

State of Alaska - Department of Natural Resources

Conservation Easement Monitoring Policy

Conservation Easements

Land ownership can be described as a bundle of rights, such as the right to harvest crops or timber, to construct buildings, to limit access, or to subdivide the land. The full bundle of rights is described as a “fee simple estate.” A landowner may sell or donate the whole bundle of rights or just one or two of those rights. By selling or donating a conservation easement, a landowner exchanges a subset of those rights for cash or tax benefits for the purpose of protecting the land for specific purpose(s).

Typically the best interests of the state are served by acquiring fee, the full bundle of rights, when acquiring land. In some cases however, a situation may arise in which a fee acquisition is not practical, desirable, or possible. In those situations acquiring a limited interest in land may be the only viable alternative.

Conservation easements are based on a voluntary contract between a willing buyer and a willing seller; the contract determines what uses and developments will be allowed under the easement and binds present, as well as future, parties. Conservation easements are noted for their flexibility - each easement can be tailored to meet the needs of both the landowner and the entity that will hold the easement. Typical restrictions placed on land under conservation easements include limitations on the right to subdivide or construct buildings, restrictions on the rights to timber development, and limits on the rights to commercial development of the property.

While traditional easements grant the right to use the land for a certain purpose, conservation easements differ in that by acquiring certain rights, they restrict certain uses of the land. Typically the holder of the easement ensures that those rights are held in trust for the duration of the easement. Thus, if a conservation easement is designed to limit future subdivision and commercial development of the land, the holder of the easement will monitor uses of the land and enforce the easement terms as necessary.

Why Monitor?

Because of the unique nature of conservation easements, it is important to monitor compliance with the terms and conditions of the conservation easement on an annual basis. The objectives of monitoring are twofold; first, to ensure that the property is being managed consistent with the easement and for the purposes for which it was purchased and second, to limit the State’s exposure to risk.

Many federal grant programs allow the use of conservation easements as tools for achieving conservation goals. Federal dollars awarded for and used to purchase easements carry with them the responsibility for ensuring that those funds continue to fulfill the purpose for which they were granted. Federal agencies are requiring that easements be monitored on an annual basis and documentation made available confirming that easement terms and conditions are being fulfilled. The State’s Land Administration System (LAS) also identifies the requirements of federal funding sources by placing distinct restrict transactions on the case abstracts for each parcel or easement secured with federal grant funds.

In order to ensure that the State continues to qualify for federal funds and limit our liability for return of the fair market value of the federal investment all conservation easements acquired using federal funds shall be monitored (including the submittal of a formal monitoring report) on an annual basis.

The Site Inspection:

An annual site inspection must be made during the summer field season and a report submitted to Realty Services and the Division of Parks and Outdoor Recreation as noted below prior to the end of each calendar year.

Prior to conducting a site visit, the site inspector shall review the documentation for the parcel to be inspected. For recent acquisitions, a document that contains supporting documentation for the parcel such as the Conservation Easement and associated Baseline Documentation Report, Warranty Deed, summary of restrictions or intended uses, project reports, maps, and/or applicable management plans as well as the Management Rights will have been provided to the field office and the Division of Parks main office. Additionally, the department's special use lands web site <http://www.dnr.alaska.gov/commis/reclands.htm> can be used to secure additional information from the Land Administration System (LAS) and Recorder's Office. If additional information not contained within LAS or the Recorder's Office is needed please contact Chief, Realty Services or the coordinator of federal grant programs. The following points should be considered in conducting the site inspection:

- Review parcel documentation including deeds, reports, management rights, relevant maps, photos, and prior monitoring reports.
- Inspections may include aerial over flights, on ground inspections, and reviews of satellite imagery particularly for very remote locations.
- In areas where there are multiple grants funding different areas within a management unit, one report can be completed but must reference each funding source.
- If violations of easement terms are identified, the inspector will identify the exact location of the violation and determine the funding source for that particular area. This type of funding situation is likely to be encountered in Wood Tikchik State Park and on northern Afognak.
- Schedule inspections in conjunction with other management tasks to minimize costs, particularly in remote areas that require contractual logistics support.
- Questions or concerns regarding scheduling, the type of information requested, or parcel specific details should be directed to either the Chief of Realty Services or the coordinator of federal grant programs.
- Photo documentation shall also be provided digitally.
- Complete the attached Acquisition Monitoring Report and submit as detailed below.
- Realty Services will enter a transaction in LAS documenting receipt of the annual monitoring report.
- The grants manager will add the report to the appropriate grant file and an electronic copy will be made available for digital grant documentation.

Summary

- **Conservation Easements shall be monitored annually.**
- **A completed Acquisition Monitoring Report must be submitted annually to:**

Realty Services
Division of Mining, Land and Water
Attention: Chief, Realty Services
550 West 7th Ave., Suite 1050A
Anchorage, Alaska 99501

With a copy to:

Division of Parks and Outdoor Recreation
Attention: Federal Grants Administrator
550 W. 7th Ave. Suite 1380
Anchorage, Alaska 99501

Keep a copy for the field office files.

- **Monitoring Report Form Attached.**

**Alaska Department of Natural Resources
Federal Grant Programs
Acquisition Monitoring Report**

Parcel Name: _____ LSH/OSL # _____

Location: _____ ADL # _____

Grant Program: _____ Grant # _____

Inspector: _____ Date of Inspection: _____

Contact Information: _____

1. Description of Current Use of the property: ___ (non-developed, fishing, hunting, etc.)__

2. Describe any man made alterations: ___ (buildings, roads, trails, bridges, etc.) _____

3. Describe any natural alterations: ___ (erosion, accretion, river moved, etc.) _____

For questions 2, and 3 attach photos, maps or illustrations as necessary to fully describe the situation.

4. Identify any management problems: _(trash, vehicles, parking issues, cutting firewood, etc.)_

5. Describe any observations and/or recommendations relative to the continued management of the parcel for consistency with grant objectives. (signage, improved access, etc.)

6. Recommendations for resource restoration or enhancement: (stream or river restoration, etc)_

7. Wildlife observed: _____

8. Human use observed: _____

Please describe the type and number of attachments included in this report:

Aerial photos:

Ground photos:

Illustrations:

Maps:

Other materials:

This acquisition monitoring report was prepared by _____ (name) _____ of
_____ (agency) _____ following a site inspection of the subject
property.

Signature

Date

Please Submit to:

Realty Services
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Attention: Chief, Realty Services
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