

LCHIP

Land & Community Heritage
Investment Program



Board of Directors Annual Meeting
Kimball Jenkins Carriage House
Amanda Merrill, Board Chair
Monday, January 14, 2019
Approved at June 24, 2019 BOD Meeting

Attendance

Voting members: Doug Cole, Chick Colony, Martha Fuller Clark, Harold Janeway, Dick Lewis, Mandy Merrill, Susan Slack, Judith Spang, Ben Wilcox

Nonvoting members: Susan Francher, Shawn Jasper, Beth Muzzey, Brad Simpkins, Stephen Walker

LCHIP Staff: Barb Beers, Paula Bellemore, George Born, Dijit Taylor

Others present: John Hession and Kaitlin Kelly from Hession and Pare, PC, Assistant Attorney General Christopher Aslin, Jeanie McIntyre, President of Upper Valley Land Trust and Vice President of the New Hampshire Land Trust Coalition, and several Kimball Jenkins Trustees

Introductions

Althea Barton, Director of Outreach and Development for Kimball Jenkins Estate, thanked LCHIP for support in restoring the Carriage House roof and for recently awarding a grant to restore the Mansion's roof and third floor woodwork. Prior to the meeting Althea and docent Lorrie Carey provided a tour of the Mansion.

Fiscal Year 2018 Audit

John Hession and Caitlin Kelly from Hession and Pare presented draft results of the audit. Financial statements were found to be neutral, consistent, and clear and no difficulties or disagreements were encountered completing the audit. No deficiencies in internal control were noted. Two misstatements were detected and corrected by management: adjustments related to GASB Statement No. 68 and to project grants. Their sole recommendation is that management review outstanding checks at year-end and either reclass back into accounts payable or void those older than six months.

MOTION	To accept the draft audit as presented.	Martha Fuller Clark
SECOND		Harold Janeway
VOTE		Approved unanimously.

Minutes of November 15, 2018 BOD Meeting

There was no discussion or proposed changes to the draft minutes.

MOTION	To accept the minutes from the November 15, 2018 Board of Directors Meeting.	Ben Wilcox
SECOND		Doug Cole
VOTE		Approved unanimously.

Action Item: Proposed change to LCHIP Criteria, Guidelines and Procedures

Christopher Aslin and Jeanie McIntyre were in attendance for the purpose of this discussion. Dijit explained that the Board has made occasional needed changes to the *LCHIP Criteria, Guidelines and Procedures (LCHIP Guidelines)*. The *LCHIP Guidelines* are scheduled for long-awaited review and update during 2019. The issue of LCHIP holding executory interest in fee-acquisitions is being now because it relates to a pending project in which UVLT is the recipient.

In 2016 the New Hampshire Land Trust Coalition, including UVLT, met with LCHIP staff to share some concerns including LCHIP's executory interest in fee acquisitions. Subsequently Chris Aslin has been working with LCHIP staff to address the concerns. An explanation of and proposed language changes to the *LCHIP Guidelines* was included in the Board Packet. LCHIP's enabling legislation (RSA 227-M:3) requires that LCHIP hold an executory interest in easement interests but not in fee-simple acquisitions. The proposed change replaces LCHIP's long-standing *executory interest with rights of termination* in fee deeds with *deed restrictions including rights of enforcement*. Jeannie McIntyre explained that land acquisition frequently involves funding from multiple sources besides. If other funders objects to LCHIP's right of termination, it may jeopardize the ability to get funding from other sources.

Board members asked if the changes would reduce LCHIP's ability to respond if deed provisions were not being complied with. Paula explained that LCHIP would still hold the right of enforcement to uphold the terms and would be supported by the Department of Justice. Chris Aslin explained that while LCHIP has more protective options currently, taking over ownership would be a great burden on LCHIP. With the language change, LCHIP can still hold land temporarily if needed. The proposed change would not affect earlier deed language and rights.

LCHIP Criteria, Guidelines, and Procedures Section 17. C. 1. Marked up to Show Proposed Revisions

Language to be added shown in **bold italics**

Language to be removed shown in ~~brackets and strike-through~~

Language to be unchanged shown in regular type

C. Other Deed Language

Other deed language will vary to a certain extent depending on the interest to be acquired or donated, as well as the resource asset. Options for specific legal agreements will be developed by LCHIP, again depending on the interest acquired and the resource asset. Any resource acquired in fee or less than fee that has a mortgage on it must be prepared to have all mortgagees subordinate their interests to comply with required LCHIP language.

1. For fee-simple acquisitions completed with assistance from LCHIP, the applicant will be required to convey ~~[an Executory Interest to the State of New Hampshire in the form of covenants and power of termination]~~ **conservation restrictions as described in NH RSA 477 45-47 and a right of enforcement to LCHIP**. Within this framework, the specific ~~[covenants]~~ **conservation restrictions** will be tailored to the resource asset acquired. ~~[Covenants and terms]~~ **Conservation restrictions** will include or incorporate the intent of the following, as applicable. The Grantor of the ~~[Executory Interest]~~ **conservation restrictions** shall....

(a) use and maintain the Property exclusively for the uses permitted under RSA chapter 227-M, and shall make the Property available for public access. Access provision is encouraged for match properties, but not required;

(b) not construct, maintain, erect, or install physical improvements to the Property, nor shall Grantor disturb the surface or alter the topography of the Property ~~[except as itemized.....];~~

- (c) periodically inspect the property to assure compliance with the Grant;
- (d) take all reasonable steps to correct any violation of the purposes and conditions of the Grant in the event a breach is discovered [~~; if such breach is not cured, the Grantee reserves the power to assume the fee interest for conditions broken~~].
- (e) not give, grant, sell, convey transfer, mortgage, pledge, or otherwise encumber the property without the prior written approval of the LCHIP Authority.
- (f) have the right to collect reasonable fees in support of the stewardship of the property. However, activities for which fees are charged shall be consistent with the intent of the program.

MOTION	To revise the <i>LCHIP Criteria, Guidelines and Procedures</i> section 17.C. 1 as proposed.	Doug Cole
SECOND		Susan Slack
VOTE		Approved unanimously.

Secretary of State Financial Interest Form

All Board members must submit the New Hampshire Statement of Financial Interests annually. It is available on line.

Election of Officers

Doug Cole presented the report of the nominating committee (himself, Mandy Merrill, and Dijit Taylor): Mandy Merrill for Chair and Ben Wilcox for Vice-Chair, two-year terms each. Mandy and Ben left the room and the floor was opened for discussion, additional nominees and a vote.

MOTION	To accept the nominations of Amanda Merrill for Chair and Benjamin Wilcox for Vice Chair.	Harold Janeway
SECOND		Judith Spang
VOTE		Approved unanimously.

Board Contact Information

Updated contact information was provided in the Board Packet. Changes should be sent to either Dijit or Barb.

Financial Topics

November 2018 Finance Report

Doug reviewed the November 2018 Finance Report noting that expenses are slightly under budget. Rent and utilities will be higher than budgeted due to the office move. One line item from which funds might be found to make up for this is Consultant Fees.

MOTION	To accept the November 2018 Finance Report.	Harold Janeway
SECOND		Judith Spang
VOTE		Approved unanimously.

November updates

Trust Fund Income YTD = \$1,798,848 (FY 18 \$1,848,913)
 CCE Market Value = \$4,614,658 (FY 18 \$4,372,856)

Dijit proposed to update the LCHIP Finances White Paper before the next Board meeting to refresh everyone's understanding of how LCHIP's finances work.

Community Conservation Endowment expenditure request
 Dijit reviewed annual monitoring incentive payments. CORD provided the needed matching approval on January 10, 2019.

MOTION	To approve an expenditure of \$200 per unit up to \$79,000 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 2018.	Judith Spang
SECOND		Ben Wilcox
VOTE		Approved unanimously.

Action Items

Proposed 2019 Grant Round schedule

There was no discussion of the proposed schedule for the 2019 grant round.

Date	Grant Round Activity
May 1	Grant Round Opens
Early May	Workshop
May 17	Intent to Apply forms deadline
June 28	Applications Due
July – September	Site visits
Early October	Review Panels
Mid November	Board Grant Selection Meeting
Early December	Awards Announcement (pending governor's availability)

MOTION	To accept the proposed grant round schedule.	Martha Fuller Clark
SECOND		Dick Lewis
VOTE		Approved unanimously

Project Extension and Change Requests

Five project extensions were presented and considered individually but voted on collectively. Each project has used up allowed administrative extension. One seeks board extension to June 30, 2019, four to December 31, 2019.

Danbury, South Danbury Church

Full rehabilitation including work on the foundation, roof, windows, shutters, clapboards, exterior trim, and interior and exterior painting is underway but has been slowed by weather and the relocation of the master builder. Completion of construction is expected by end of July 2019.

Derry, First Parish Church 1

The recipients have two open grants on for work on the church tower. Start of the work on the first grant disclosed structural issues were much greater than anticipated. An additional grant was awarded in 2017 to focus on the exterior and trim of the tower. The project is progressing,

but taking longer than anticipated.

Francestown, Beehive

Full rehabilitation of the building is progressing well. Remaining elements await the return of warmer drier weather.

Hampton, James House

Installation of clapboards and exterior trim progressing but has been slowed by extensive beetle damage found on one end. A single carpenter is doing all the skilled labor, assisted by volunteers staining siding and trim.

Portsmouth, Player's Ring Theatre

After a slow start to construction, work on windows, doors and masonry at Player's Ring Theater is progressing well with anticipated completion date of the end of January. An extension to June 30, 2019 allows time for closing documentation while keeping the project within the LCHIP 54-month time frame.

MOTION	To approve the extension of the South Danbury Church, First Parish Church 1, Francestown Beehive, James House timelines to December 31, 2019 and Player's Ring Theatre to June 30, 2019	Martha Fuller Clark
SECOND		Dick Lewis
VOTE		Approved unanimously

Lancaster, House of Seven Gables Preservation Easement

Although the preservation easement on this property has been delayed since the grant was made in 2015, the recipient, NH Preservation Alliance believes an extension and some new initiatives in Lancaster may provide the needed opportunity to make progress on this project. Board expressed concern about the lack of any apparent progress on the project.

MOTION	To approve the extension of the Lancaster, House of Seven Gables Preservation Easement timeline to December 31, 2019 subject to submission of a satisfactory progress report by June 30, 2019.	Ben Wilcox
SECOND		Dick Lewis
VOTE		Approved unanimously

Bradford Town Hall

After a slow start, Bradford is working with an effective architect and has completed much of the construction for this 2014 grant award. However, the cutting and installation of granite for the façade for the new basement was delayed by equipment failure and weather. The requested extension until December 2019 exceeds the 54-month project limitation.

MOTION	To provide a one-time waiver of the 54-month completion requirement and extend the completion deadline for the Bradford Town Hall to December 31, 2019.	Doug Cole
SECOND		Harold Janeway
VOTE		Approved unanimously

Milton, Plummer Homestead

The grant recipient, New Hampshire Farm Museum, has been slow to take action on this 2015 project, failing as yet to raise the needed matching funds. The new Executive Director (third since the project began) has plans for a springtime fund raising effort. Board and staff have concerns about capacity and will of the organization to complete the project.

MOTION	To provide an extension of the Plummer Homestead grant expiration deadline to December 31, 2019, <u>if</u> the applicant demonstrates that matching funds are in hand by June 30, 2019 and if construction begins no later than July 31, 2019.	Martha Fuller Clark
SECOND		Dick Lewis
VOTE		Approved unanimously

Gorham, Grant Assignment

The Conservation Fund requests that the \$300,000 grant awarded in 2018 grant for expansion of the Gorham Community Forest be reassigned to the town of Gorham, an active partner in the project and the intended final owner of the property.

MOTION	To approve the assignment of the \$300,000 grant for expansion of the Gorham Community Forest to the town of Gorham.	Ben Wilcox
SECOND		Harold Janeway
VOTE		Approved unanimously

Conflict of Interest Policy

Mandy and Dijit highlighted changes in the revised version of the Conflict of Interest Policy that was included in the Board Packet. One change was suggested: Under I. Definitions. "Personal interest" should only have a and b sections under it. Item c should be in its own paragraph.

MOTION	To adopt the LCHIP Conflict of Interest Policy with the noted change in spacing.	Susan Slack
SECOND		Dick Lewis
VOTE		Approved unanimously

Project Updates:

Annual Report

Report is available on line at www.lchip.org>ABOUT US>Annual Reports & Audits

Projects Completed September – December 2018

Details of these projects that closed were provided in the board packet: Bath, Peters Family Farm; Claremont City Hall Planning Study; Deerfield, Marston Farm – Bye; Exeter, Winter Street Cemetery; Gilmanton, Kelley Corner Schoolhouse; Hancock Meetinghouse; Hooksett Town Hall; Keene, United Church of Christ; Langdon Meetinghouse; Middleton Old Town Hall; Moultonborough, Castle in the Clouds; Moultonborough Falls, New Durham, WidowMaker Farm; Portsmouth, Wentworth-Gardner House 2; Rye Town Hall Planning Study; Salem Town Forest Expansion; Warner, Brown CE.

Non-acceptance of grant award

St. Joseph's Church in Bartlett has declined to accept the 2018 award of \$31,519 because it is so much less than the \$225,000 request. Fitzwilliam has not yet accepted or declined the \$10,000 offered for a planning study for the Town Hall instead of the requested \$170,000 for construction.

Webster Farm issues

There are two areas of concern at Webster Farm in Franklin where the NH Preservation Alliance holds preservation easements on a group of buildings now owned by Easter Seals NH, in which LCHIP holds executory interest. Easter Seals sought approval to raze one building (Burleigh Cottage) a year or so ago. NHPA requested further information but finds the information submitted recently does not adequately address all of the concerns raised.

Meanwhile, in December 2018, Easter Seals was discovered to be replacing windows in two other buildings (Mack and Creighton) without the needed approval from NHPA. NHPA is crafting a plan to minimize the damage and result in appropriate windows in the buildings.

LCHIP is supporting NHPA's appropriate responses to these two situations.

Volunteers sought for major review/revisions of *LCHIP Guidelines*

Volunteers are needed for this important work. Much of it will take place electronically, but there will be some face-to-face meetings. As officers, Mandy and Ben are *ex officio* members of all committees. Dick volunteered to help.

Legislation of Interest to LCHIP

Martha has introduced legislation to increase the recording fee surcharge that supports LCHIP's grants from \$25 to \$35 because the amount of money requested in grants is so much larger than the amount available. She invited board members to testify in support of this. LCHIP staff are gathering relevant data from grant round files, including the amount requested and awarded and the identity of towns where grants were sought but not received.

MOTION	To endorse the proposed fee increase.	Dick Lewis
SECOND		Doug Cole
VOTE		Approved unanimously

Martha has been working on a plan to install posters of LCHIP projects in each of the 24 Senate districts in the underground passageway between the state house and the legislative office building. She has sought outside funding for this project.

Other Business and Public Comments - None

Adjourn: 4:58 p.m. Motion to adjourn: Harold Janeway; Second: Doug Cole

Next Meeting: Monday, March 25, 2019, 2:30 – 4:30 p.m., Pillsbury Free Library, Warner

Respectfully Submitted,

Barbara A. Beers
LCHIP Executive Director

Amanda Merrill
LCHIP Board Chair