

LETTER OF UNDERSTANDING

Between Southeast Land Trust of NH and the Town of Durham

REVISED 10/27/15

This **Letter of Understanding** summarizes the financial and management responsibilities of the Southeast Land Trust of New Hampshire (“SELT”) and the Town of Durham (“Town”) in regard to the acquisition of the fee interest by the Town of, and the granting of a conservation easement (the “Easement”) by the Town to SELT over, an approximately 43 acre property shown as Tax Map 14, Lot 8-3 (the “Property”) owned by the Murell G. Thompson Revocable Trust (the “Seller”). The fee acquisition and the Easement conveyance together are herein referred to as the “Project.”

The Town desires to partner with SELT for the acquisition of the Property and the granting of the Easement. The Town is prepared to seek funding from Town [and University of New Hampshire](#) funding sources in the amount of \$135,875 to put toward the total project costs which totals approximately \$471,825. SELT agrees and understands that any expenditure by SELT above and beyond this total project cost of \$471,825 will be completed at SELT’s full risk, unless authorized and approved in advance by the Town.

Attached, as Exhibit A, is an estimated budget for the Project. This budget is an estimate only. The parties agree and acknowledge that specific expenditures for project expenses may be higher or lower than the estimated amount, so long as the total expenditure being requested from the Town does not exceed the maximum authorized \$135,875.

Responsibilities of SELT

1. **Acquisition agreement:** SELT has entered into an acquisition agreement with the Seller. This agreement is conditioned upon the approval of the necessary funding for the project from the Town and other funding sources, acceptance of the fee interest in the Property by the Town Council, granting of an Easement to SELT, satisfactory Phase One Environmental Assessment, and marketable title. SELT shall be responsible for the initial deposit which will be reimbursed to SELT at closing by the Town.
2. **Due diligence:** SELT shall conduct the due diligence regarding the Project, including a Phase One Environmental Site Assessment prepared in the Town and SELT’s name, title opinion so as to ensure a clean and marketable title to the Property, boundary survey, appraisal that lists the Town as an intended user, and secure title insurance. SELT shall provide the Town a copy of the title opinion, boundary survey, appraisal, and Phase One Environmental Site Assessment within 15 days of its receipt.
3. **Baseline Documentation:** SELT shall prepare an Easement Baseline Documentation report with copies provided to the Town.
4. **Communication:** SELT shall coordinate all communication with the Town and Seller regarding project status, timing, legal documents, and closing.
5. **Acquisition and closing:** SELT shall coordinate and manage the acquisition of the Property and the granting of the Easement and the drafting and negotiation of all legal documents and closing paperwork for the Project.

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6. **Financial management:** Town shall pay all invoices for services requested or authorized by SELT related to the Project. SELT agrees to provide supporting documentation (such as copies of invoices or receipts) for invoices submitted, as may be requested by the Town.
7. **Management Plan:** SELT shall provide the Town with funds up to \$3,000 from a NHDES grant secured by SELT for a Property management plan to be prepared by a consultant hired by the Town.

Responsibilities of the Town

1. **Reimbursements:** The Town shall reimburse SELT within 30 days of the Town's receipt of invoices submitted by SELT or at the closing on the Project, whichever is earlier.
2. **Funding:** The Town will work diligently and in good faith to secure and provide \$135,875 toward the project through ~~its Conservation Fund, Open Space Bond~~ joint funding with the University of New Hampshire via the Water-Sewer Fund, or other sources.
3. **Grants:** SELT will apply for grants to assist in funding the Project and in some instances the Town will need to be the applicant. The Town agrees to work cooperatively with SELT in these endeavors and managed grants as appropriate. Grants written by SELT and awarded to the Town to date are from the Mooseplate Program (\$15,000), PREP (\$10,000) and Land and Water Conservation Fund program (\$150,000). Grants written by SELT and awarded to SELT to date are from the NH Department of Environmental Services Source Water Program (\$19,950) and the Lamprey Rivers Advisory Committee (\$141,000).
4. **Closing:** At the closing on the acquisition of the Property and granting of the Easement to SELT, the Town agrees to provide the funds to cover the purchase price and associated closing costs, such as recording fees, title insurance, and related costs, for the Project, and to reimburse SELT for any deposit paid to the Seller by SELT. The purchase price for the Property shall be no more than \$425,000. SELT will provide at closing and/or reimburse the Town from any grants SELT has received that cover a portion of the before mentioned closing costs.
5. **Easement Terms:** SELT agrees to negotiate the terms of the Easement for the Property with the Town, conditioned upon the Town Council agreeing to the Easement terms. The parties agree to negotiate in good faith to successfully complete the terms of the Easement. The terms shall be substantially similar to the SELT model easement contained in Exhibit B with the following additional/revisions to the general terms included in model the Easement:
 - Prohibition on use of the Property for agriculture.
 - Prohibit the landowner from posting against public pedestrian access to the property, outdoor education, and fishing. However, the Property is not required to be open for hunting.
 - Allow the Town to construct a pervious parking area near Wednesday Hill Road with a capacity of up to six vehicles.

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- Allow the Town to construct pedestrian trails on the Property.
 - All of the above in accordance with the requirements of the LWCF Grant Program.
6. **Management Plan:** Soon after closing, the Town agrees to hire a consultant to prepare a management plan for the Property.
7. Upon recording of the Easement on the Property, the Town agrees to:
- a) Pay SELT the flat sum of \$13,500.00 for SELT's time associated with the management and completion of the Project and preparation of the Easement Baseline Documentation Report.

The parties agree to complete the acquisition of the Easement by January 29, 2016.

This Letter of Understanding represents the complete understanding of the parties hereto and can only be revised through written agreement.

Executed this ____ day of _____, 2015, by

Ann Welsh, Chair, duly authorized
Town of Durham Conservation Comm.

Brian Hart, Executive Director
Southeast Land Trust of New Hampshire

Todd Selig, Town Administrator
Town of Durham

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Exhibit A
Budget

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Exhibit B
Conservation Easement