

From: Gustave Seelig [gseelig@vhcb.org]
Sent: Tuesday, October 16, 2012 4:12 PM
To: London, Sarah
Subject: RE: Proposed terms

Sarah just tried to reach you. Headed out around 4:30 and on the road on Wednesday. I expect to see both Chuck and Gil tomorrow in Highgate and can discuss the timeline with them. If Chuck commits to make the time I believe we can do this by January 1. As noted in my voicemail I thought our goal was to reduce transaction costs paid by VHCB by 20-30%. That would mean reducing stewardship by \$2500 per transaction. The proposal you sent would require an average contribution of \$10 -13,000. I look forward to connecting with you but it will probably be Thursday. Gus

From: London, Sarah [mailto:Sarah.London@state.vt.us]
Sent: Tuesday, October 16, 2012 2:50 PM
To: Gustave Seelig
Subject: RE: Proposed terms

Ok thanks, my conference call will run over 3pm unfortunately, hopefully done by 3:30.

From: Gustave Seelig [<mailto:gseelig@vhcb.org>]
Sent: Tuesday, October 16, 2012 12:53 PM
To: London, Sarah
Subject: Re: Proposed terms

Sarah, I am in a meeting in the conference room on the 4th floor that ends @ 3. Will call when I get back. We can probably do the process stuff by jan 1 certainly by the end of January. 5% will be viewed extremely negatively and in most cases exceed the current contribution of \$7500. Gus

Sent from my iPad

On Oct 16, 2012, at 12:36 PM, "London, Sarah" <Sarah.London@state.vt.us> wrote:

Gus, I can talk this afternoon, after 3pm. What do you think about following, Gov would like proposal on this farmer contribution/bargain sale piece by January – doable?

- VHCB, VLT, and Secretary to provide Governor with proposal for reducing purchase prices and/or public stewardship contribution by January 2013, including by encouraging more farmers to offer bargain sales at a 15% or greater discount or, absent a bargain sale, requiring farmers to pay 5% of the sale price as a stewardship contribution. VHCB, VLT, and Secretary will also consider options that will allow farmers to make deferred stewardship payments over time based on ability to pay, and expanding the use of conditional stewardship payments by farmers for complicated easement amendments.

From: London, Sarah
Sent: Tuesday, September 25, 2012 9:15 AM
To: Gustave Seelig
Subject: Re: Proposed terms

Thanks Gus.

Sent from my iPhone

On Sep 25, 2012, at 8:59 AM, "Gustave Seelig" <gseelig@vhcb.org> wrote:

Sarah – pretty impressive for 1 in the morning. I will see Gil today and Chuck on thursday and be back in touch with you. Thanks for your feedback. Gus

From: London, Sarah [<mailto:Sarah.London@state.vt.us>]
Sent: Tuesday, September 25, 2012 1:43 AM
To: Gustave Seelig; 'Gil Livingston'
Cc: Ross, Chuck
Subject: Proposed terms

Gil, Gus, and Chuck, tonight largely got away from me. But here's some proposed terms based on discussions. All of your August 13 suggestions (Gus) are below in red. Looking forward to being in touch,

Sarah

- 1) Document, on per easement basis, total and nature of following costs: (a) stewardship; (b) bringing a project into program; (c) closing a transaction.
- 2) Transaction costs will be limited to the cost of the easement acquisition and third party contractor costs such as closing attorneys, title insurance, etc.

- 3) VHCB, VLT, UVLT would develop for Fiscal Year 2014 (July 2013) a performance contract for services to cover staff and overhead costs out of transaction costs. Contributions to VLT operational costs would not exceed 50% of the costs of the farm program.
- 4) The public contribution for “standard closing costs” (title search, title insurance, recording fees, mapping, IRS report) will be capped at \$4,000 per transaction going forward.
- 5) Beginning in FY `14, contributions to the stewardship endowment fund will be evaluated no less than twice a year utilizing benchmarks including the number of new easements, the fund performance and national accreditation requirements. The Governor will be advised of the total stewardship contribution, in light of the benchmarks, no less than twice a year.
- 6) VHCB will work with Secretary Ross to convene focus groups with landowners this winter to determine whether and how a stewardship contribution can be required from landowners starting in FY 14. VHCB and Secretary Ross will explore stewardship contributions by farmers based on a percentage of the value of the easement, a fee-based easement amendment process, and/or any other equitable cost-sharing arrangement with farmers. VHCB and Secretary Ross will report back to the Governor regarding farmer-stewardship contributions next spring.
- 7) Conduct stewardship site visits and direct communication with farmers every other year, where permitted.

Sarah London

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