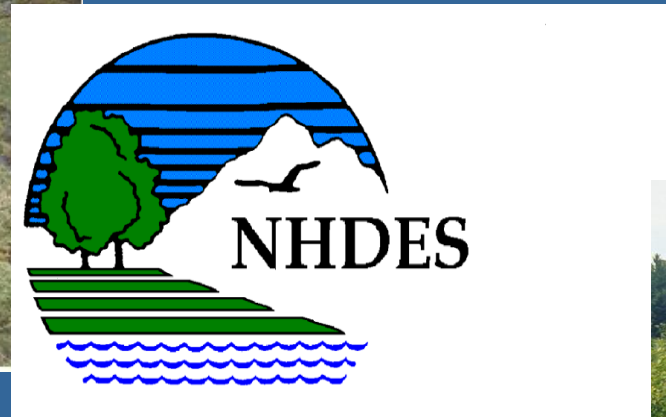


New Hampshire Department
of Environmental Services
Aquatic Resource Mitigation
Fund Program



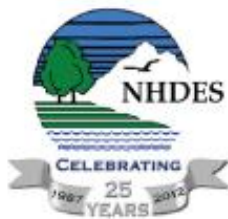
Environmental Law Institute Webinar:
Administrative Costs and In-lieu Fee
Methodology in New Hampshire

June 26, 2013

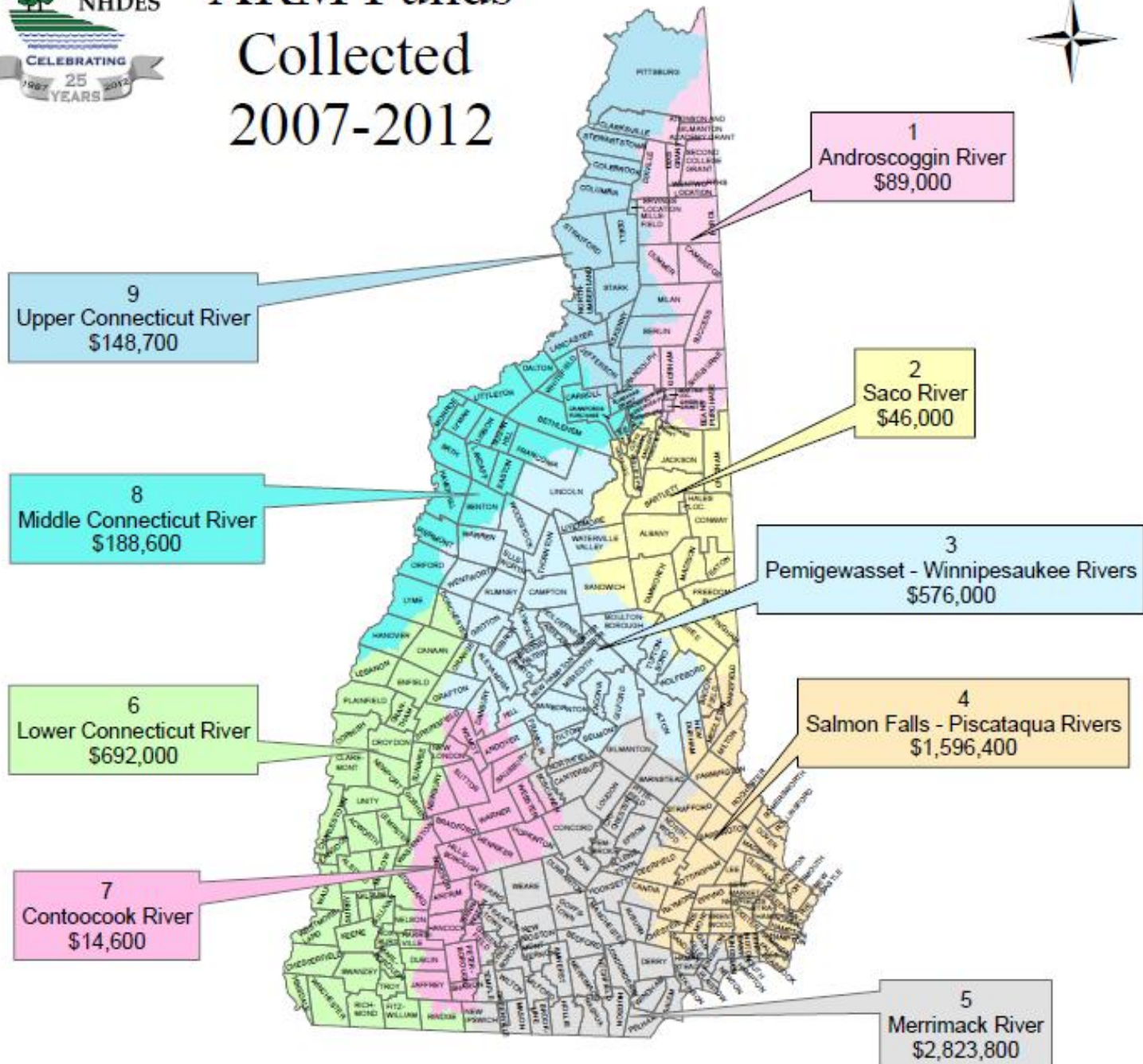


NH In-lieu Fee Program – June 2006

- Stakeholder consensus of an option for projects proposing $\geq 10,000$ sq ft of impact collected by watersheds to use funds to restore/protect lost functions/values.
- RSA 482-A provides DES authority to accept mitigation funds after a project has met avoidance and minimization.
- Law identifies what projects are eligible and establishes the fee structure for a mitigation payment.
- Site Selection Committee evaluates projects to be funded.
- NH Wetlands Council and Army Corps of Engineers approve disbursements.



ARM Funds Collected 2007-2012





Factors involved in calculating ARM Fund payment

- Convert square feet of impact to acres
- Adjust according to wetland construction ratio (1.5:1)
- Construction cost (2006 estimate of \$65,000 and adjusted yearly with rate of inflation)
- Land acquisition cost (See land value table)
- Construction + land costs
- DES Administrative cost = % of construction + land costs



Calculating a Mitigation Payment

Need to first adjust the impact amount according to the ratio required for wetland creation.

- \$65,000 X Adjusted Acreage Amount
- +
- DRA land value adjuster X Adjusted Acreage Amount
- +
- 5% - 20% overhead to administer the ILF program

Land Acquisition Cost

EQUALIZATION – Is the process by which the DRA makes adjustments to each municipality's locally assessed values to calculate the estimated 100% market value of the municipality.

EQUALIZATION RATIO – Lists the ratio used for equalization purposes for each municipality in the state. Typically, this is the weighted mean ratio.



NHDES Aquatic Resource Mitigation Program

NH Department of Revenue Administration Equalization Survey

TOWN NAME	VALUE IN CURRENT USE	VALUE OF CONSVTN RESTRICTIONS	VALUE OF RESIDENTIAL LANDS	VALUE OF COMMERCIAL/ INDUSTRIAL LANDS	TOTAL LAND VALUE	EQUAL -ZTN RATIO	EQUALIZD LAND VALUES	ACRES of LAND per TOWN	EQLIZED VALUE per ACRE	LAND VALUE (ADJUSTED VALUE - TRIMMED 10% OFF TOP & BOTTOM)
ALTON	1,695,306	9,979	827,425,900	27,698,200	856,829,385	1	856,829,385	53,230	\$16,097	\$16,097
BOW	408,725	0	244,831,212	50,939,275	296,179,212	0.979	302,532,392	18,269	\$16,560	\$16,560
ODELL	343,870	0	52,500	0	396,370	1	396,370	28,807	\$14	\$380
RYE	213,300	0	927,363,200	34,659,700	962,236,200	0.966	996,103,726	8,426	\$118,224	\$33,630



ARM Fund Calculator in 2007

IMPACTS: 43,560 sq.ft. = 1.0 acres

ADJUST AMOUNT BY CREATION RATIO FROM RULES

$$1.5 \times 1.0 = 1.5 \text{ acres}$$

$$\begin{aligned} A &= 1.5 \times \$65,000 \\ &= \$97,500 \end{aligned}$$

$$\begin{aligned} B &= 1.5 \times \$15,342 \\ &= \$23,013 \end{aligned}$$

$$\begin{aligned} C &= (\$97,500 + \$23,013)(0.05) \\ &= \$6,026 \end{aligned}$$

$$\text{TOTAL ARM PAYMENT} = \$126,539$$



ARM Fund Calculator in 2013

IMPACTS: 43,560 sq.ft. = 1.0 acres

ADJUST AMOUNT BY CREATION RATIO FROM RULES

$$1.5 \times 1.0 = 1.5 \text{ acres}$$

$$\begin{aligned} A &= 1.5 \times \$81,219 \\ &= \$121,828 \end{aligned}$$

$$\begin{aligned} B &= 1.5 \times \$16,560 \\ &= \$24,840 \end{aligned}$$

$$\begin{aligned} C &= (\$121,828 + \$24,840)(0.10) \\ &= \$14,666 \end{aligned}$$

$$\text{TOTAL ARM PAYMENT} = \$161,334$$

2013 VALUES	
TOWN	Equalized Value per Acre
ACWORTH	1612
ALBANY	800
ALEXANDRIA	2548
ALLENSTOWN	5500
ALSTEAD	2245
ALTON	16097
AMHERST	26134
ANDOVER	3947
ANTRIM	3706
ASHLAND	10642
ATKINSON	33603
AUBURN	15887
BARNSTEAD	6125
BARRINGTON	10459
BARTLETT	4577
BATH	1548
BEAN'S GRANT	381
BEAN'S PURCHASE	381
BEDFORD	33603

DES AQUATIC RESOURCE MITIGATION FUND WETLAND PAYMENT CALCULATION ***INSERT AMOUNTS IN YELLOW CELLS***			
1 Convert square feet of impact to acres:			
INSERT SQ FT OF IMPACT	Square feet of impact =		12345.00
			43560.00
	Acres of impact =		0.2834
2 Determine acreage of wetland construction:			
	Forested wetlands:		0.4251
	Tidal wetlands:		0.8502
	All other areas:		0.4251
3 Wetland construction cost:			
	Forested wetlands:		\$34,526.52
	Tidal Wetlands:		\$69,053.04
	All other areas:		\$34,526.52

BENNINGTON	3752
BENTON	381
BERLIN	1081
BETHLEHEM	1183
BOSCAWEN	5099
BOW	16560
BRADFORD	4091
BRENTWOOD	14240
BRIDGEWATER	11099
BRISTOL	9981
BROOKFIELD	2330
BROOKLINE	15756
CAMBRIDGE	381
CAMPTON	3340
CANAAN	3757
CANDIA	7665
CANTERBURY	3279
CARROLL	2373
CENTER HARBOR	24254
CHANDLER'S PURCHASE	381

4	Land acquisition cost (See land value table):		
INSERT LAND VALUE FROM TABLE WHICH APPEARS TO THE LEFT	Town land value:		\$16,560
	Forested wetlands:		\$7,039.71
	Tidal wetlands:		\$14,079.42
	All other areas:		\$7,039.71
5	Construction + land costs:		
	Forested wetland:		\$41,566.23
	Tidal wetlands:		\$83,132.46
	All other areas:		\$41,566.23
6	DES Administrative cost:		
	Forested wetlands:		\$4,156.62
	Tidal wetlands:		\$8,313.25
	All other areas:		\$4,156.62
*****	TOTAL ARM PAYMENT*****		
	Forested wetlands:		\$45,722.85
	Tidal wetlands:		\$91,445.71
	All other areas:		\$45,722.85

DES AQUATIC RESOURCE MITIGATION FUND STREAM PAYMENT CALCULATION			
INSERT LINEAR FEET OF IMPACT on BOTH BANKS AND CHANNEL	Right Bank		65.00
	Left Bank		69.0000
	Channel		69.0000
	TOTAL IMPACT		203.0000
	Stream Impact Cost:		\$40,600.00
	DES Administrative cost:		\$4,060.00
*****	TOTAL ARM FUND STREAM PAYMENT*****		
			\$44,660.00

For Additional Information

www.des.nh.gov/wetlands

(603) 271-2147

- Rules, forms, fact sheets
- Mitigation checklist
- Draft easement language
- Calculator for ARM payment
- Ledger of payments received
- ARM application packet
- Watershed announcements
- ARM Fund annual reports
- Watershed awards/disbursal reports

