Sixteen Steps to Conservation Easement Acquisition

Documents Provided by USDA And NCDA&CS Conservation Programs
Introduction

• Goal: Promote environmental conservation, water quality and farmland preservation
• Tool: Conservation Easements
• Appendix - 1 (Legal Glossary)
Step One – Landowner Contact

• Landowner meeting to discuss conservation and preservations desires and ideas.

• Encourage landowner to invite children or potential heirs to the discussion. (Farm Transition Plan)
Step Two - Landowner Questionnaire

- Discuss and complete questionnaire to help landowner identify conservation goals and objectives.
- Appendix - 2 (Landowner Questionnaire)
Step Three – Preliminary Site Visit

• Visit site to evaluate its conservation values and any potential environmental hazards. Encourage the landowner to be present
Step Four – Landowner Plan of Action

- Encourage the landowner to give the cooperating entity a written outline of the project that includes their desires and intent.
- Landowner and cooperating entity develop and accept a plan of action prior to seeking funding.
Step Five – Funding Source

• Complete appropriate request for funding documentation for specific program.

• Cooperating entity needs to be prepared to provide documentation for their business plan.
Step Six – Funding Contract Approval

• Complete appropriate contract between cooperating entities and program funding source.

• Reimbursement for expenditures are not guaranteed until funding contract is completed.
Step Seven – Property Assessment

- Landowner should be notified of site visits
- Complete Baseline Documentation
- Complete Environmental Audit and hazardous materials search
- Appendices - 3 (Hazardous Materials Checklist) and 4 (Baseline Documentation Report)
Step Eight – Project Development

• Prepare and/or update conservation and forest management plans along with project plans

• Review objectives of landowner and funding source with all parties.
Step Nine – Easement Documents Development

- Survey of easement area
- Easement Language
- Appraisal (If required for funding source)
- Title search and preliminary opinion
- Preliminary Title Policy
- Appendices - 5 (Preliminary Title Opinion), 6 (Preliminary Title Commitment) and 7 (Survey)
Step Ten – Finalize the Conservation Easement

- Obtain prior approval from funding source
- Provide draft to owner for review and comment
- Encourage landowner to seek legal and financial representation
- Appendices - 8 (CREP), 9 (ADFP), and 10 (ADFP / FRPP)
Step Eleven – Final Inspection

• Determine that conditions have not changed since baseline report prepared
• Encourage landowner to be present
• Cooperating entity needs to ensure funding source checklist is completed
• Appendices - 11 (ADFP checklist) and 12 (FRPP checklist)
Step Twelve – Closing of Easement Acquisition

• Easement signed before notary public
• Update title to property
• Record easement and survey in local registry
Step Thirteen – Post Closing Documentation

• Recorded copy of easement
• Signed copy of HUD-1 Closing statement
• Final title opinion
• Final title policy
• Appendices - 13 (Settlement Statement / HUD-1 ), 14 (Final Title Opinion), and 15 (Final Title Policy)
Step Fourteen – Publicity

• Opportunity for all partners involved to get positive PR
• Contact Media
• Contact local newspapers and other conservation and farmland preservation publications
Step Fifteen – Finalize Grant Obligations

• Ensure all required items are submitted per program checklist.
  – Final Budget Reports
  – Final Progress Reports
  – All Closing Documents
Step Sixteen – Begin Stewardship

• Annual inspection of property
• Encourage landowner to be present
• Discuss compliance with easement
• Maintain positive working relationship with landowner
For More Information

• www.ncadfp.org

• www.ncagr.gov/SWC/costshareprograms/AgWRAP/index.html

• www.nrcs.usda.gov/wps/portal/nrcs/site/nc/home/