



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: November 6, 2024

AGENDA ITEM J.3.

Consideration of Acceptance of a North Carolina Land & Water Fund Grant to Place Conservation Easements on Town-Owned Properties (parcels 026404001, 006114000, and 005946000) Surrounding the Fresh Pond and in Nags Head Woods

Prepared by

Andy Garman, Town Manager

Reviewed by

Andy Garman
Carolyn Morris
Amy Miller

Staff Comments/Recommendation

Staff recommends that the Board accept the offer from the NC Land & Water Fund for a grant award of \$4 million and authorize the Town Manager to execute the contract with the North Carolina Land and Water Fund to place conservation easements on parcels 026404001, 006114000, and 005946000.

Specific Action Requested

This item is provided for Board review and approval.

Summary

In the Spring of 2023, Town staff met with the Nature Conservancy (TNC) to discuss the possibility of placing a conservation easement on the property surrounding the Fresh Pond (see attached property map). This is a 285-acre tract of land owned by the Town of Nags Head which primarily serves as watershed protection for the Fresh Pond. It also forms a portion of the Nags Head Woods Nature Preserve. The Town of Nags Head and the Nature Conservancy have a lease agreement for a portion of the property which has been in place since 1985. This assigns management responsibility to the Nature Conservancy. A portion of the TNC trail system runs through this property. The Town also maintains a police shooting range on the property as well as wellfield road, which provides water infrastructure behind several of the Town's westside neighborhoods. These areas are outside of the lease agreement with TNC. The Board is aware that the Town owns several other properties in Nags Head Woods including a 376-acre tract owned jointly with the Nature Conservancy. These properties have been placed in conservation, except for the Town-owned tract surrounding the Fresh Pond and two other properties, which are also shown on the attached map.

For many years, the Town and the Nature Conservancy have worked jointly to preserve Nags Head Woods by acquiring properties either separately and/or jointly and placing them under the management control of TNC (see attached map). During our meeting last Spring, TNC staff explained that the Town could apply for funding from the North Carolina Land and Water Fund to purchase the development rights for the Town-owned properties not previously placed in conservation. This was discussed with the Nags Head Board in June of 2023 at which time the Board expressed an interest in exploring this process.

Over the last year, staff has continued this process, developing mapping, obtaining an appraisal, and working with TNC and Land & Water Fund staff to prepare information for the application. In April of 2024, the Board of

Commissioners adopted a resolution supporting conservation easements being placed on three parcels which would protect the Nags Head Woods Natural Area. Based on an appraised value of \$9 million, the original grant request was for \$4,621,984, which included a 50% match with the Town of Nags Head, for the development rights on the properties as well as transaction costs such as appraisal, survey, legal, etc. In October, the NCLWF awarded the Town a grant for \$4,000,000 which covered the transaction costs and the development rights on these three parcels. The NCLWF Board capped all acquisition grants at \$4,000,000. Therefore, we were awarded the highest grant amount possible for the current cycle. It should be noted that the Town will retain the rights to a portion of the property surrounding the Fresh Pond, to include the shooting range, the Fresh Pond and immediate bordering lands, and wellfield road. This area is depicted on the attached map showing the properties that were included as part of the grant application.

Next Steps:

A second appraisal will need to be done; this is for all grants over \$500,000, to confirm the fair market value of the development rights. The estimated protection acreage is approximately 260.5, broken out as: Conservation easement parcel 026404001-248.5 acres, parcel 006114000 (closer to Jockey's Ridge)-7.7 acres, parcel 005946000 (further from Jockey's Ridge)-4.3 acres. This will be confirmed once a survey is completed. The NCLWF is also requiring a boundary survey for the parcel that is currently under conservation (NCLWF grant 2000B-006). When they conducted monitoring of this parcel during their site visit, they noted the markings were not clear. The NCLWF will reimburse the Town for professional fees after they are incurred, and any necessary budget amendments will be brought forward at that time. The final grant award above transaction costs will be made once the easements are recorded. The remaining funds can be used at the Board's discretion.

The tracts will be managed and monitored by the Nature Conservancy as part of Nags Head Woods Ecological Preserve. Reserved management rights include prescribed burning, maintenance of hiking trails, and transmission line right of way as well as removal of invasive species with herbicides and pesticides when necessary. The reserved rights fall within the standard terms of the NCLWF Conservation Easements. The site will continue to provide community passive recreation and urban archery through the Nags Head Woods Deer Management Program. The three easements will be held by the State and will be recorded on each of the three properties.

The request is to authorize the Town Manager to execute the contract with NCLWF for the conservation easements on parcels 026404001, 006114000, and 005946000. This would also allow staff to work with the Town attorney on the easements to be recorded, which will be presented to the Board for final approval. The contract should be available by the beginning of 2025, and the timeline is generally 2-3 years to record the easement.

Attachments

1. 11 J3 LWF Grant Award Letter
2. 11 J3 NH Woods Protection Map
3. 11 J3 Conservation Easement Map