

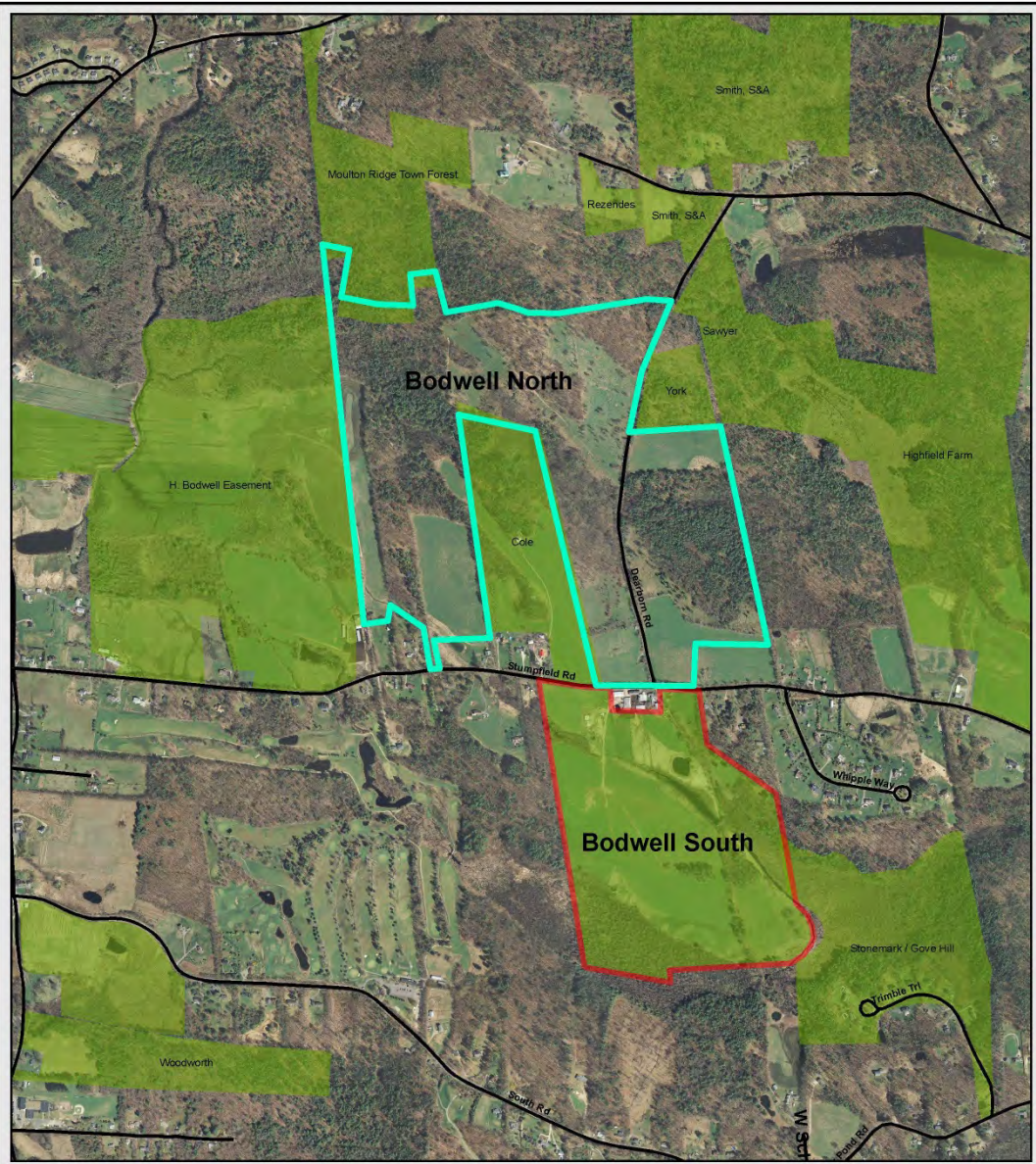
Intro to Agricultural Land Easements (ALE) Lessons Learned







Bodwell Dairy Farm

Kensington, NH





-  Bodwell_ALE_Boundary_North
-  Bodwell ALE Boundary_South
-  Existing Conservation Lands
-  Roads (NHDOT)



1:14,211

0 1,750 3,500 Feet

Bodwell Farm Overview Map Kensington, NH

Boundary and feature
locations are approximate
- based on tax map

Map prepared by
Southeast Land Trust of NH
May 2016

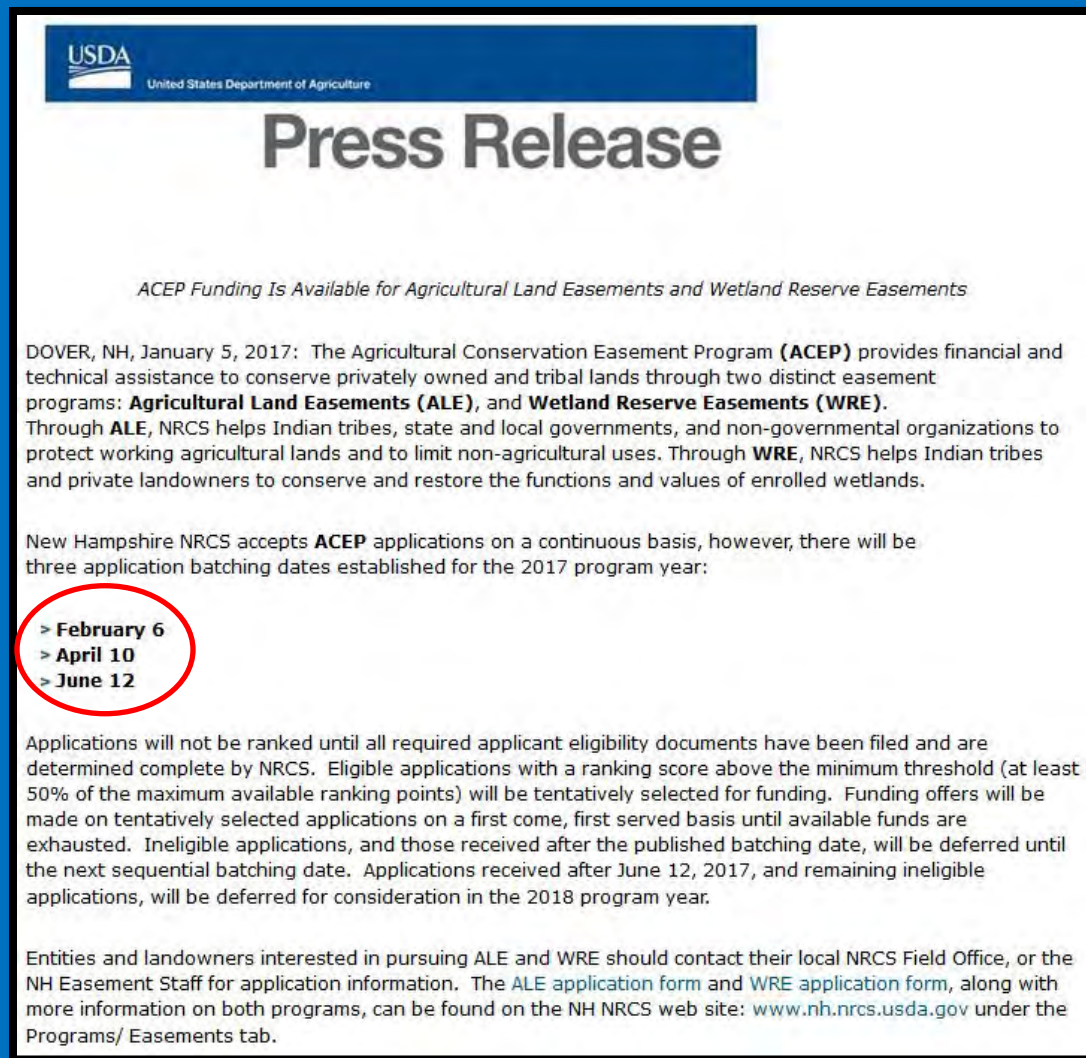




Preparing for ALE

Timeframes

- Know batching dates
- Aim for earliest date
- Can take 1+ year to prepare
- Project can take 2-3 years
- Deferrals ≠ Denials
- New FY may require new application forms



The image is a screenshot of a USDA press release. At the top, the USDA logo and 'United States Department of Agriculture' are visible. Below this, the title 'Press Release' is prominently displayed. The subtitle reads 'ACEP Funding Is Available for Agricultural Land Easements and Wetland Reserve Easements'. The main text, dated January 5, 2017, from Dover, NH, describes the ACEP program and its two types: Agricultural Land Easements (ALE) and Wetland Reserve Easements (WRE). It mentions that NRCS helps Indian tribes, state and local governments, and non-governmental organizations. A specific section for New Hampshire NRCS states that applications are accepted on a continuous basis but with three batching dates: February 6, April 10, and June 12. These dates are circled in red. The text further explains that applications are ranked only after all required documents are filed and a minimum threshold is met. It also provides contact information for local NRCS Field Offices and the NH Easement Staff, and directs readers to the NH NRCS website for application forms and more information.

USDA
United States Department of Agriculture

Press Release

ACEP Funding Is Available for Agricultural Land Easements and Wetland Reserve Easements

DOVER, NH, January 5, 2017: The Agricultural Conservation Easement Program (**ACEP**) provides financial and technical assistance to conserve privately owned and tribal lands through two distinct easement programs: **Agricultural Land Easements (ALE)**, and **Wetland Reserve Easements (WRE)**. Through **ALE**, NRCS helps Indian tribes, state and local governments, and non-governmental organizations to protect working agricultural lands and to limit non-agricultural uses. Through **WRE**, NRCS helps Indian tribes and private landowners to conserve and restore the functions and values of enrolled wetlands.

New Hampshire NRCS accepts **ACEP** applications on a continuous basis, however, there will be three application batching dates established for the 2017 program year:

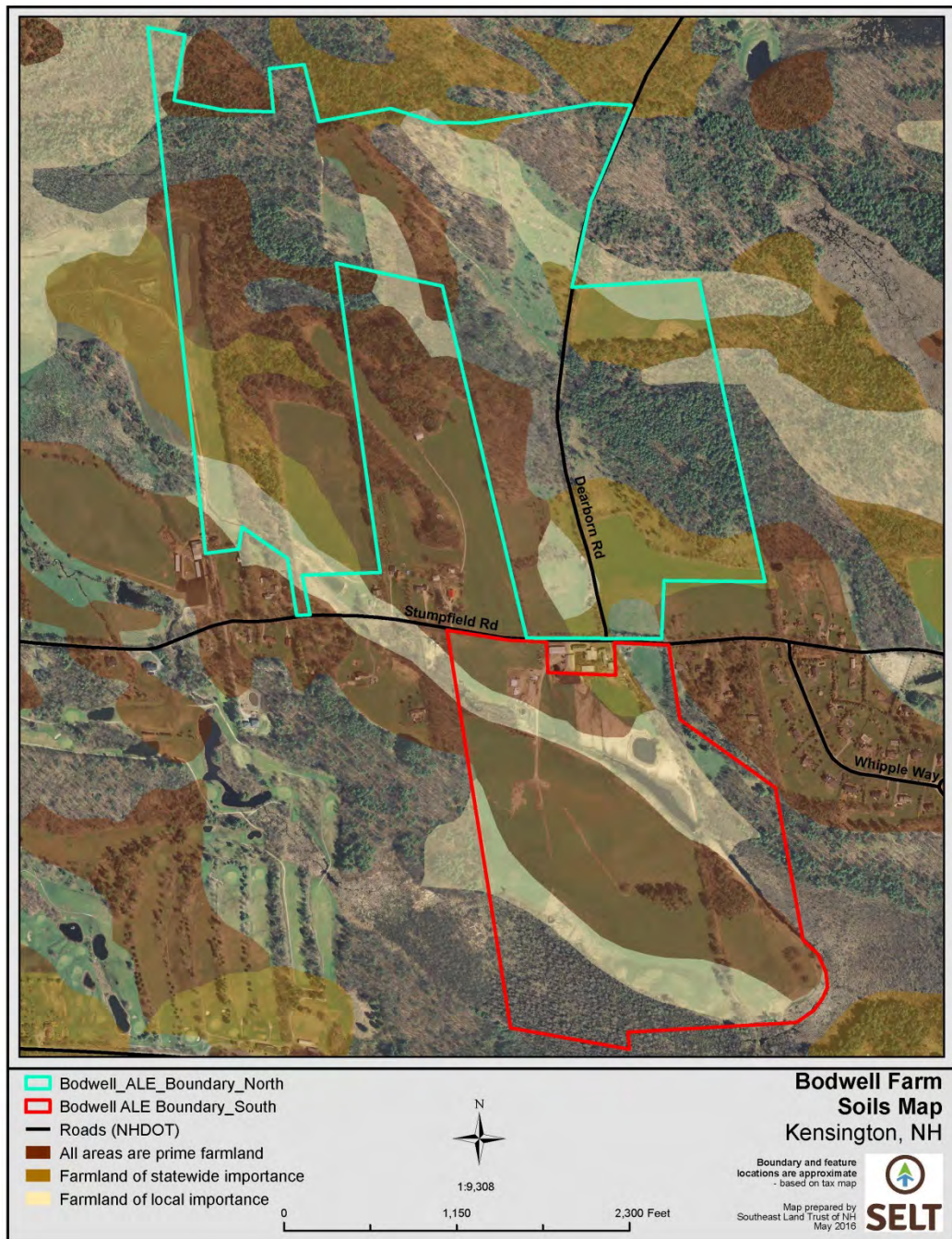
- > February 6
- > April 10
- > June 12

Applications will not be ranked until all required applicant eligibility documents have been filed and are determined complete by NRCS. Eligible applications with a ranking score above the minimum threshold (at least 50% of the maximum available ranking points) will be tentatively selected for funding. Funding offers will be made on tentatively selected applications on a first come, first served basis until available funds are exhausted. Ineligible applications, and those received after the published batching date, will be deferred until the next sequential batching date. Applications received after June 12, 2017, and remaining ineligible applications, will be deferred for consideration in the 2018 program year.

Entities and landowners interested in pursuing ALE and WRE should contact their local NRCS Field Office, or the NH Easement Staff for application information. The [ALE application form](#) and [WRE application form](#), along with more information on both programs, can be found on the NH NRCS web site: www.nh.nrcs.usda.gov under the Programs/ Easements tab.

NRCS Eligibility

- 50% important farmland soils
- <66% forested land
- State/local policy
- Choose your entity wisely
 - Must meet NRCS eligibility (DUNS/SAM)
 - Stewardship capability?
 - Fundraising experience?
 - Other executory interests?



Appraisals

- This is a critical step!
- Do first and early
- Conceptual development analysis? Ask appraiser first.
- Helps to hire appraiser familiar with ALE/federal review process
- Must submit appraisal for NRCS approval within:
 - 6 months of Cooperative Agreement
 - 12 months of closing

REAL ESTATE APPRAISAL REPORT
OF
TAX MAP 7, LOTS 8, 14, & 14-1
TAX MAP 10, LOTS 14 & 16
KENSINGTON, NEW HAMPSHIRE

OWNED BY
HAROLD W. BODWELL, JR. & ELIZABETH A. BODWELL

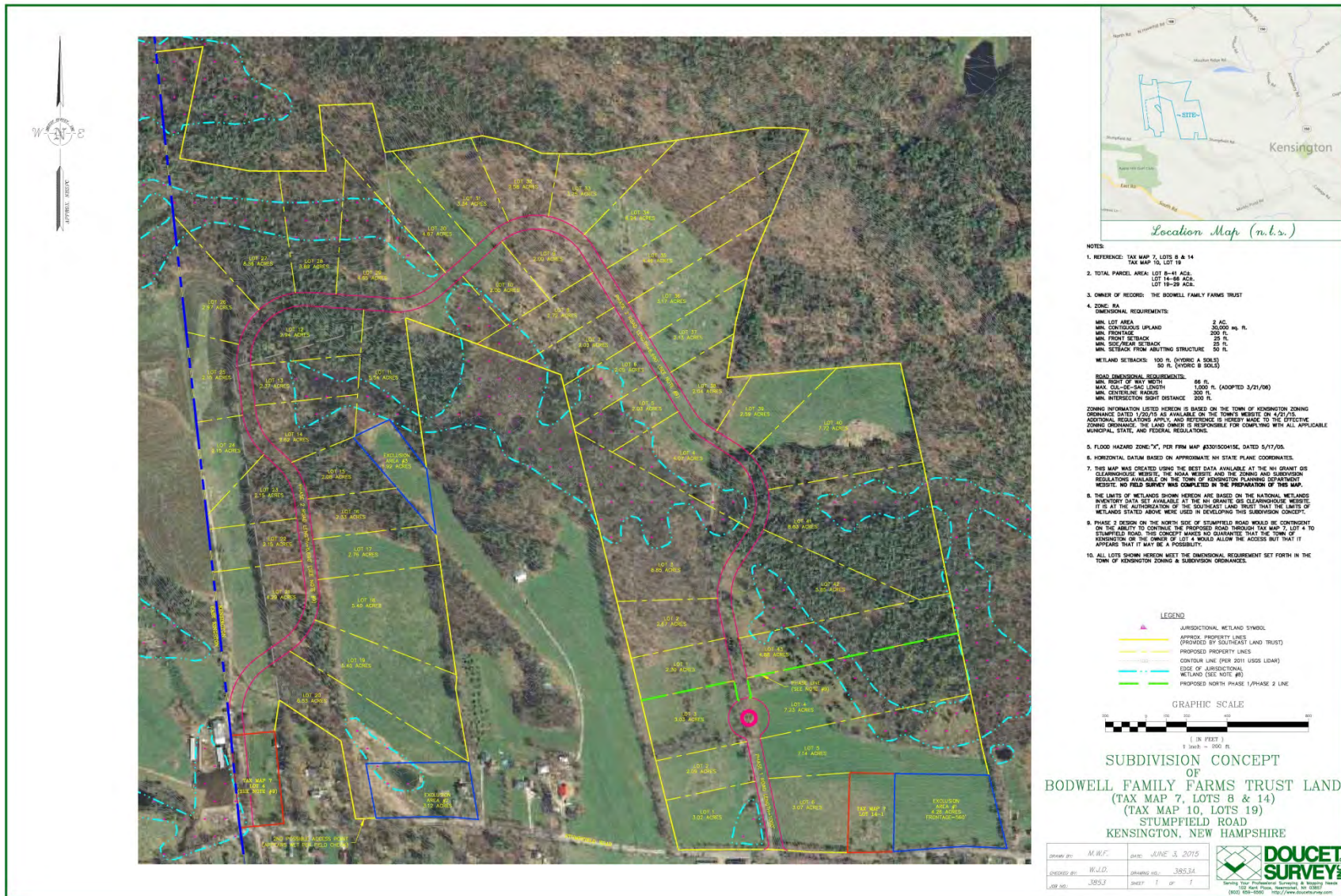
CAA FILE NO. 80.1467

PREPARED FOR
JEREMY LOUGEE
CONSERVATION PROJECT MANAGER
SOUTHEAST LAND TRUST OF NEW HAMPSHIRE

AS OF
JANUARY 6, 2016

Crafts Appraisal Associates, Ltd.

4 Bell Hill Road • Bedford, NH 03110 • 603 472-2444 • fax 603 472-9856 •
Email admin@craftsappraisal.com



Conceptual Development Analysis

Appraisals

- Critical step!
- Do first and early
- Conceptual development analysis? Ask appraiser first.
- Hire appraiser familiar with ALE/federal review process
- NRCS-approved appraisal within:
 - 6 months of Coop Agreement
 - 12 months of closing
 - Must represent exact "Property" referenced in deed, title, survey, etc

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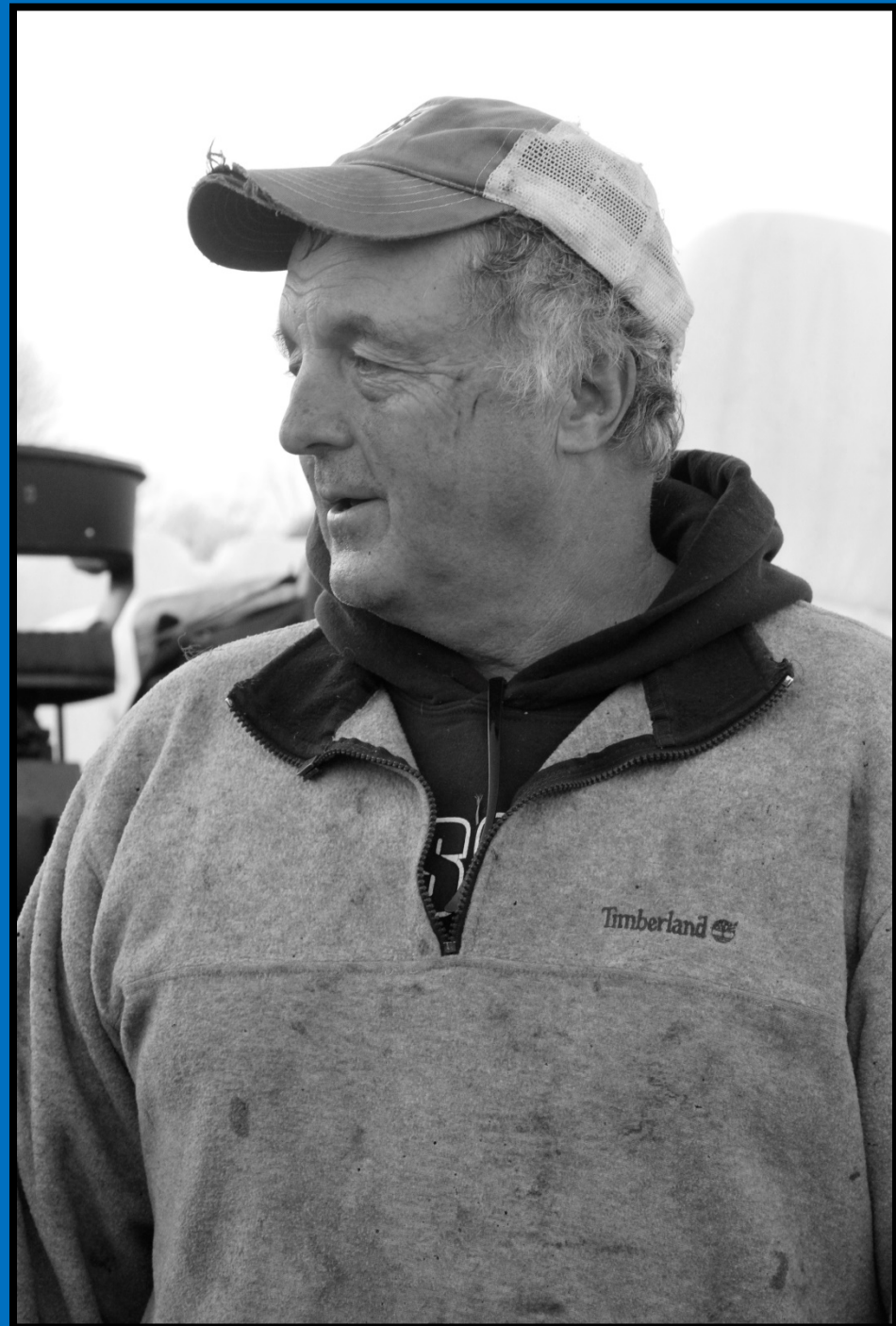
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Landowner Considerations

- Share deed language early
 - Minimum Deed Terms
 - SELT Model Easement
 - Template (Reserved rights?)
- Purchase & Sales Agreement
 - Timelines (NRCS application, closing)
 - Appraised Value (flexible or fixed)
- Bargain Sale?
 - 0% to 25%*
- Exclusion Areas
 - Determine before appraisal
- Building Envelopes
 - <10-15% of total area

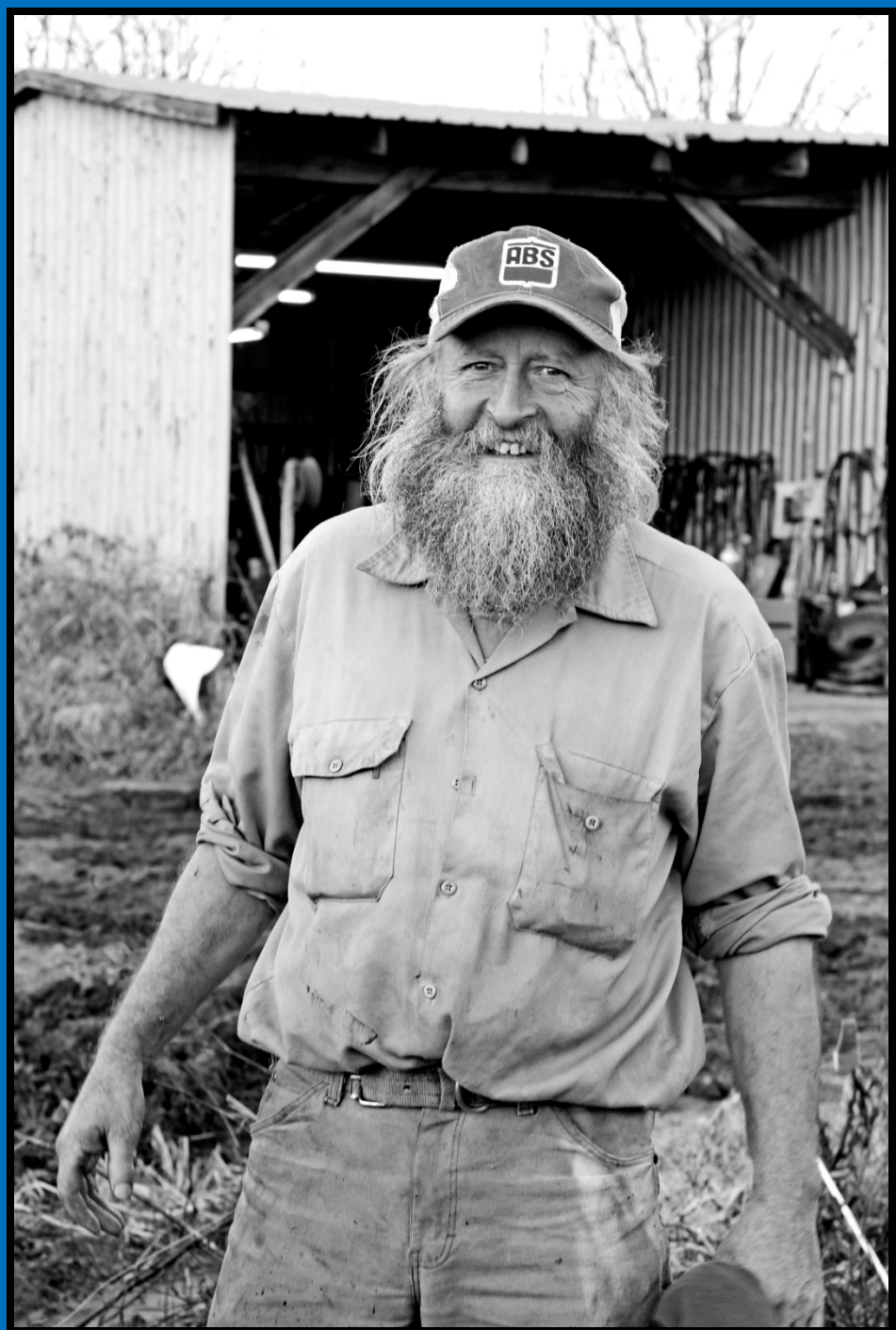
Hal Bodwell, 3rd generation dairy farmer



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Charlie Kimball, “Mr. Fix-it”



Landowner Considerations

- **Share deed language early**
 - Minimum Deed Terms
 - SELT Model Easement
 - Template (Reserved Rights)
- **Purchase & Sales Agreement**
 - Timelines (NRCS application, closing)
 - Appraised Value (flexible or fixed)
- **Bargain Sale?**
 - 0% - 25% (or maybe 37.5%)
- **Exclusion Areas**
 - Determine before final appraisal
- **Building Envelopes**
 - <10-15% of total area (site specific)

Harry Bodwell, doing chores since 1926



- **Exclusion Areas**
 - Determine areas before appraisal
 - Exclude residential buildings if possible
 - Historical resources?
- **Building Envelopes**
 - <10-15% of total area
 - Site specific
- **Subdivisions**
 - Work with Town Planning Boards early on

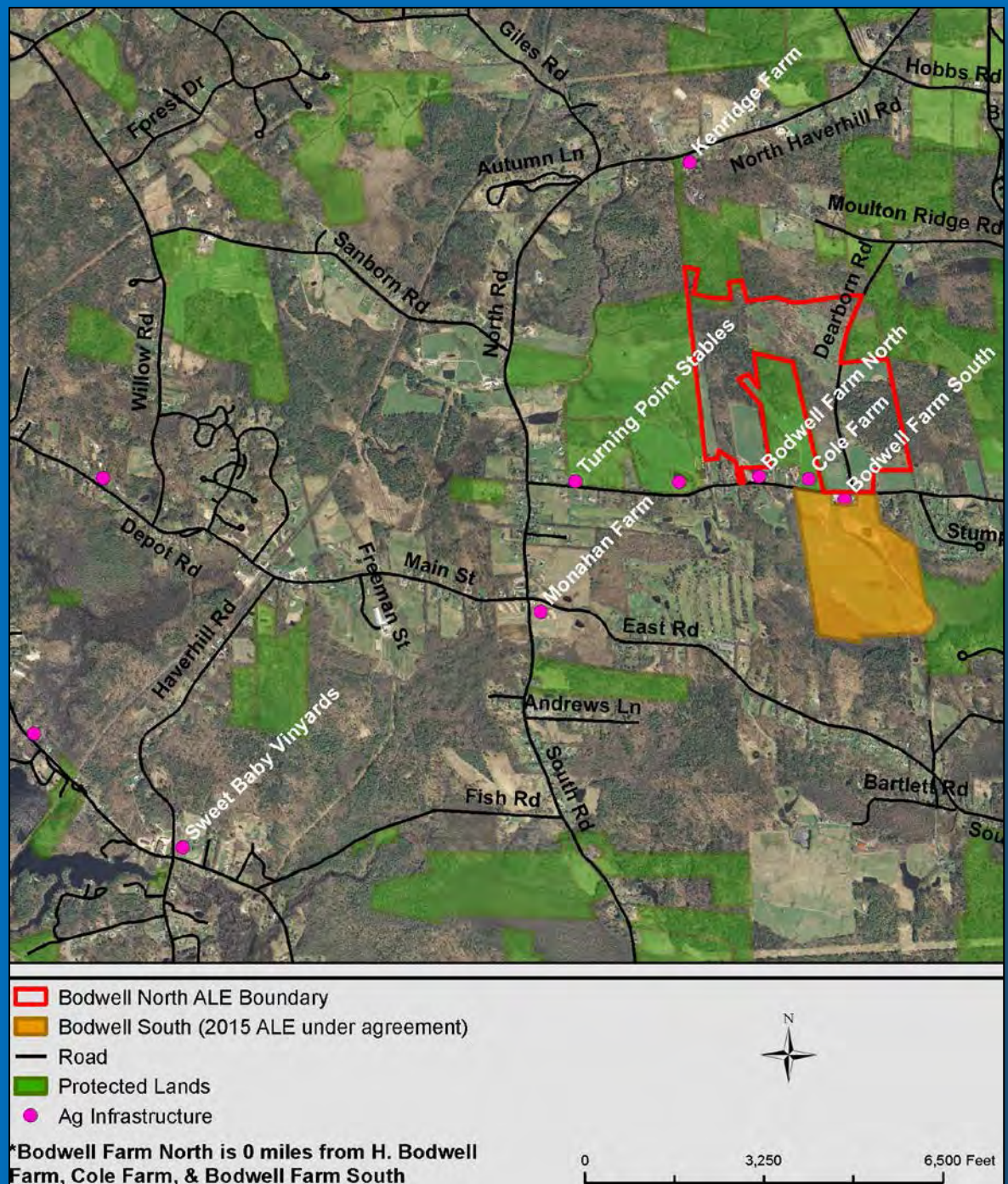


A photograph of a middle-aged man with a friendly expression, wearing a grey baseball cap with a logo and a dark blue work shirt. He is leaning on a wooden fence in a rustic barn setting. The barn has wooden beams and a bright light source in the background. The text 'Applying to ALE' is overlaid on the right side of the image.

Applying to ALE

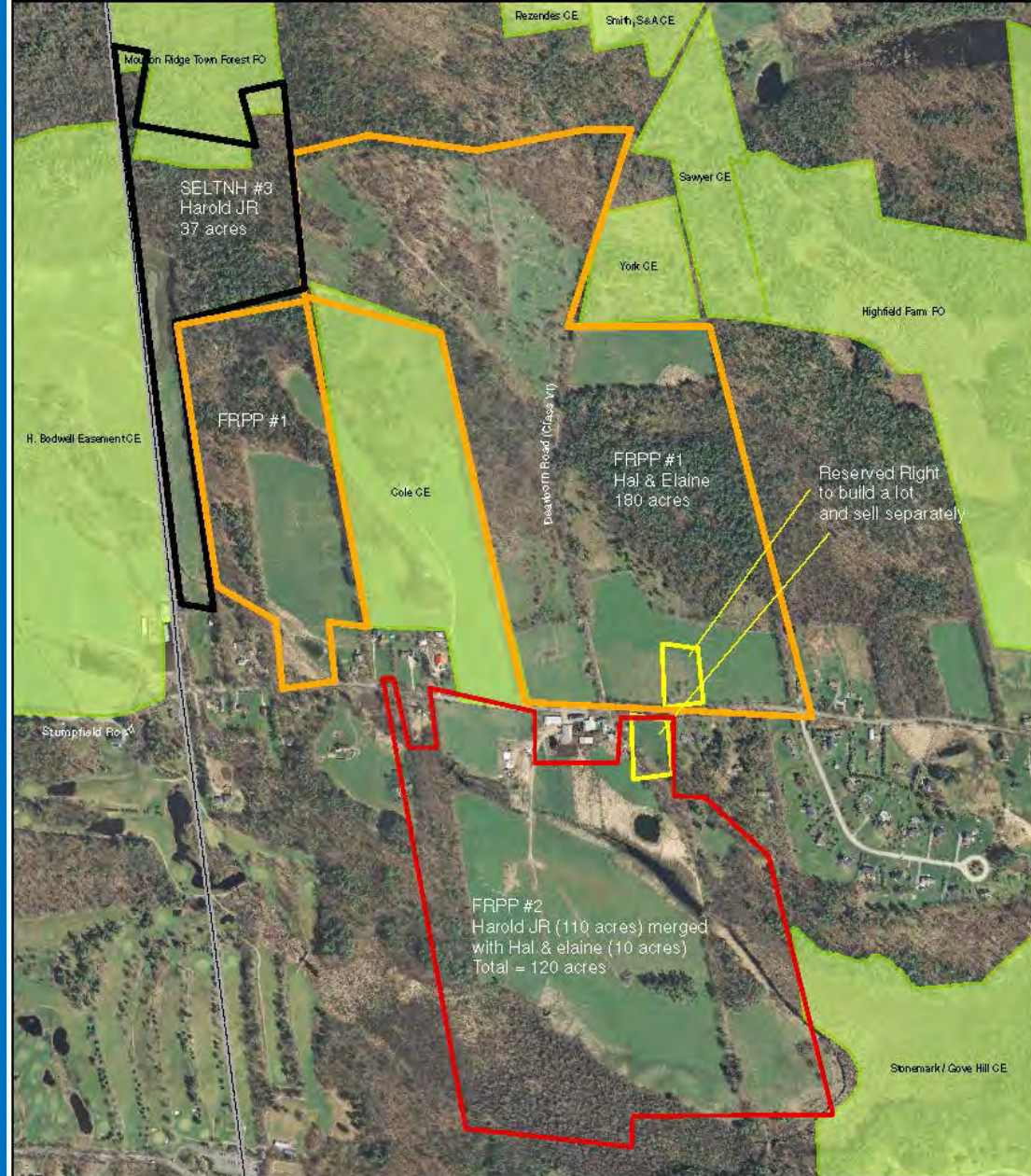
Ranking

- “Do it Yourself”
 - Share info with NRCS
- Additional Points
 - Business/succession plan
 - Conservation Practices
 - Conserved Land
 - Ag Infrastructure
- Contact NRCS!
 - Changes each fiscal year



Project Size

- Multiple Applications?
- Staging
 - Break into manageable parts
 - Consider eligibility, ranking, timing, etc
 - 1 owner = 1 ALE application
- WRE Option?
 - Forests, wetlands, riparian areas
 - Both must be competitive
 - Timing/funding issues



3 conservation easements (2 Farm & Ranchland, 1 SELTNH)
Each easement area can be conveyed or sold independantly from the others and houses
Easement #1 merges 2 parcels owned by Hal & Elaine into 1
Easement #2 merges ownership of Harold JR & Hal & Elaine into 1 larger lot
Reserved Right for 1 or 2 house lots shown in yellow



Fundraising & Grants

Grants

- Estimate all known costs
- **Matching Funds**
 - 9 funding sources!
- Grant Allocations
- Eligible Expenses



Matching Funds

- Public and private grants
- Foundations
- Private donations
- Community fundraising
- “It takes a village”
...region
...state
...nation.



SELT

SOUTHEAST LAND TRUST
of NEW HAMPSHIRE



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Bodwell Farm, Kensington

Got milk? The Bodwell Farm sure does! With its happy cows and lush pastures, this farm maintains a window into New England's agrarian past. Now one of only six commercial dairies remaining in all of Rockingham County, the Bodwell Farm provides a critical link to the local food network of the Seacoast region. Since 1928, six generations of the Bodwell family have worked this land. SELT is working with the Bodwell family to conserve the farm. To date, leadership grants have been provided by the NH Land and Community Heritage Investment Program, US Natural Resources Conservation Service's Agricultural Land Easement program, the Russell Farm and Forest Conservation Foundation, and the Lewis Family Conservation Foundation!

With the assistance of SELT and donors like you, the surrounding community can be sure this farm will continue to grow something other than houses. **Click here to support this project with a special donation!** ←

This project is supported by funds from the sale of the Conservation License Plate (Moose Plate) through the NH State Conservation Committee Conservation Grant Program.



Photo by Jeremy Lougee

Contact Us

6 Center Street
Exeter, New Hampshire 03833
603.778.6088
info@seltnh.org



A photograph of a forest in autumn. The ground is covered in a thick layer of fallen brown leaves. Several trees are visible, some with bare branches and others with brown and orange foliage. The sky is overcast and grey. The text "ALE Acquisition" is overlaid in yellow at the bottom.

ALE Acquisition

Cooperative Agreement

- Your “go to” for due diligence rules and requirements
 - Check there before asking NRCS
- Usually signed late in FY (Aug)
- It ain’t official till you sign!
 - Hold off on big ticket items such as survey
 - If final appraisal is higher, NRCS may need to request add’l funds from national headquarters



Due Diligence

- Proper Sequencing
 - Title > Phase I > Survey > Final CE Draft
- Plan for Delays!
 - Title issues
 - Old road classifications
 - Boundary line contests
 - Subdivision of exclusion areas
 - Mortgage subordinations, discharges, partial releases, etc
- ALE Plan
 - Start early (even if NRCS completes)
 - Entity additions/edits
 - Landowner feedback



Minimum Deed Terms

- **Template**
 - Requires national level review
 - Combine model CE with MDT
 - May be easier for stewardship staff
- **Subdivision Clause**
 - May provide future flexibility
 - Large farms, family dynamics, etc
 - Decide early
 - Get approval before closing (easier)
 - Can be huge headache for stewardship
- **Grassland Bird Provision**
 - May require delayed mowing/grazing
 - “Cropland” land use (hay, corn, etc)
 - Best to avoid if possible



NRCS Review and Closing

- Takes time (1-3 months)
 - Do other grant agencies reviews first
 - Template/attached MDT saves time
- Baseline Preparation & Review
 - Give yourself extra time
- Closing
 - Payment Options
 - May request advance payment
 - Takes time to clear Treasury
 - Signatures, Notary, Registry
 - Have plan reviewed prior to closing
- **CELEBRATE!!**



Questions?



Thanks!



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Photos courtesy of Sandy Chaisson & SELT