

LCHIP

Land & Community Heritage
Investment Program



MEMO

DATE: March 19, 2015
TO: Council in Resources and Development (CORD)
FROM: Dijit Taylor, LCHIP Executive Director
TOPIC: LCHIP Monitoring Payments

Since its inception in 2000, LCHIP has invested about \$36,000,000 of state money to protect an array of important natural, historical and cultural resources around the state. The enabling legislation for the program (RSA 227-M) wisely recognizes the importance of proper stewardship of these properties. The Community Conservation Endowment (CCE) is money that is set aside from LCHIP grants to help assure good stewardship through annual monitoring. The CCE is managed under the same terms and RSA (162-C:8) as the monitoring endowment that suppers the former Land Conservation Investment Program (LCIP) now known as the Land Conservation Stewardship Program. RSA 162-C:7 assigns CORD the responsibility to “oversee, direct, and expend funds in the monitoring endowment...” The earnings for the CCE for the first 5 months of FY 15 were \$96,708.77.

Every year since 2009, the LCHIP Board of Directors and CORD have agreed to provide annual payments from the CCE to grant recipients who properly monitor and report on the condition of their LCHIP-protected property. The LCHIP Board has not yet voted on the expenditure for the 2014 monitoring payments, but anticipates providing a base payment of \$200 per property for the third year in a row. Some properties get larger payments if the monitoring task is more challenging. The scoring complexities are defined in the LCHIP *Criteria, Guidelines and Procedures*. Payments would range from the base payment (presently \$200) up to four times the base payment, or \$800 per property. In 2014, there about 164 properties that should have submitted monitoring reports, although the final count of eligible projects is still a bit fluid with two new resource specialists on staff. Because of the of the fluidity of the count, the pending decision by the LCHIP Board and the need for an updated report on the account’s earnings, LCHIP seeks from CORD approval to spend up to half of the income to the fund as of the most recent report date. The dollar value will be provided at or before the March 26, 2015 Board meeting.

Relevant sections of the RSAs are on the following pages.

Proposed Action: That CORD endorse the expenditure of up to \$xx,xxx of income from the LCHIP Community Conservation Endowment to be used for payments to grant recipients who submitted acceptable annual monitoring reports for 2014.

**CHAPTER 227-M
COMMUNITY HERITAGE INVESTMENT PROGRAM**

227-M:12 Monitoring Endowment. –

I. For every eligible resource protected under this chapter by an easement interest, a percentage of funds from the program or contributions from the applicant, as specified by the Authority, shall be provided to the monitoring endowment established under RSA 162-C:8.

II. Funds added to the monitoring endowment pursuant to RSA 227-M:12, I shall be used to support monitoring by state agencies, local municipalities, and qualifying nonprofit corporations of easement interests acquired under this chapter. Such monitoring shall be to ensure that the resource protected through the program will be managed according to the legal agreements concerning easement interests in the resource.

**CHAPTER 162-C
COUNCIL ON RESOURCES AND DEVELOPMENT
Land Conservation Investment Program**

162-C:7 Powers and Duties. – The council shall oversee, direct, and expend funds in the monitoring endowment of the former New Hampshire land conservation investment program in accordance with the purposes of this subdivision and RSA 227-M:12. This includes, but is not limited to, the authority to draw upon funds for the administrative costs of the endowment.

162-C:8 Monitoring Endowment. –

I. The monitoring endowment established by the board of directors pursuant to former RSA 221-A:5, III shall be maintained in perpetuity and shall be utilized by the council only for the purposes of monitoring and enforcing the property rights of persons with ownership interests in property acquired through the former land conservation investment program. Additional contributions to the endowment pursuant to RSA 227-M:12, I shall be accounted for separately and shall be utilized only for the purposes of RSA 227-M:12, II. Additional gifts, donations, and grants to the endowment may be utilized for monitoring and enforcing other land conservation interests that may be acquired by the state of New Hampshire.

II. The principal of the endowment shall be managed by the state treasurer for the sole purpose of providing a perpetual source of income, as defined by the state treasurer, for the purposes set forth in this subdivision and RSA 227-M:12.

III. Any income earned on the endowment principal which is not used for the purposes set forth in this subdivision and RSA 227-M:12 within the fiscal year in which it is earned shall be nonlapsing. The state treasurer is authorized to accept gifts, donations, and grants, including federal gifts, donations, and grants, for the purposes set forth in this chapter, and such gifts, donations and grants shall be added to the principal amount.

IV. The council shall, pursuant to the monitoring endowment established under former RSA 221-A:5, III, and the provisions of RSA 162-C:8, I, prepare an annual report to be presented no later than December 1 of each year to the speaker of the house, the president of the senate, the governor, the house clerk, the senate clerk, and the state library. The report shall include a listing of all lands and interests in lands subject to the monitoring provisions of RSA 162-C:7, I and a complete financial accounting of the funds in the monitoring endowment including expenditures for the most recent full fiscal year. The report shall also summarize monitoring activities and findings for each property, as conducted in the most recent full fiscal year.