



CITY OF CONCORD

REPORT TO THE MAYOR AND CITY COUNCIL

FROM: Concord Conservation Commission

DATE: June 21, 2016

SUBJECT: Resolution authorizing the appropriation of up to \$29,000 from the Conservation Trust Fund for the acquisition of a conservation easement for property owned by The Loraine V. Pierce Revocable Trust, at 84 Stickney Hill Road, as approved by the Conservation Commission

Recommendation

Set a public hearing for August 8, 2016, on a Resolution authorizing the appropriation of up to \$29,000 from the Conservation Trust Fund for the acquisition of a conservation easement.

Background

Five Rivers Conservation Trust (Five Rivers) approached the City of Concord Conservation Commission in 2011 to acquire a 17.57 acre conservation easement on the Pierce property at 84 Stickney Hill Road, identified on the City's Tax maps as Map 98, Block 1, Lot 3. The property was appraised by McManus & Nault Appraisal Company, Inc, in 2012, and the appraisal determined the value of the easement to be \$182,000.

The Conservation Commission held a public hearing on September 11, 2013 and voted unanimously to recommend that the City accept the executory interest in the Pierce property. They also voted to contribute up to \$91,000 towards the purchase of the conservation easement from the Conservation Trust Fund. The purpose of the conservation easement is to assure the property will be retained forever in its predominantly undeveloped, forested, and open space condition.

In 2013, the Pierces entered into a Purchase and Sales Agreement with Five Rivers and the City, contingent upon Five Rivers successfully obtaining a National Resources Conservation Service (NRCS) grant to contribute up to 50% of the purchase price. The NRCS Agricultural Conservation Easement Program (ACEP) Grant was awarded in 2015, and additional funding was granted by the State of New Hampshire through the Land and Community Heritage Investment Program (LCHIP) in 2015.

Discussion

The Pierce property contains open rolling fields with prime agricultural soils and is situated between two parcels currently under conservation easement: Maplewood Farm at 62 Stickney Hill Road (78 acre easement) and the Butterworth property at 90 Stickney Hill Road (15.67 acre easement). Maplewood

Farm and the Butterworth property were protected primarily to preserve and protect the scenic, historic and natural resources of the Stickney Hill Road neighborhood. Together, all three properties appear to be one contiguous field. A conservation easement on the Pierce property would create a contiguous piece of conserved land, which would greatly further the preservation and protection of the scenic, historic and natural resources of the community.

At the public hearing on September 11, 2013, the Conservation Commission supported the acquisition of the easement. The protection of the land is in accordance with the Open Space Plan priority to protect agricultural land in West Concord.

In August 2015, the project received a \$100,000 from the NRCS ACEP grant. Additionally, in 2015, Five Rivers received \$91,945 from the LCHIP program to contribute towards the purchase of the easement, relieving the City of potentially bearing the entire cost of the 50% NRCS match. Five Rivers has facilitated the grants and discussions with the owner, and procured additional funding through donations. The City has already contributed \$14,850 towards transaction costs, including updating the appraisal and surveying the property. These items were paid using money already appropriated in the FY 2015 and FY 2016 budgets for these purposes from the Conservation Property Management Fund.

In November 2015, a revised appraisal was required for the NRCS grant, and the updated value of the easement is \$254,000. NRCS committed to covering \$27,000 of the increase contingent on the City covering the remaining additional \$27,000. The Conservation Commission unanimously agreed to accept the increased sales price and commit these funds contingent on the revision to the easement exclusion zone. The Pierces agreed to the revised exclusion zone. See Tables 1 and 2 below for the breakdown of project costs and funding. The additional \$27,000 is included in the numbers.

Table 1 Project Costs and Funding

Value of Conservation Easement	\$254,000
Transaction Costs	
Five Rivers Stewardship Fund	15,000.00
Five Rivers Staff/Consultant Costs and Operating Support	5,000.00
Survey	8,800.00
Yellow Book Appraisal	6,050.00
<i>Total transaction costs</i>	<i>34,850.00</i>
Total Project Cost	288,850.00
Funding	
NRCS FRPP Grant	\$127,000
Russell Foundation	\$25,000
Local Fundraising	\$2,000
LCHIP	\$91,945
City of Concord (approximate)	\$42,905
Total Project Funding	\$ 288,850.00

Table 2 – City of Concord Funding Portion

Funds Committed	\$42,905
Transaction costs paid through operating budgets for FY15 & FY16	-\$14,850
<i>Total Funding Due at Closing</i>	<i>\$28,055*</i>

*The requested appropriation of \$29,000 is to cover any unanticipated transaction costs that may arise prior to the closing date.

Five Rivers and NRCS will hold the primary interest in the conservation easement and will be responsible for monitoring the property and ensuring that the terms of the easement are maintained. The City will hold a secondary executory interest in the easement. The City would need to enforce the easement in the event that Five Rivers ceased to exist as a land trust, or failed to enforce the easement.