

## CPW Policy on Eligible Costs

### For Easement or Fee Title Real Estate Transactions Receiving Funding through CWHPP

Fee title or conservation easement acquisition projects may be funded through the Colorado Wildlife Habitat Protection Program. The purpose of this document is to outline what costs are generally eligible to be covered by funding provided through this program, and/or may be used as matching fund resources. CPW requires a Project Property Budget Summary or "Sources and Uses of Funds Table" to be completed by the applicant at application stage, indicating project costs.

For those projects where CPW will not hold title to the property, CPW's participation in funding costs listed below, other than the purchase price, will be by reimbursement only. Copies of invoices or other proof of expense will be required.

A "Third Party", as referenced below, refers to an entity qualified to accept a conservation easement under the terms of CRS 38-30.5-104(2), including a land trust or local government.

#### Note:

*There is not a minimum match requirement, except "third parties" may receive habitat stamp funds only if they contribute or secure at least 15% of the purchase price of the easement using non-CPW funding. A waiver is possible if sufficient hunting or fishing access is provided. Projects with donated land value and/or cash match will be given additional consideration in the ranking and selection of projects.*

### The following costs are eligible to receive funds or to be used as matching resources:

- Purchase price -- cost of land and water rights, if any, but not the cost of any improvements or personal property
- Survey
- Appraisal/Review Appraisal
- Environmental Hazards Assessment
- Baseline Documentation Report
- Title Policy
- Mineral Remoteness Letter
- Closing Costs
- "Third Party" Attorney Fees -- costs of legal services for representation of a land trust or other third party in the transaction; landowners' attorney fees are not eligible to receive CPW funds or be used as matching resources.

### CPW will consider the following costs separately, and may pay a portion of these costs after consideration and if specifically approved:

#### Indirect Costs of a "Third Party"

CPW will consider reimbursing the indirect costs of a conservation organization or local government that has a critical role in a complex transaction, for up to 1% of the purchase price, not to exceed \$25,000. These costs must be reasonable, tied specifically to, and essential for the funded project. These costs must be described separately and in detail in response to questions from CPW, and they require CPW's separate approval from other costs listed above.

Note: As part of CPW's evaluation of each requested indirect cost reimbursement, CPW will consider the total amount of indirect cost reimbursement provided to specific organizations. For projects that receive Federal dollars through this program, indirect costs must be tied to acquisition, not general operating costs.

#### Stewardship Endowment: the cost to a "Third Party" for monitoring an easement they will hold

If the total funding request to CPW includes a request for support of an endowment fund for a "third party" to monitor the conservation easement on the project property, information must be provided on how the endowment request is calculated. CPW will consider the requested amount based on the size of the easement and the complexity of monitoring it. An appropriate endowment should consider the following: time required for monitoring an easement, travel costs, equipment, film, developing, any other hard costs, and the frequency of need to monitor a landowner's reserved rights and to negotiate resolutions to potential violations. CPW funds and matching funds may be used for monitoring and reporting, but not legal defense. Requests must be matched by an equivalent cash contribution by the applicant and/or partners; **CPW will not pay more than 50% of the total endowment cost, up to a cap of \$7500 in CPW funds. (This cap was increased in 2012.)** Note: federal funds through this program may not be used for endowments.