

# Application Materials to Submit for RIM Reserve Easements

11-12-20

## **A complete application package will include the following items:**

1. **Conservation Easement Application** ([link](#))
  - Include Landowner Questionnaire (part 2 of application form)
  - SWCD must sign application
2. **Area Assessment Form** ([link](#))
  - this is where you will indicate the public water resource or wellhead protection area we are seeking to protect with the easement
3. **Air Photo**
  - with easement boundary and location of access route clearly outlined
4. **GIS shapefile**
  - submit GIS shapefiles electronically (pat.sherman@state.mn.us) (need .shp, .shx and .dbf files)
5. **Conservation Easement Financial Worksheet (CEFW)**
  - There are two versions of the CEFW form. See application to determine the correct form for each program.
    - Tax Assessed Calculation CEFW ([link](#))
    - Standard RIM Rate CEFW ([link](#))
6. **Tax assessment sheet(s)** showing parcel acres and taxable value (if applicable)
7. **Agreement Information Form** ([link](#))
8. **W-9 Request for Taxpayer ID Number and Certification (federal IRS form)** ([link](#))
  - A federal and state requirement
9. **Landowner's deed(s) to the property**
  - Must be copy of recorded deed and show at least one year of ownership
10. **Program specific Scoresheet** completed by SWCD (if applicable)

## **Other items that *may* need to be submitted:**

Government lot maps, Plat or subdivision maps, Death certificate, Power of attorney, Trust/Partnership or corporation documents, Department of Agriculture Certification ([link](#))

Complete application packages are to be mailed to BWSR St. Paul, Easement Section:  
MN Board of Water and Soil Resources  
444 Pine Street Suite 130  
Saint Paul, MN 55155

**Conservation Easement Application Instructions** – Fill in all applicable information on form. For complete instructions see Chapter 5- Application Stage in the RIM Easement handbook available at BWSR website - [RIM Handbook](#)

- Have applicant fill out landowner questionnaire (page 2 of app.) and sign front of application
- SWCD signs application

### **Area Assessment form**

- Be sure to indicate Protected Waters Inventory (PWI) information in Section I of the form
- Part V, environmental assessment, needs to be completed and signed by SWCD technician after an on-site inspection

### **Aerial Photo**

Each easement application must include an aerial photograph with the following information identified:

- Boundaries of the proposed easement area.
- All rivers, streams, ditches, lakes, etc. Include the name or number designation.
- Section corners and/or center of section clearly identified.
- All known utilities including: pipelines (natural gas, petroleum, etc.), power lines and telephone lines or cable that run across, or along the edge of, the proposed easement area.
- Building sites, inhabited or abandoned, adjacent to or within the easement.
- Conservation easement numbers of any existing BWSR conservation easements on adjoining properties.
- Access route location if not adjacent to public road right-of-way

### **GIS Shapefile**

Email GIS shapefile (.shp, .shx and .dbf) of proposed easement boundary to [pat.sherman@state.mn.us](mailto:pat.sherman@state.mn.us). Include county and landowner name in email.

### **Agreement Information Form**

For complete instructions see Chapter 6- Agreement Stage (part a) in the RIM Easement handbook available at BWSR website – [RIM Handbook](#)

BWSR will develop the agreement documents from the information provided on the Agreement Information Form. It is very important that the information provided be accurate, up-to-date and well researched.

### **Grantor Information:**

- Type or legibly print the exact names of all grantors as shown on the property deed in the spaces provided under Grantor Name(s). In real estate transactions the name(s) must be listed exactly as shown on the deed; this includes any

middle initial or middle name. If a grantor's name is now different from the spelling on the deed, list the grantor's current or correct name followed by either AKA (also known as) or FKA (formerly known as) and then the grantor's name as shown on the deed.

- Spouses should appear together on one line, and you must indicate the marital status of all grantors listed on the deed in the spaces provided. Always consult directly with the landowner(s) to obtain marital status information since the information on the deed may not be current. If currently married, the spouse's name must be listed on the information form even if the spouse is not listed on the deed. Spouses are required by law to sign any real estate document.
- Please indicate, as directed on the form, if any of the grantors listed on the deed are now deceased.
- If the proposed easement area has been purchased by landowner(s) who own the property via a contract for deed, list, under *Grantor Name(s)*, both the buyers and sellers of the property (along with their spouses) as identified in the contract for deed. Please list the buyer (landowner applicant) first.
- In the case of someone signing on behalf of one of the grantors, list, under *Individuals Signing on Behalf of Grantors*, the name of the individual who will be signing on the grantor's behalf. Indicate what type of authority the person has to sign (e.g., trustee) and include a copy of the legal document giving them that authority.
- Corporation/Partnership - If the grantor is an eligible corporation or partnership, enter the corporation or partnership name under *Grantor Name(s)* (e.g. AgriEnterprises, Inc.). Marital status and spouses' signatures are not needed for partnerships or corporations. List the name and title of the individual(s) authorized to sign for the corporation or partnership in the spaces provided under *Individuals Authorized to Sign for Corporation or Partnership*.

### **Payment information** (page 2 of Agreement Information Form)

#### 1. Easement Payment Information

- easement payments will all be one-time payments, no annual installment payments
- The primary payee must be one of the grantors. Include their mailing address and social security number.
- If the grantor is a trust, identify the name and mailing address of the trustee. In the case of family, living, or revocable trusts, a social security number is acceptable. In the case of an irrevocable trust, federal and state tax ID #s are required. For more information on how to obtain a state tax ID #, contact the central office RIM staff.
- If the grantor is a partnership or corporation, list the name and mailing address of the partnership or corporation as the payee. List the federal tax identification number for simple partnerships. List both the state and federal tax identification number for other partnerships and for corporations.

- If a spouse, other grantors, banks, etc., desire to be included as a payee on the check along with the primary payee, please indicate their name(s) under Co-Payee(s). Do not list an address for the co-payee(s). **Only one check will be issued per payment.**

## 2. Conservation Practice Payment Information

Specify the recipient of the cost-share reimbursement check(s) along with his/her mailing address. Enter "same" if information is identical to that for the easement payment. List the social security number or state and/or federal tax identification number using the same guidelines as above.

**Conservation Easement Financial Worksheet (CEFW)** – There are two versions of this form, one for easement payments that are calculated using RIM rates, and one for easement payments that are calculated using a property's tax assessed value. *See the application form to determine which CEFW to use for which programs.* The CEFW that uses RIM rates is fairly simple and is intended for RIM programs that have a set payment rate by Township. The CEFW for payments based on tax assessed acres is discussed below.

For the tax assessed RIM payments, it may be best to write in the payment amount and acres on the CEFW, as opposed to typing them in, prior to signing. Payment calculations should either be shown on the printed Tax Assessment sheets or on a separate sheet.

**Assessed Acres & GIS Acres** - BWSR is held to calculating the value per acre of the property using the Assessor's land valuation and acreage. Assessors use their determined acreage to calculate land values, and so using any different figure than their land value & acreage to determine the per acre rate would be inaccurate.

When mapping the easement area, and especially on government lots, it is highly likely that a different acreage will be calculated than that of the assessed acres. This may be due to a number of reasons, but is most often due to RIM's inability to pay for portions of the property that are Public Waters.

Therefore, this means that if the assessed acres are much higher than the GIS acres of the parcel, the easement area will have a much lower payment amount, even if no exclusions occur. For example, if the Assessed acres are 20.0 ac., the GIS acres are 15.0 ac., and there is a 5.0 acre excepted area, the enrolled area will be 10.0 ac. (15.0 ac.-5.0 ac.).

The opposite may also occur, where the GIS acres exceed the Assessor's acres. In those cases, leave your GIS shapefile with the acres you had calculated, and also let us know the acres of excluded area you had calculated. This difference does not allow the landowner to have bonus excepted acres and still receive the same payment amount. As an example, if the Assessed acres are 20.0 ac., the GIS acres are 25.0 ac., and there is a 5.0 acre excepted area, the enrolled area will be

15.0 ac. (20.0 ac.-5.0 ac.). Again, your GIS shapefile should remain at the acres you had determined, as that gives us greater flexibility if we need to trim portions off of the shapefile adjacent to a public water.

When BWSR staff map the easement area, boundaries are modified to reflect the boundaries of the landowner's ownership, also accounting for any public water areas, right of ways, or other areas that need to be excluded from the easement. The acres we calculate may be greater or lesser than your determined acres.

We realize this lends itself to some uncertainty when you market this program to landowners, as the payment amount may vary based on BWSR mapping staff's determination. We ask that you convey the likelihood of the payment being different from your calculation, so that the landowner isn't surprised when they see that the payment is different than what was originally quoted.

### **Deed(s) for property to be enrolled (ownership)**

For complete instructions see Chapter 6 (Part D.) in the RIM Easement handbook available at BWSR website – [RIM Handbook](#)

The deed is the legal document used to transfer ownership or property rights of a person or entity to another person or entity. This information includes the name(s) of the person(s) or legal entity that purchased the property along with the legal description of the property acquired. The legal description on the deed(s) must encompass all of the lands within the proposed easement area, so that the landowner(s) can show ownership for all of the easement area. This is very important! Please review the deed's legal description to verify ownership prior to submitting the agreement package to BWSR. There are several different types of deeds. One of the types of deeds listed below will probably exist for the property and a copy of it must be submitted as part of the RIM application package.

- Warranty deed – this is the most common type of deed used in real estate transactions. With this deed the grantor warrants that he or she has good title to the property being transferred.
- Quit Claim deed – this deed is used when the grantor does not warrant that he or she has good title to the property being transferred. It only conveys the interest that the owner has in the property.
- Contract for deed
- Trustee deed
- Probate or personal representatives deed

### **Other Ownership/Legal Documents**

Occasionally, the ownership information from the deed or current information as provided by a landowner will indicate that a grantor identified on the deed is deceased, is divorced or divorcing, has designated another party to sign on their behalf, or the land has been transferred to a trust. In these non-typical situations, the SWCD may need to

obtain additional information or documents from the landowner(s) and submit them as part of the application/agreement package. Please contact BWSR easement staff for guidance on what information or documents are needed for a particular non-typical situation.

The documents needed from entities are as follows:

### **Trusts**

- Trust documents (Trust Agreement or Certificate of Trust). Though the Trust Agreements and any amendments may be multiple pages, we ask that you send in the entire document. When we review the Trust Agreement, we are specifically looking for wording similar to, "...the trustees can sell, convey, pledge, real estate on behalf of the trust...", or something to that effect.
- W-9 Form: Revocable Trust = SSN, Irrevocable Trust=Federal EIN (We will also need the State ID on the Agreement Information Form). The W-9 should be filled out with the name of the trust in line 1, rather than the individual trustee.

### **Corporations**

- Articles of Incorporation
- Bylaws
- Meeting minutes (less than 1 year old)
- [Department of Ag Corporate Farm Certification](#) – required for all partnerships and corporations, with the exception of Limited Liability Partnerships (LLPs) and General Partnerships (GPs).
- W-9 Form: Federal EIN (We will also need the State ID on the Agreement Information Form)

### **Partnerships**

- Partnership documents
- Meeting minutes (less than 1 year old)
- [Department of Ag Corporate Farm Certification](#) – required for all partnerships and corporations, with the exception of Limited Liability Partnerships (LLPs) and General Partnerships (GPs).
- W-9 Form: Federal EIN (We will also need the State ID on the Agreement Information Form)

### **Additional items**

Depending on the application, there may be additional items that should be submitted with your application. They may include:

- Government Lot Maps – required if deed to property has legal description that refers to government lots. Lot maps can be found at <https://www.mngeo.state.mn.us/glo/index.html> by using the Township and Range, and selecting the resampled plat option. These maps are often difficult to read due to their age. Using the county parcel data in conjunction with the lot map can help identify the correct lot numbers.
- Plat or subdivision – required if deed legal refers to either
- Death certificates – when landowner listed on deed is deceased

## Example Easement Payment Calculations

**Situations with no excluded area, where the whole parcel is being enrolled and the GIS acres match the assessed acres:**

	<b>Actual</b>	<b>Used in payment</b>
Land value=	\$100,300.00	<b>100,300.00</b>
Acres=	99.78 ac	99.8
Acres to be enrolled in RIM=	99.78 ac	99.8
RIM payment =	60% of land value	<b>60%</b> of land value

**Calculation**

$$\text{\$100,300} / 99.8 = 1005.21 \times .60 = \text{\$603.01/ac}$$

<b>Easement payment =</b>	<b>99.8 X 603.01</b>	<b>\\$60,180.00</b>
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**Situations with an excluded area, and/or GIS acres do not match assessed acres:**

	<b>Actual value</b>	<b>Used in payment</b>
Land value=	\$100,300.00	<b>100,300.00</b>
Acres=	99.78 ac	<b>99.78</b>
Acres to be enrolled in RIM=	98.14 ac	<b>98.1</b>
RIM payment =	60% of land value	<b>60%</b> of land value

**Calculation**

$$\text{\$100,300} / \text{99.78} = \$1,005.21146/\text{ac} \qquad \$1,005.21/\text{ac}$$

$$\$1,005.21 \times .60\% \text{ ac} = \$603.13/\text{ac}$$

$$\text{98.1 ac} \times \$603.13 = \$59,167.05$$

<b>Easement payment =</b>	<b>\\$59,167.05</b>	<b>\\$59,167.05</b>
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