

LCHIP

Land & Community Heritage
Investment Program



Board of Directors Quarterly Meeting

D.S. Cole Growers, Loudon

Amanda Merrill, Board Chair

Tuesday, September 24, 2019

Approved at November 14, 2019 BOD Meeting

Attendance

Voting members: Colin Cabot, Doug Cole, Chick Colony, David Danielson, Bob Guida, Martha Fuller Clark, Harold Janeway, Dick Lewis, Mandy Merrill, Susan Slack, Judith Spang, Ben Wilcox

Nonvoting members: Susan Francher, Shawn Jasper, Jim Oehler, Pierce Rigrod, Stephen Walker, Ben Wilson

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

Introductions

Mandy welcomed new LCHIP Board members Ben Wilson (Director, Division of Historical Resources) and Representative David Danielson and thanked everyone for their prompt responses to the request for anticipated meeting attendance. Doug welcomed everyone to his place of business and offered a tour after the official meeting. Mandy corrected a mistake in the agenda: the November meeting will be held at NH Fish and Game not DNCR. Mandy also explained that the Board member name cards are now color-coded with blue denoting voting members. This was done to clarify and facilitate motions and voting.

Minutes of June 24, 2019 BOD Meeting

No changes were proposed.

MOTION	To accept the minutes from the June 24, 2019 Board of Directors Meeting.	Martha Fuller Clark
SECOND		Colin Cabot
VOTE		Approved; Susan Slack and Dave Danielson abstained

Update By-Laws

Three types of changes were proposed to LCHIP's By-Laws: (1) change the LCHIP office address to its current location at 3 North Spring St.; (2) adjust titles of State Agency members to reflect the recent State agency restructuring; and (3) changes to voting requirements to better enable the Board to function during times when there are vacancies in the eligible voting membership. A quorum would change from a requirement of "7 voting members" to "fifty percent plus one of the eligible voting members." A supermajority would change from "9 of the 12 voting members" to "seventy-five percent of the voting members."

MOTION	To accept the proposed changes to the By-Laws.	Harold Janeway
SECOND		Colin Cabot
VOTE		Approved unanimously

Nominating Committee

Mandy explained that Harold will be stepping away from his position on the Board and that the November meeting would be his last. Names of potential replacements have been received and were shared. Of eight people mentioned, some have expressed interest and are available while others have not yet been approached. Board members were invited to comment on the potential nominees. No comments were offered in the meeting. The nominating committee will decide which name(s) to forward to Governor Sununu. Dijit, Mandy, and Ben Wilcox are on that committee and Board members who wish to join should contact one of them. Martha suggested sharing names of potential candidates with the governor's staff to get a sense of his preferences. Ben Wilson said confirmations have been slow lately and LCHIP should move forward expeditiously.

Financial Topics

June 2019 Finance Report and July – August Finance Reports

Ben Wilcox summarized the FY 19 year-end June and July-August Finance Reports which were provided in the BOD packet. Interest on the Trust Fund, budgeted at \$40,000, came in at \$225,659 for FY 17 and 18. The Finance Committee has allocated \$135,000 (the maximum allowed) toward FY 2020 administrative costs. The remainder, \$90.659 reverts to the Trust Fund and can be used for grant making. Expenses are on track and LCHIP received a portion of the anticipated Moose Plate funds in July. There were no questions about the finance reports.

MOTION	To accept the June 2019 Finance Report.	Doug Cole
SECOND		Martha Fuller Clark
VOTE		Accepted unanimously

MOTION	To accept the July - August 2019 Finance Report.	Doug Cole
SECOND		Susan Slack
VOTE		Accepted unanimously

Fund Updates

Trust Fund income: August 2019 YTD	\$729,816	(August 2018 YTD \$730,512)
CCE Market Value: August 2019	\$5,095,304	(August 2018 \$4,754,554)

Project Change Requests

Extension

Portsmouth, Players Ring Theatre

The Theatre's original grant expiration date was December 31, 2016. A series of delays (largely unrelated to the work on the building) led to a need for three Board extensions, the most recent one to June 30, 2019. The project finally got underway in the fall of 2018. Construction had been completed as of mid-June. Closing documentation (final budget worksheet, baseline documentation report, stewardship agreement) still needs to be completed by grant recipient and submitted to LCHIP. An extension to December 31, 2019 will provide time for the Theatre, which leases the building and supervised the work, and the City of Portsmouth, which owns the structure, to wrap up the closing documentation. Staff recommends the extension with the caveat that the withdrawal process will begin in January 2020 if the project is not completed by the end of December. As standard operating procedure, the final payment (20%) is withheld

until project is fully complete.

MOTION	To approve an extension of the Players Ring Theatre project until December 2019 with the caveat that the withdrawal process will begin in January 2020 if the project is not completed by the end of December.	Doug Cole
SECOND		Dave Danielson
VOTE		Approved unanimously

Waivers (requiring supermajority vote of 9 per *LCHIP Guidelines* section 15B)

The BOD Packet included Section 15 “Waivers” from the *LCHIP Guidelines* as a refresher of the reasons and processes for waivers and supermajority votes.

Enfield, Smith Pond-Shaker Forest (survey completeness waiver)

The *LCHIP Guidelines* requires that a recordable survey be completed for all properties, showing property lines as blazed and all corners as monumented. Upper Valley Land Trust requested a waiver of that requirement in a 2015 application for \$400,000 from LCHIP to support UVLT’s acquisition of 995 acres along Smith Pond which also abuts two NH Fish and Game Wildlife Management Areas. The Review Panel ranked the project as “excellent” and recommended a \$325,000 award, lowered in part to reflect a recommendation that the Board waive the survey requirement. The Board awarded \$325,000 to the project. The waiver request was discussed as part of the Board’s deliberations, but the approved minutes do not include a specific approval of the requested waiver.

UVLT was unable to find a current surveyor who was willing to work from a nearly complete but unrecorded 1989 survey. The available survey information lacks corner monumentation in two spots (one under a large fallen tree and one in the middle of a wetland) and two small sections of boundary (one abutting an NHF&G protected property (Lower Shaker WMA) and one purportedly following an existing road). A new survey meeting LCHIP standards would cost roughly \$80,000. UVLT is an accredited land trust with an exemplary stewardship record. If an encroachment or violation occurs near the estimated boundary or un-monumented corners, a survey could then be completed to positively identify the boundary and address that issue.

Judith expressed concern that lacking a full survey could lead to future problems. Paula explained that a little flexibility in surveys is a common practice in a low risk situation and when the survey cost is high. UVLT is the primary interest holder and would be responsible for sorting out any future concerns. LCHIP is the back-up interest holder. UVLT has a very good sense of where the two un-monumented boundary corners and unmarked boundaries are.

MOTION	To waive the survey requirements of CGP section 18B4 and accept the unrecorded 1989 survey for the Enfield Smith Pond Shaker Forest project.	Dick Lewis
SECOND		Susan Slack
VOTE		Approved unanimously (by 12 voting members present)

Stratham, Barkers’ Farm East (appraisal timing waiver)

In 2017, LCHIP awarded SELT \$200,000 to acquire two conservation easements in Stratham.

Easement 1 was to be purchased by SELT and was appraised at \$1,000,000. Easement 2 was to be donated to SELT, and was appraised at \$675,000. LCHIP policy (*LCHIP Guidelines* 18A3) requires that an appraisal, completed no more than one year prior to LCHIP grant funds disbursement, be submitted as part of the final documentation package. The appraisal is used in part to confirm compliance with *LCHIP Guidelines* Section 8.A. which requires that LCHIP not fund more than 50% of the total property value being acquired, or 50% of other eligible expenses.

Both easements were appraised in 2017, prior to application. The appraisal on Easement 1, the purchased easement, was updated in 2018 and shows a \$70,000 increase in value. Total project costs are approximately \$1.8 million and LCHIP is only funding \$200,000. Because Easement 2 is being donated, the only reason for the applicant to update the 2017 appraisal is to comply with *LCHIP Guidelines*. SELT is requesting a waiver of *LCHIP Guidelines* 18A3 and requests LCHIP accept the 2017 appraisal as proof of property value.

MOTION	To approve the waiver of the <i>LCHIP Guidelines</i> section 18A3, requiring that an appraisal be completed within 12-months of funds disbursement, and accept the appraisal dated 1/4/17 for the Barkers Farm East conservation easement 2	Harold Janeway
SECOND		Doug Cole
VOTE		Approved unanimously (by 12 voting members present)

Project Updates:

Projects Completed List – Provided as part of the Board materials. Dijit noted that there are links for each project in case anyone wants to read more about a project.

Open Projects as of August 31, 2019: HR = 52, NR = 22. Dijit observed that this is a lot of Historic Resource projects for one specialist to manage, so LCHIP is exploring hiring part-time temporary help.

Grant Round

Dijit shared that LCHIP has received 57 applications requesting a total of \$7.6 million, with about \$3.5 – 3.9 million to distribute. There are an unusually high number of HR projects seeking unusually large amount of funding this year. Grant decision making may include the Board saying “no” to many projects.

Dijit presented proposed changes for this year’s decision-making process. Key information will be provided to Board members in the Project Summary books. The slide show with presentation of each project by resource specialists will be eliminated. It will be more important than ever for all Board members to become familiar with the projects via the Project Summary books and application materials, which will be provided on flash drives. Pages 1 and 2 of applications provide an overview. The Project Summary book will contain a draft motion to make sure any unusual details are clearly included in writing. Motions can be revised as needed during the meeting.

The Finance Committee will recommend an expenditure level, based on available funds and other expenses (such as administrative costs and CCE allocations) before decision-making begins. In general, partial funding is to be avoided. A partially funded project takes at least as much of the relevant Specialist's time as a fully funded one and is more difficult for the applicant. Proposals may be turned down because they are premature, not well-designed, failed to submit a significant part of the requested material or just for lack of LCHIP funds. This year's proposals include six planning studies and many resources that have not previously received LCHIP funding. Dick asked that staff identify any project proposal that received a planning grant from LCHIP in the previous year. Applicants of projects that are not funded are invited to meet with LCHIP staff to get feedback on their proposal.

The LCHIP grant round conflict of interest form will be included with the Project Summary books. Please complete and return the forms prior to the meeting day (November 14, 2019).

Dijit observed that if the state has not adopted a budget by the date of the November meeting, all grants and project agreements will have to be contingent on a budget being passed with the expected funding level for LCHIP.

Legislation of Interest to LCHIP

SB 74, the proposal to increase the fees that support LCHIP grants, passed the Senate and House, but did not have the House votes necessary to override Governor Sununu's veto. The Board discussed some of the pros and cons of the Governor's suggestion that the fee increase be voluntary and other related issues. A legislative committee report on conservation and affordable housing is due soon. Although the legislature has chosen at some times in the past to reallocate funds collected for LCHIP to other purposes, Senator Giuda explained that the state was in a very different financial situation at the time.

Other Business

Mandy thanked all of the Review Panel members and wished them the best of luck as they finish up their work.

Public Comments - none

Adjourn: 3:20 p.m. Motion to adjourn: Bob Guida; Second: Martha Fuller Clark

Doug provided a tour of D.S. Cole Growers for Board members who were able to stay after the meeting concluded.

Next Meeting:

Thursday, November 14, 2019, NH Fish and Game, Concord, All day (~8:30 a.m. – 4:00 p.m.)

Respectfully Submitted,

Barbara A. Beers
LCHIP Office Manager

Amanda Merrill
LCHIP Board Chair