



Northeast SARE Sustainable Community Grant CNE08-05
***Leveraging Community Financing for Farm and Farmland Protection
in New Hampshire Using Installment Purchase Agreements***

Jeffrey C. Everett
P.O. Box 388
Emmitsburg, MD 21727
240-575-1787
farmlandpreservation@comcast.net



Northeast SARE Sustainable Community Grant CNE08-056

Presentation Outline

Introductory Remarks

**Applicability of IPAs to All Resource Types
Opportunity to Continue Preserving Quality-of-Life**

**Existing Infrastructure for Farmland Protection in New Hampshire
History of Land Conservation Innovation**

**LCIP
LCHIP
ALPP**

**Farmland Protection Challenges in New Hampshire
Lack of Public Funding and Ineffective Agricultural Zoning**

Installment Purchase Agreements as a Farmland Protection Financing Tool

**Land Escalation and Access to Cash
IPAs vs. Cash Payments; Leveraged IPAs vs. Self-Funded IPAs
LCHIP Grant Model with IPAs
Advantages of IPAs to the Conservation Community
Advantages of IPAs to Landowners
Disadvantages of IPAs to the Conservation Community
Disadvantages of IPAs to Landowners**

Mechanics of IPA Implementation in New Hampshire

**Role of Land Trusts
Role of Town Government
Role of State Government
Role of LCHIP
Fee Simple vs. Easement Acquisitions**

Questions and Answers





Chocolate Mill 2
Rehabilitation
Project

Mill
No. 1

WHICH STATE IS THE MOST LIVABLE?



New Hampshire once again tops the Most Livable State rankings. This is the fifth consecutive year that the Granite State has earned this honor. New Hampshire excels in a number of important quality of life measures. The state boasts low crime, low poverty, high income levels, and a well educated population. Trailing New Hampshire at the top of the rankings list were Utah, Wyoming, Minnesota, and Iowa.

At the opposite end of the Most Livable State rankings scale, Mississippi holds on firmly to last place. It has held this position for nine of the last ten years. Preceding Mississippi were South Carolina, Kentucky, Tennessee, and Arkansas.

Background and Methodology

Now in its 18th year, the Most Livable State Award is issued in conjunction with the publication of each year's new edition of *State Rankings*. Annually we reexamine our collection of data and select the factors that reflect a state's basic quality of life.

The 2008 award is based on 44 factors ranging from median household income to crime rate, sunny days to infant mortality rate. The factors used for this year's award are the same as those used last year.

To determine a state's "livability rating" (see page five for state-by-state scores) the 44 categories were divided into two groups: those that are "negative" for which a high ranking would be considered bad for a state, and those that are positive for which a high ranking would be considered good for a state. Since a high livability rating is best, the rankings for the "positive factors" were inverted. Thus the state with the highest median income (ranking 1st in our

book) would rank 50th for this award.

Once these calculations were made, each state's rankings for the 44 categories were averaged. All factors were given equal weight.

Unique among the various rankings of states, our Most Livable State Award does not focus on any one category of data. Instead it takes into account a broad range of economic, educational, health-oriented, public safety, and environmental statistics.

The award for the Most Livable State is one of six annual announcements made in conjunction with the publication of our state and city reference books. The Healthiest State Award is based on factors derived from *Health Care State Rankings*. The Most Dangerous and Safest State designations are announced with our *Crime State Rankings* volume. The Safest City and Metro Area Awards are based on data from the *City Crime Rankings* volume. The Smartest State Award is determined using data from *Education State Rankings* and the Most Improved State Award is based on statistics from our *State Trends* volume.

While we strive to make our books as objective as possible, these awards give us the opportunity to choose the factors we think tell an interesting story about quality of life in the 50 United States.

Congratulations to the citizens and leaders of New Hampshire on their continued success!

- THE EDITORS

New Hampshire Conservation Lands



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**New Hampshire Land Conservation Investment Program (LCIP)
Agricultural Land Preservation Acquisitions, 1988-1993**

TOWN	GRANTOR LAST NAME	ACRES	ACQUISITION DATE
Pittsburg	Amey	1,246.70	12/15/1988
Westmoreland	Windyhurst Farm Partnrshp	216.92	12/16/1988
Piermont	Batchelder	100.90	1/12/1989
Orford	Bunten	183.50	2/9/1989
Orford	Wilson	72.37	2/9/1989
Orford	Wilson	13.69	2/9/1989
Orford	Wilson	17.25	2/28/1989
Pittsburg	Amey	286.70	4/18/1989
Pittsburg	Amey	61.06	4/18/1989
Whitefield	Bean	218.70	5/2/1989
Acworth	Bascom Sugar House, Inc.	113.40	7/17/1990
Acworth/Langdon	Bascom	398.90	7/17/1990
Acworth/Charlestown	Bascom	238.00	7/17/1990
Lyme	Tullar, Sr. (45.7)	45.70	10/15/1990
Lyme	Tullar, Sr. (46.1)	46.10	10/15/1990
Lyme	Tullar (18.3)	18.30	10/15/1990
Lancaster	Nadeau	102.17	10/26/1990
Lancaster	Nadeau (Forbes)	237.67	10/26/1990
Westmoreland	Wingersky et al.	41.38	6/26/1991
Claremont	Shugah Vale, Inc.	214.60	8/5/1991
Claremont	Shugah Vale, Inc.	18.00	8/5/1991
Canterbury	McCullough	451.80	12/24/1991
Canterbury	Meeh	95.60	12/24/1991
Haverhill	McDanolds	181.45	6/30/1992
Hopkinton	Kimball	61.80	9/3/1992
Hopkinton/Concord	Kimball	177.50	9/3/1992
Haverhill	Chamberlin (183)	183.00	9/24/1992
Haverhill	Chamberlin (68.47)	68.47	9/24/1992
Canterbury	Shaker Village, Inc.	24.00	12/17/1992
Hollis	Brookdale Fruit Farm, Inc	194.44	12/22/1992
Piermont	Putnam Farm Of Piermont	127.14	12/31/1992
Piermont	Underhill	209.47	12/31/1992
Piermont	Putnam Farm Of Piermont	15.90	12/31/1992
Benton	Cadreact	315.22	3/4/1993
Milton	NH Farm Museum, Inc.	18.60	6/11/1993
Winchester	Kelly, Jr.	234.73	6/24/1993
Total Acreage		6,251.13	

**New Hampshire Land and Community Heritage Investment Program (LCHIP)
Projects with an Agricultural Component, 2001-Present**

Year	Project Name	Town	Target Acres	Match Acres	Project Type	Total Project Cost	LCHIP Funded
2001	Sunnycrest Orchard	Concord	154.70	60.00	Easement	\$810,000.00	\$405,000.00
2001	Nassikas Property	Dunbarton	664.00		Fee	\$1,072,000.00	\$210,000.00
2001	Raynes Farm	Exeter	48.58	30.00	Fee	\$520,000.00	\$200,000.00
2002	Corneliusen Orchard	Derry	75.60	134.50	Fee	\$830,000.00	\$125,000.00
2002	Hidden Acres Farm	Newton	22.25	6.00	Easement	\$267,300.00	\$112,300.00
2002	Schmid Farm	Piermont	133.00		Easement	\$471,679.83	\$225,000.00
2002	Sunset Hill	Sugar Hill	62.00		Easement	\$349,847.83	\$140,000.00
2002	Carnival Hill	Wilton	37.00		Fee	\$340,000.00	\$100,000.00
2002	Temple-Wilton Community Farm	Wilton	43.00	118.00	Fee	\$260,000.00	\$130,000.00
2003	Bald Hill	Albany	280.00		Fee	\$318,000.00	\$159,000.00
2003	NH Farmland Conservation Initiative	Bath, Haverhill	589.00		Easement	\$665,000.00	\$332,500.00
2003	North Lee Conservation Project	Lee	224.79	238.00	Easement	\$824,500.00	\$400,000.00
2003	Longridge Farm	Meredith	119.50		Easement	\$639,500.00	\$275,000.00
2003	Grapevine Hill/Tuttle Swamp	Newmarket	163.40	0.00	Fee	\$1,265,000.00	\$250,000.00
2003	Piscassic River	Newmarket	48.40		Fee	\$453,035.00	\$48,000.00
2003	Badger Property	Warner	745.00		Easement	\$202,500.00	\$98,000.00
2003	Four Corners Farm	Wilton	68.00	0.00	Easement	\$560,000.00	\$250,000.00
2004	NH Farmland Conservation Initiative	Bath, Claremont	151.00	192.00	Easement	\$360,200.00	\$100,000.00
2004	Gold Star Sod Farm	Canterbury, Concord	673.00	0.00	Easement	\$3,267,005.00	\$378,000.00
2004	Rossvie Farm	Concord	515.00	0.00	Easement	\$2,400,000.00	\$300,000.00
2004	Flag Hill	Epping, Lee	110.00	0.00	Easement	\$617,600.00	\$220,000.00
2004	Hurd Farm	Hampton, Hampton Falls	151.50		Easement	\$2,105,000.00	\$100,000.00
2004	Gagne Farm	Rochester	64.00	41.00	Easement	\$1,425,000.00	\$300,000.00
2006	Webster Farm	Franklin	141.00	57.00	Easement	\$2,400,000.00	\$750,000.00
2006	Temple Mountain	Peterborough, Sharon,	343.00	0.00	Fee	\$1,125,000.00	\$135,000.00
2007	Fitch Farm	Cornish	165.00	0.00	Easement	\$347,000.00	\$167,500.00
2007	Ramblin Vewe Farm	Gilford	116.00	0.00	Easement	\$712,000.00	\$44,250.00
2007	Salmon Falls Headwaters	Milton	343.00	0.00	Fee	\$1,304,727.00	\$325,000.00
2007	Ebenezar Hinsdale Farm	Hinsdale	37.00	0.00	Easement	\$950,000.00	\$215,000.00
2007	Androscoggin Valley Conservation	Shelburne	790.00	566.00	Easement	\$2,500,000.00	\$300,000.00
	Totals		7,077.72	1,442.50		\$29,361,894.66	\$6,794,550.00

New Hampshire Department of Agriculture

Agricultural Land Preservation Easement Acquisitions, 1981-Present

Current Owner	Original Grantee	Date Acquired	Acres
Timothy Sullivan, Esq., corporate Mgr, Administ	Robert & Margaret Savage	3/5/1981	68.72
Stephen Jacobs	Stephen Jacobs	9/29/1981	56
Bruce & Martha Crete	Roger C & Roger W Sanborn	10/7/1981	160.323
Scott Hersee c/o H & R Construction Co.	Roger C & Roger W Sanborn	10/7/1981	160.323
Steve Cochrane	Lucian & Ellen Hildreth	10/7/1981	57.1
Rick Charbonneau, Centry Farm Estates	Century Farm (Calawa & Landay)	10/23/1981	25.629
Ray Sebold, Crotched Mountain	M&M John Simonds & M&M Philip DuBois	10/29/1981	57.96
Herbert Stevens	J. Clinton & Betty Stevens; Arthur & Ann Steven	11/13/1981	52.5
Irving Woodman	J. Clinton & Betty Stevens; Arthur & Ann Steven	11/13/1981	0
James Stuart, Stuart Farm	James & Lorraine Stuart & Helen VanLeer	11/13/1981	173.07
Nesenkeag Coop Farm	William McElwain	2/4/1982	42
John & Christine Teague	Wayne & Ruth Ross	2/16/1982	76.4
Michael Lehman & Jan McClure	Wayne & Ruth Ross	2/16/1982	0
Wayne & Ruth Ross	Wayne & Ruth Ross	2/16/1982	0
Steven Rattee	Horace S. Blood, MD	3/30/1982	106.4
David Orde	Donald & Aubrey Hawes	11/19/1982	61.2
Steven Friars	Herbert & Winifred Day	11/22/1982	38.7
Norman Van Ord	Albert & Kathleen Read	12/15/1982	84.5
Toby Barrett	Warren & Elmer MacKenzie	6/10/1983	25.74
Sharon McKay	David & Patricia Welch & Marjorie Welch	12/29/1983	30.84
Victor Virgin	David & Patricia Welch & Marjorie Welch	12/29/1983	30.84
Albert Hudson	Albert & Judith Hudson	11/16/1987	42
Roy Holman	David & Joan Barrett	11/16/1987	193.25
Bruce Townsend	Howard & Madeline and Bruce & Merinda Town:	12/28/1987	288.8
Paul & Nancy Franklin, Riverview Farm	Paul & Nancy Franklin	3/31/1988	29
Fred & Charles Weld	Clara Weld	3/31/1988	32.87
Nathan & Carolyn Smith	Karen Tardif & Beverly Caswell	4/6/1988	19.985
Jennifer Harper	Frederick & Lillian Harrigan	11/16/1988	49.05
Jennifer Harper, Green Meadows Farm	Frederick & Lillian Harrigan	11/16/1988	40
William McNamara, Mac's Happy Acres	D. Scott & Avis MacLeay	12/30/1988	19.81
Gordon & Nancy Gray, Graymist Farm	Bernard & Marion Frizzell	7/17/1989	174.7
Eleanor Mudge	Gilbert & Eleanor Mudge	12/6/1989	44.3
Dan & Moira Burnham	Moira Burnham	12/20/1989	119.6
Roger Sanborn	Dorothy R.W. Sanborn	5/10/1990	260.54
Gregg Merritt	Carl Merritt	6/8/1990	323.8
B. Wayne Tullar	B. Wayne & Frances Tullar	10/15/1990	18.3
Philip Staples	Philip Staples	3/29/1991	30.9
Robert Keniston, Jr.	Robert & Euna Keniston	4/12/1991*	24.37
W. Timothy Brooks*	W. Timothy Brooks	2/15/2005**	144
Total Acres			3,163.52
*Last Purchased Easement			
**Easement Donation			

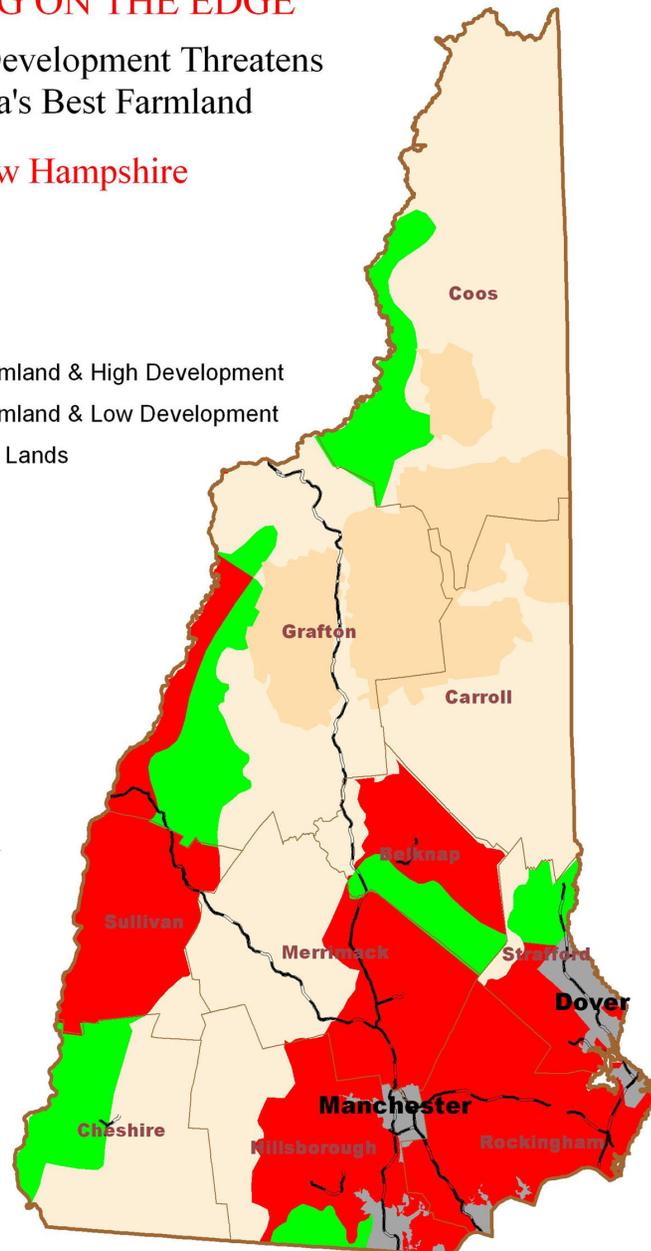
FARMING ON THE EDGE

Sprawling Development Threatens
America's Best Farmland

New Hampshire

Legend:

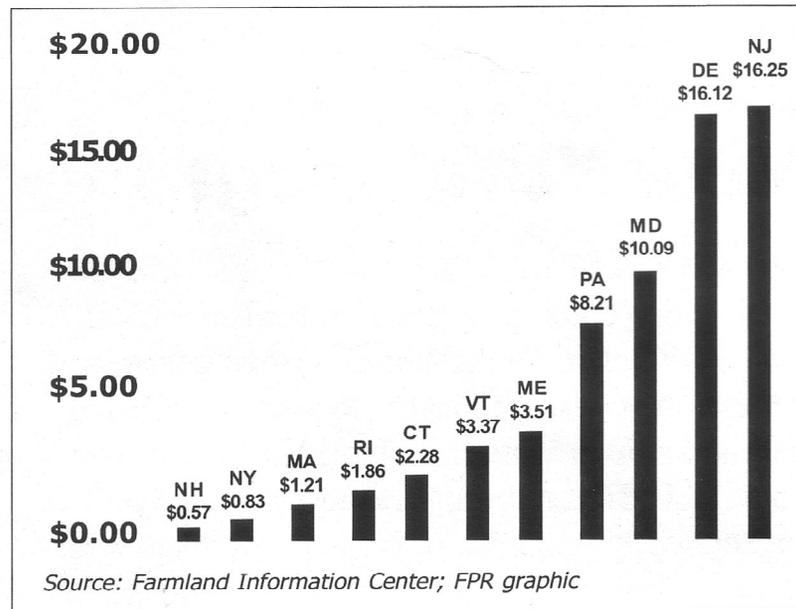
-  High-Quality Farmland & High Development
-  High-Quality Farmland & Low Development
-  Federal & Indian Lands
-  Urban Areas
-  Other Lands



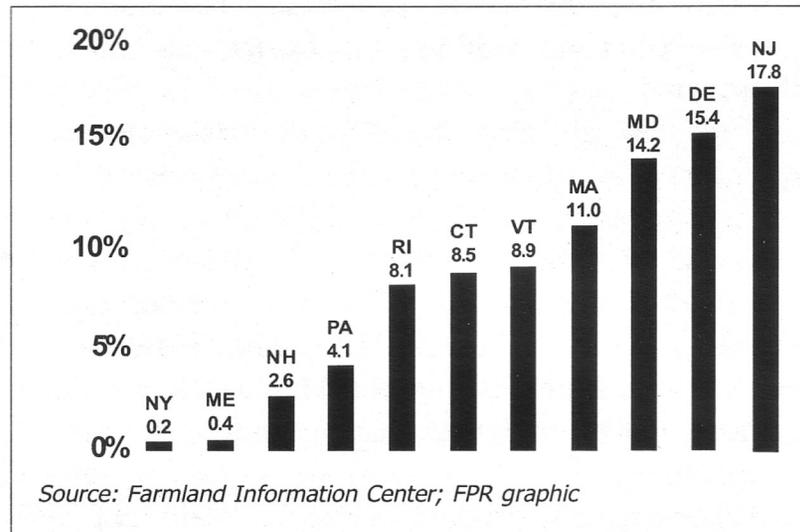


NH COALITION FOR SUSTAINING AGRICULTURE

Spending per capita for farmland protection



Percent of total farmland protected, by state



Sierra Club Sprawl Report: State Open Space Protection Rankings*

(*Government Policies and Programs, Not Non-Profit Efforts)

Top Ten

<u>Rank</u>	<u>State</u>
1	Maryland
2	New Jersey
3	Illinois
4	Oregon
5	Colorado
6	Michigan
7	Montana
8	Ohio
9	Pennsylvania
10	California

Bottom Ten

41	Arkansas
42	Arizona
43	New Hampshire
44	Missouri
45	South Dakota
46	Texas
47	Louisiana
48	South Carolina
49	Alaska
50	West Virginia



Carroll County Agricultural Land Preservation Program Easement Values and Escalation Fiscal Year 1980 to Fiscal Year 2007

Fiscal Year	Annual Funding (County, State, Federal)	Acreage Preserved	Easement Value Per Acre	Change in Easement Value Per Acre
1980	\$1,650,526	1,750	\$838	
1981	\$1,953,364	2,418	\$812	-3%
1982	\$1,408,916	2,000	\$699	-14%
1983	\$2,103,119	2,568	\$736	5%
1984	\$1,195,520	1,444	\$752	2%
1985	\$815,039	1,346	\$681	-9%
1986	\$878,942	1,627	\$709	4%
1987	\$970,165	928	\$933	32%
1988	\$1,224,384	1,007	\$1,393	49%
1989	\$3,038,426	1,804	\$1,443	4%
1990	\$6,680,756	3,629	\$1,723	19%
1991	\$971,513	0	\$1,723	0%
1992	\$290,341	112	\$1,723	0%
1993	\$1,053,062	598	\$1,852	7%
1994	\$1,735,513	726	\$1,774	-4%
1995	\$1,731,177	1,227	\$1,493	-16%
1996	\$2,447,188	1,562	\$1,819	22%
1997	\$4,474,208	1,774	\$1,832	1%
1998	\$5,173,498	2,480	\$2,057	12%
1999	\$5,743,596	1,934	\$2,242	9%
2000	\$5,354,941	2,526	\$2,048	-9%
2001	\$8,087,617	3,844	\$2,433	19%
2002	\$8,444,277	2,612	\$2,762	14%
2003	\$6,869,844	2,156	\$2,821	2%
2004	\$10,511,450	2,727	\$3,500	24%
2005	\$12,275,328	2,326	\$4,003	14%
2006	\$14,990,597	2,806	\$5,989	50%
2007	\$14,765,939	1,655	\$7,154	19%
Totals	\$126,839,246	51,586		
Averages	\$4,529,973	1,842	\$2,069	9%



Town of Hopkinton
Comparison of Conservation Easement Acquisition Methodologies

LANDOWNER WORKSHEET

	Cash Payment	Self-Funded IPA	Leveraged IPA
Appraised Easement Value	\$600,000.00	\$600,000.00	\$600,000.00
Discounted Easement Value	Not Applicable	\$500,000.00	\$350,000.00
Charitable Contribution	\$0.00	\$100,000.00	\$250,000.00
Deferred Capital Gains Taxes	No	Yes	Yes
Capital Gains Taxes Due	\$75,000.00	\$60,000.00	\$37,500.00
Tax-Exempt Interest	No	Yes	Yes
Interest Earned (15-Year Term)	\$315,000.00	\$300,000.00	\$315,000.00
Net Easement Value (Over 15 Years)	\$840,000.00	\$840,000.00	\$877,500.00

TOWN WORKSHEET

Cost of Bonds to Purchase Easement	Not Applicable	100.00%	50.00%
Total Cost at Settlement	\$600,000.00	\$500,000.00	\$175,000.00
(Type of Bonds Purchased)	Not Applicable	State and Local Govt. Series Bonds	Zero Coupon Bonds
Interest Rate Paid to Landowner	4.00%	4.00%	6.00%
Total Cost Long-Term for Interest	\$0.00	\$0.00	\$315,000.00
(Cost Per Year for Interest)	\$0.00	\$0.00	\$21,000.00
Final Easement Cost	\$600,000.00	\$500,000.00	\$490,000.00
(Cost of Bonds and Interest)			



**Town of Hopkinton Installment Purchase Agreement
LCHIP Grant Award Comparison**

	15-Year Self-Funded IPA	30-Year Self-Funded IPA	15-Year Leveraged IPA	30-Year Leveraged IPA
LANDOWNER WORKSHEET				
Appraised Easement Value	\$600,000.00	\$600,000.00	\$600,000.00	\$600,000.00
Discounted IPA Value	\$500,000.00	\$450,000.00	\$350,000.00	\$300,000.00
Income Tax Deduction	\$100,000.00	\$150,000.00	\$250,000.00	\$300,000.00
Capital Gains Taxes	\$60,000.00	\$52,500.00	\$37,500.00	\$30,000.00
IPA Interest Payments	\$300,000.00	\$615,600.00	\$315,000.00	\$540,000.00
Net Easement Value	\$840,000.00	\$1,163,100.00	\$877,500.00	\$1,110,000.00
Interest Rate	4.00%	4.56%	6.00%	6.00%
Term in Years	15	30	15	30
TOWN WORKSHEET				
Bonds Price	100.00%	100.00%	50.00%	23.00%
Bonds Cost (Principal)	\$500,000.00	\$450,000.00	\$175,000.00	\$69,000.00
Interest Cost	\$0.00	\$0.00	\$315,000.00	\$540,000.00
Total Cost (Principal and Interest)	\$500,000.00	\$450,000.00	\$490,000.00	\$609,000.00
LCHIP Grant Award	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00
Town Match	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00
LCHIP Grant Award Minus Bonds Cost	-\$200,000.00	-\$150,000.00	\$125,000.00	\$231,000.00
Town Upfront Cost	\$200,000.00	\$150,000.00	-\$125,000.00	-\$231,000.00
Town Long-Term Cost	\$0.00	\$0.00	\$315,000.00	\$540,000.00
Excess LCHIP Funds for Additional Acquisition(s)	\$100,000.00	\$150,000.00	\$125,000.00	\$231,000.00
LCHIP WORKSHEET				
Appraised Easement Value	\$600,000.00	\$600,000.00	\$600,000.00	\$600,000.00
Grant Award (50% of Appraised Easement Value)	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00
Town Match (50% of Grant Award)	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00



Potential LCHIP Acreage Preserved with Installment Purchase Agreements

Current LCHIP Funding \$24,769,801	Current LCHIP Acreage Preserved 220,000	LCHIP Cost Per Acre \$112.59
Funding with 15-Year Self-Funded IPAs \$33,026,393	Potential Acreage Preserved 293,333	LCHIP Cost Per Acre* \$112.59
Funding with 30-Year Self-Funded IPAs \$37,154,701	Potential Acreage Preserved 330,000	LCHIP Cost Per Acre* \$112.59
Funding with 15-Year Leveraged IPAs \$35,090,549	Potential Acreage Preserved 311,667	LCHIP Cost Per Acre * \$112.59
Funding with 30-Year Leveraged IPAs \$43,842,547	Potential Acreage Preserved 389,400	LCHIP Cost Per Acre* \$112.59

*Does Not Account For Land Escalation

Summary of Advantages of IPAs to the Conservation Community

Discounted Sales Price - Because of the tax benefits IPAs offer, landowners are more willing to accept a lower purchase price with IPAs than with a cash offer, particularly those who may owe significant income and capital gains taxes.

Zeros Purchase - Because Zeros can be purchased at less than face value, there is more buying (leveraging) power in a given fiscal year, particularly when coupled with a discounted sales price.

Current Market Value - Since costs are initially reduced through discounting and are further reduced through the purchase of Zeros, more acquisitions can take place in a given fiscal year. Consequently, acquisitions, which would not have been possible without IPAs, are less costly to an entity because they are purchased at current fair market value rather than future values, when enough funds would finally be available for cash transactions.

Goal Obtainment - The nation's best land conservation programs set goals and work diligently to achieve them. IPAs enable an entity to reach their prescribed goals by shortening the acquisition period--thereby significantly reducing their costs--resulting in goal obtainment rather than falling short due to lack of funds.

Dovetailing with Other Acquisitions - IPAs free up cash for other transactions where cash may be the only feasible option (estate settlements, properties at auction, etc.).

Summary of Advantages of IPAs to Landowners

Tax Exempt Interest Payments - Section 103 of the Internal Revenue Code (IRC) permits the interest received from state and local government general obligation debt to be exempt from taxation. Because state and local governments are pledging their full faith and credit to make both principal and interest payments to a landowner, IPA can be viewed as a safe investment on the landowner's part.

Deferral of Capital Gains Taxes - Section 453 of the IRC permits deferral of capital gains taxes until the principal amount is received, hence, the interest payments are earned on pre-capital gains dollars.

Charitable Contribution - Section 170(h) of the IRC permits a potential bargain sale of the purchase price for gifting purposes.

Estate Planning - The IPA can be incorporated into the landowner's will and the payments will continue to be made to their heirs.

Marketability - If access to principal is desired prior to maturity, IPA can be securitized after a prescribed holding period.

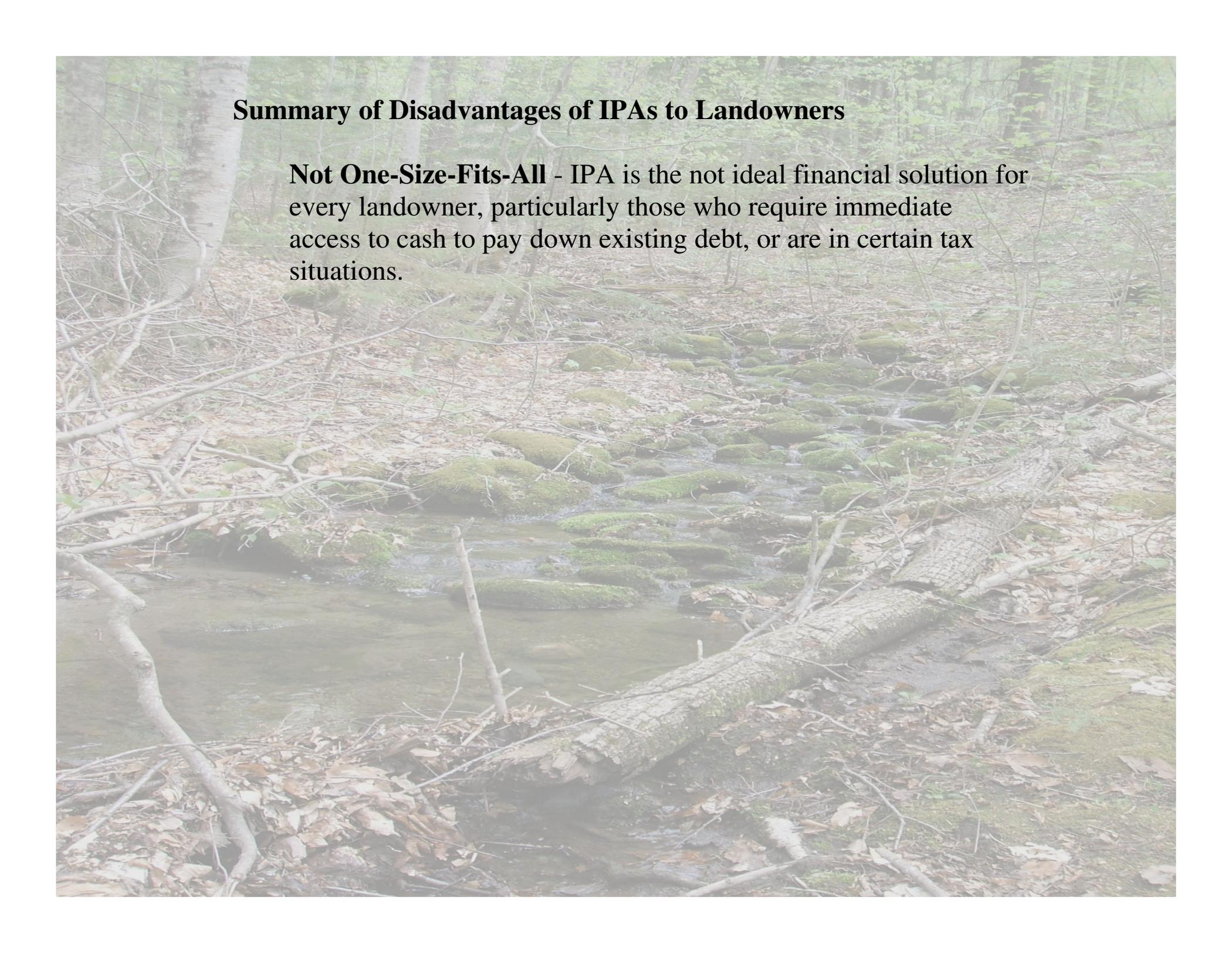
Inclusivity - Opportunity to receive an offer when it might not otherwise exist in a given year due to limited land acquisition budgets within the conservation community.

Summary of Disadvantages of IPAs to the Conservation Community

Debt Service - While Zero Coupon Bonds purchased today are used to finance the principal amount, enough funds must be available in future years to cover the interest payments, which requires a significant (political and financial) commitment to land conservation, as well as careful financial planning on the part of the conservation community.

Enabling Legislation - Not all state and local government entities currently have the authority to engage in IPAs, and there is a considerable amount of time that must be dedicated to researching legal parameters prior to implementing a program.

Transaction Costs - Ongoing costs are part of the equation in administering an IPA Program, particularly in finding qualified bond counsel and a financial advisor well-versed in the semantics of IPA transactions.

A photograph of a forest stream with mossy rocks and fallen logs. The water is clear and flows over the rocks. The surrounding forest is dense with trees and fallen branches.

Summary of Disadvantages of IPAs to Landowners

Not One-Size-Fits-All - IPA is the not ideal financial solution for every landowner, particularly those who require immediate access to cash to pay down existing debt, or are in certain tax situations.

Mechanics of IPA Implementation in New Hampshire

Role of Land Trusts

Only State and Local Government Obligations Are Tax-Exempt - Land Trusts play a role of raising matching funds and providing technical assistance, since purchase must be consummated by government entity.

Role of Town Government

RSAs Need to Be Revised for Towns to Purchase IPAs - Town acquisition paradigm is perhaps the most politically palatable model in New Hampshire, so changes to law are recommended. Could perhaps enlist assistance of New Hampshire Municipal Bond Bank, but additional statute modifications would be in order.

Role of State Government

State Agencies Could Currently Engage in IPAs Up To 20-Year Terms - Limited to two-year capital budget appropriation; future debt service (associated with Leveraged IPAs) could come from future appropriations if political will to do so -- should be treated no differently than any other capital project such as schools, roads, etc., that easement or fee acquisition would reduce the need for. Could purchase bonds through New Hampshire State Treasurer's Office as conduit.

Role of LCHIP

Could Continue Current Role or State Changes Could Modify Role - IPA acquisitions could be channeled through either state or local governments, with LCHIP continuing to play role of grant-maker. However, changes to the RSAs could enable LCHIP to serve as a bonding authority to purchase their own easements, with the grant process working in reverse order; a revenue pledge to the landowner would legally obligate LCHIP to make debt service payments, meaning funding could not be diverted.

Fee Simple Versus Easement Acquisitions

New Hampshire Could Pioneer the Use of IPAs for Fee Simple Acquisitions - Have to be careful about the use of bond proceeds for private uses on public property.



Jeffrey C. Everett
P.O. Box 388
Emmitsburg, MD 21727
240-575-1787
farmlandpreservation@comcast.net