

LCHIP

Land & Community Heritage
Investment Program



MEMO

DATE January 8, 2021

TO: Council on Resources and Development

FROM: Dijit Taylor, LCHIP Executive Director

TOPIC: Request to Expend from Community Conservation Endowment

LCHIP's enabling legislation, RSA 227-M, created a monitoring endowment (Community Conservation Endowment or "CCE"), similar to the endowment that helps to support the Conservation Land Stewardship Program. The fund is intended to "to ensure that the resources protected through the program will be managed according to the legal agreements concerning easement interest in the resource." Money is deposited into the CCE for each completed LCHIP project, following formulae in the *LCHIP Criteria, Guidelines and Procedures*.

Since 2009, LCHIP has made annual payments from the CCE income to grant recipients who have current legal agreements with LCHIP and who have satisfactorily reported on the status of the property. The *LCHIP Guidelines* explains how the payment amount is to be determined. In essence, an easy-to-monitor property gets one unit of payment while properties that are more difficult to monitor may get up to four units. The number of projects eligible for payment changes each year as new projects are completed and as term stewardship agreements on historic resource projects complete their obligation to the state and are no longer required to report on the status of the resource.

LCHIP considers the payments as incentives to encourage the recipient to continue responsible management of and reporting on the property protected or conserved with assistance from LCHIP. Payments of \$200 per unit have been used since 2013, when the CCE funds were invested at Fidelity through an agreement with the Department of Treasury. Details of previous years' payments are shown on the following page..

LCHIP's current count shows that 305 properties had responsibilities to LCHIP during calendar year 2020, representing 449 units. LCHIP staff propose continuing a payment of \$200 per unit for this year's disbursement. Therefore, the total needed is $449 \times \$200 = \$89,800$.

Income from the CCE appears to support this level of disbursement. As of the most recent report (November 2020), the CCE had a total market value of \$5,686,562 and shows a net increase in market value since July 2020 of \$172,159.

Expenditures from the CCE require approval from both CORD and the LCHIP Board of Directors. The LCHIP Board will be asked to vote in this same request at a meeting scheduled for January 25, 2021.

Proposed Action: CORD endorses an expenditure of \$200 per unit up to \$89,800 from the LCHIP Community Conservation Endowment fund as incentive payments for LCHIP grant recipients who submitted annual reports documenting timely monitoring and acceptable conditions of LCHIP-assisted resource conservation and protection projects in calendar year 2020.

LCHIP CCE Payouts				
Year Monitored	# of Properties	# of Units	Amount per Unit	Total Payout
2019	286	415.5	\$200	\$83,100
2018	267	388	\$200	\$77,600
2017	243	355	\$200	\$71,000
2016	248	323	\$200	\$64,600
2015	180	282	\$200	\$56,400
2014	157	262	\$200	\$52,400
2013	144	244	\$200	\$48,880
2012	129	222	\$81	\$18,000
2011	117	203	\$20	\$4100
2010	105	177	\$33	\$5841
2009	89	179	\$93.50	\$16,736