate Tallgrass companies cover all the bases, from project management to marketing to land acquisition, restoration, and maintenance
- Our staff includes skilled ecologists, biologists, wetland delineators, GIS technicians, equipment operators, and investment specialists
- We make the best use of multiple technologies to explore and understand the land

### *We know the people*

- We work with government agencies, preservation organizations, and scientists to identify prime bank sites
- We have experience working with regulators to efficiently move toward full approval

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## **WETLAND BANKING WITH TALLGRASS LAND CONSERVATION**

### **Milestones & Expectations for Bank Development**

The final determination to develop a wetland bank is dependent upon a number of factors including site suitability, market conditions, and regulatory agency approval. The bank approval process will take approximately two (2) years. Construction, credit sales, maintenance, and bank closure will require an additional six (6) to eight (8) years.

#### **YEAR 1: Due Diligence and Plan Conceptualization**

##### **Tallgrass Responsibilities:**

- Investigate current and historic site conditions, land use, surface water and vegetation
- Determine soil types
- Analyze water availability and drainage
- Determine floodplain regulations
- Conduct a wetland delineation
- Analyze options for hydrologic alterations
- Consider regulatory issues
- Obtain estimates for construction costs
- Verify expected income and expenses from project
- Provide capital to fund project management and construction activities
- Conduct due diligence and manage the project in its entirety
- Draft the Prospectus and submit to regulators for review

##### **Landowner Responsibilities:**

- Place unencumbered land under conservation easement\*
- Allow Tallgrass and regulators access to the property for purposes of site assessment, data collection and plan development
- Provide copies of:
  - parcel deed
  - title insurance
  - property boundary survey

\*The addition of a conservation easement to a land parcel may, in some areas, require approval by the local zoning board. It is the responsibility and requirement of the landowner to pursue all necessary steps in order to apply the conservation easement to the parcel; including meetings with zoning boards and submission of required documents, forms and fees. Any existing liens, including a mortgage, must be removed before a conservation easement can be executed.

## **YEAR 2: Wetland Bank Plan Approval**

### **Tallgrass Responsibilities:**

- Prepare restoration and adaptive management plans
- Conduct baseline on site vegetation and hydrologic monitoring
- Negotiate a final plan with regulators
- Continue to fund and manage all project activities
- Develop and submit Compensation Site Plan (CSP) including:
  - baseline conditions of the site
  - proposed construction, restoration, monitoring, and short term management plans
  - quantifiable performance standards related to vegetation, hydrology, and other factors
  - long-term management plan
  - proof of financial assurances
  - completed conservation easement

### **Landowner Responsibilities:**

- Be available, as necessary, for meetings and discussions regarding the plan
- Provide a recorded conservation easement document
- Allow access to the property for purposes of wetland plan development

## **YEARS 2-3: Wetland Bank Construction**

### **Tallgrass Responsibilities:**

- Begin restoration of the property to build a fully functioning wetland
- Make regulator approved hydro alterations to the site
- Remove invasive and unwanted vegetation
- Plant native vegetation
- Continue to fund and manage all project activities
- Sell credits to generate revenue for Tallgrass and Landowner
- Submit required annual credit ledgers to regulators

### **Landowner Responsibilities:**

- Be available, as necessary, for meetings and discussions regarding the wetland development
- Allow access to the property for purposes of wetland development

## **YEARS 3-10: Wetland Bank Annual Maintenance and Monitoring**

### **Tallgrass Responsibilities:**

- Monitor and maintain the wetland to meet interim performance standards
- Employ adaptive management plans as necessary to meet final performance standards
- Sell remaining credits to generate revenue for Tallgrass and Landowner
- Submit required annual monitoring reports and credit ledgers to regulators

### **Landowner Responsibilities:**

- Be available, as necessary, for meetings and discussions regarding the wetland management
- Allow access to the property for purposes of wetland development