



GREAT POND MOUNTAIN CONSERVATION TRUST

Land Transaction Policy

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Due for Review: _____

See Also: Recordkeeping Policy, Conservation Easement Stewardship Fund Policy, Fee Land Stewardship Cost Estimate Policy

Land Trust Standards and Practices

This policy complies with the LTA Standard 3, Practice F; Standard 8, Practices A and C; Standard 9, Practices A, C, D, E, G, H, I, J, K, and L; Standard 10, Practices A, B, C, and D.

Introduction

Purpose of Policy: The purpose of this policy is to establish procedures for Great Pond Mountain Conservation Trust's evaluation, selection and planning of all land conservation transactions affecting the organization, and the Board of Directors' approval of such transactions, including the acquisition of new lands, acceptance of purchased or donated conservation easements, gifts of land, and the disposition of these property interests.

Responsible Committee: Land Protection Committee/Board of Directors

Policy

The Board of Directors has established criteria for accepting conservation easements, real estate purchases and/or donations of land (see **Conservation Project Evaluation Form**). As a general policy, the Board shall not financially overburden GPMCT, jeopardize its non-profit status, participate in legally risky or ineffective transactions, tarnish the organization's image or reputation, overburden staff resources, or incur unsustainable stewardship obligations.

The Board has established a committee system to help guide the decision process. For matters pertaining to land transactions, it is the responsibility of the GPMCT Land Protection Committee (LandComm) and the Executive Director to formulate recommendations to the Board.

All land conservation projects involving acquisition or disposition of legal interest in real estate must be approved by the GPMCT Board of Directors prior to the transfer of such interest.

I. Conservation Planning

GPMCT staff and the LandComm conduct conservation planning to determine the highest priority areas for land preservation efforts that will fulfill the mission of the organization. Conservation planning is completed through the analysis of data representing each of the elements of the organization's mission statement, including ecological, scenic, recreational, educational, wildlife habitat, agricultural, water and forest resources.

Staff and the LandComm analyze GIS data, aerial photos, current zoning, municipal parcel maps, and other outside sources of information to evaluate an area's threat for development and the feasibility of conservation.

Staff reviews the findings of the GIS process with the LandComm. The LandComm makes a recommendation to the Board of Directors for adoption of focus areas and regions of interest. The Board votes to adopt focus areas and regions of interest, and initiates necessary fundraising campaigns to acquire conservation interests in focus areas.

II. Project Evaluation and Criteria

A. Site Inspection

Staff shall make an initial review of potential projects, including meeting with a landowner, and present those projects that appear to meet criteria and have a likelihood of proceeding in a timely fashion to the Land Protection Committee. Staff and LandComm members shall conduct one or more site visits prior to recommendation for board approval, to include an assessment of landowner goals, conservation values and project feasibility, as well as boundary identification, inspections for hazardous wastes and other environmental contamination. Staff will create a site visit report, which will be kept, along with maps and other documentation from site visits, in the project file. Board members are invited to attend all site visits once the date is selected by the LandComm.

B. Project Evaluation

Staff and the LandComm shall create a **Conservation Project Evaluation Form** for each candidate conservation property together. The form provides a framework for comprehensive consideration of the project including its conservation values, public benefits and feasibility of acquisition and stewardship. Through this exercise, staff and the LandComm determine and document that conservation projects provide a public benefit, and meet the Internal Revenue Code's (IRC) conservation purposes test, based on IRC 170(h) and any other federal or state charitable trust laws or other requirements.

The LandComm and staff will also estimate budget figures for fee lands using the **Fee Land Stewardship Budget Form**, or amount required for easement stewardship based on the Conservation Easement Stewardship Fund policy. Based on their review, the LandComm will make a recommendation to the board as to whether to proceed with a project, and provide the board with a copy of the Conservation Project Evaluation Form, and budget amounts.

The Board will then make a preliminary vote as to whether to proceed. The completed forms are kept in the project file.

III. Project Planning

A. Process and Documentation

When the LandComm recommends moving forward with a project, staff will begin documenting the project using the **Fee Lands Project Planning Checklist** or the **Easement Project Planning Checklist**. These forms provide a framework for documentation of projects, supplemented by other written documentation.

Staff will work on a cooperative basis with owners of parcels that are candidates for conservation, and landowners will be fully informed of the potential and feasible conservation options for their property. These options include donation of conservation easement or fee title, purchase of conservation easement or full title when feasible, bequest, or reserved life estate. The option chosen will be recommended to the board by the LandComm and staff as part of board approval.

Staff will also recommend the landowner explore working with another conservation organization or agency if appropriate.

Staff will send the landowner a letter outlining the proposed project for the landowner, including restrictions, reserved rights, and other details of an easement or structure of a fee donation. The letter also outlines the responsibilities of the landowner and GPMCT, the sequence of events to complete an easement or purchase, and additional information needed by GPMCT. GPMCT recommends that the landowner consult their own attorney for advice, and does NOT provide advice to landowners on legal, financial or tax planning matters (see Legal Review and Technical Expertise, below). When appropriate, the letter also describes GPMCT policy of requesting a donation to offset the costs of stewarding the easement or fee land in perpetuity. (See GPMCT's Conservation Easement Stewardship Fund Policy and Fee Land Stewardship Cost Estimate Policy for methods of determining appropriate amounts to be requested.)

Staff will prepare a Conservation Plan for an easement property, first for the review of the landowner and then for the GPMCT attorney's reference in reviewing a conservation easement. In the case of a fee purchase, a Management Plan will be prepared for board review, supplemented by the Fee Land Stewardship Budget, including projection of management costs, taxes, etc.

In cases where a second layer of protection on a property is deemed critical and/or is required by a funder, the town, or another entity, the land trust shall consult an attorney and choose the most prudent and feasible options for the property involved, including but not limited to Declarations of Trust, Conservation Easement held by a second party or Recorded Project Agreement with a Governmental Agency or Program.

Staff documents the land conservation process through the correspondence, notes, maps and other documents related to the project, kept in the project file.

B. Partnerships

Staff and the LandComm evaluate the role a partnership may play in land conservation projects. Normally, if GPMCT does any fundraising for a property, it will retain ownership.

If GPMCT engages in a partnership, staff will draft a Memorandum of Understanding between the two organizations outlining the goals of the project, roles and responsibilities, legal and financial arrangements, and public acknowledgements for each organization involved in the project.

C. Legal Review & Technical Expertise

All conservation project documents and agreements, including conservation easements, purchase and sale agreements and the like, are reviewed by an attorney familiar with real estate law, conservation easements, and tax law. GPMCT's legal counsel will also assist with all necessary due diligence required by each project. As required by the project, GPMCT secures appropriate expertise in financial, real estate, scientific, and land and water management matters as well.

Landowners who engage in transactions with GPMCT are strongly encouraged in writing from the staff to obtain their own legal, financial and tax planning advice regarding the transaction. Staff provides landowners with letters outlining the terms of proposed conservation projects, with language encouraging them to consult an attorney and financial advisor, such as; *"I hope that you will share this information with your financial advisor and your attorney. I have outlined the terms of the easement that fit with your desire to ensure that your property will not be further developed and the fields will remain available for agriculture. I hope that your conversations with your advisors will help determine if this vision also fits with your future financial needs."*

D. Easement Drafting

An attorney representing GPMCT or qualified staff will draft the easement based on terms agreed to by GPMCT staff and the landowner. Drafts will be reviewed by GPMCT and landowner. The attorney reviews the final conservation easement prior to closing, and may review the easement at other points during drafting and negotiation.

Staff ensure that the restrictions in the conservation easement are exclusively for conservation purposes, according to Internal Revenue Code, Section 170(h), including:

- *Preservation of land areas for outdoor recreation by, or the education of, the general public*
- *Protection of relatively natural habitat for fish, wildlife, or plants, or similar ecosystem*
- *Preservation of open space (including farmland and forest land) where such preservation is*
 - *for the scenic enjoyment of the general public, or*
 - *pursuant to a federal, state or local governmental conservation policy and will yield a significant public benefit.*

Conservation easements clearly identify the purpose of the restrictions on the property they protect, listing conservation values such as scenic resources, prime agricultural soils, undeveloped forested habitat, wetland resources, rare habitats, and other ecological values. Any permitted uses

will not impair the conservation values of the property. Staff ensure that restrictions listed in the conservation easement are enforceable by GPMCT.

Conservation easements need to ensure that GPMCT has proper access to the property for monitoring and enforcement of the conservation restrictions, normally outlined in Section 9. Holder's Affirmative Rights, of the easement document.

If GPMCT purchases the conservation easement, and if the property has the appropriate recreational values, the landowner will be encouraged to allow public access.

Exhibits necessary for a conservation easement include:

- Exhibit A – a metes and bounds description of the property, provided by the landowner's attorney
- Exhibit B – a reduced version of a survey, with "Protected Property" and "Grantor's Reserved Land" clearly labeled. If a survey is not available a GIS map of the property, interior and exterior easement boundaries and other property features can substitute for a survey map. The survey is supplied by the landowner's surveyor, or if GPMCT is purchasing the easement, by a surveyor commissioned by GPMCT. GPMCT will provide GIS mapping of the property as needed.
- Exhibit C – a metes and bounds description of any use areas delineated in the easement.
- Other Exhibits as necessary.

E. Baseline Data

Baseline data for conservation easements is collected and prepared prior to the closing of the acquisition, and the landowner granting the easement signs the baseline documentation acknowledgement form that confirms that the baseline documentation accurately and completely characterizes the subject parcel at the time of closing. The Executive Director and the President of the GPMCT Board both sign the baseline data acknowledgement.

Staff, a contractor or qualified volunteer prepare the baseline data for conservation easements using at a minimum the Land/Easement Acquisition Worksheet. Larger properties with multiple conservation values often require hiring a contractor to prepare the baseline report. A copy of the baseline report with original signatures is kept in GPMCT's safety deposit box or in a fireproof filing cabinet.

F. Appraisal

For property acquired in fee or for purchase of a conservation easement, staff will commission an independent real estate appraiser to appraise the property or easement proposed for sale to GPMCT. Staff must ensure that all appraisals adhere to the Uniform Standards of Professional Appraisal Practices. In the case of purchased easements, staff must determine that the appraiser is familiar with conservation easements, and will provide the appraiser with a copy of the final draft of the conservation easement to ensure that the terms of the easement are properly valued. Staff will review the appraisal to ensure that comparable properties and estimations of value are valid.

In most instances, GPMCT will not pay more than the fair market value of the easement or property as established by the appraisal, though it is acceptable to pay up to 10% above that value due to the fact that all appraisals are matters of opinion of value based on that appraiser's

experience and collected information. The Board may decide to pay more than 10% above fair market value in rare circumstances; for example, when conservation of the parcel is paramount to protect a unique or very rare resource that is at great threat of destruction. In such instances, staff will comprehensively document the foundation of the Board's decision to ensure that the excess payment was made to protect critically important conservation values and public benefits.

G. Title Investigation

As part of its due diligence, GPMCT's legal counsel will review all documents pertaining to title to each property the organization intends to acquire either by fee, gift of land, purchased easement, and/or donated easement. The purpose of title investigation is to document legal ownership of the property and to uncover liens, mortgages, or other encumbrances.

For donated conservation easements, subordinations and confirmation of clear title are required in writing prepared by the landowner's attorney, in the form of a letter of opinion on title or proof of title insurance, and shall be obtained before the transaction may be recorded. In regard to parcels that will be owned in full title, or conservation easements that will be purchased by GPMCT, the attorney engaged by GPMCT shall conduct a title examination and obtain title insurance for the Trust.

H. Determining Property Boundaries and Access

Staff and the LandComm will evaluate the boundaries of all candidate conservation lands to determine if they are adequately and accurately marked, or will require survey by licensed land surveyors.

If a conservation easement contains restrictions that are specific to certain areas within the property, including building envelopes or separate land use areas (such as forever wild or agricultural areas), the locations of these areas can be identified in the field, and are clearly described in the easement, associated legal descriptions, maps, and baseline data. At minimum, these internal boundaries must be located and mapped with high quality GPS equipment, if not by a licensed land surveyor.

For fee lands, unless a boundary survey is available at the time the parcel is acquired, GPMCT will commission a survey by a licensed land surveyor as soon as feasible, and if necessary to clarify any title or boundary matters, preferably to be completed prior to closing the transaction so that all boundaries and title matters are fully known before the property is purchased by GPMCT.

GPMCT needs to secure adequate functional access to properties it acquires through purchase or donation, to properly steward and monitor the property. Access must be consistent with that described in the appraisal upon which the purchase price or donation value is based.

J. Environmental Due Diligence for Hazardous Materials

Staff completes GPMCT's **Hazardous Waste Inspection Checklist**, including:

- Background research to ensure the property is not an EPA Superfund Site, or on the Maine Department of Environmental Protection's list of properties containing hazardous waste spills, underground storage tanks, and other uncontrolled substances.
- Research town or city zoning ordinances
- Examine recent aerial photographs of the property

- If any of the background research reveals evidence that the property may contain hazardous waste, contact the Department of Environmental Protection and assess any additional information
- Site visit to examine the property for signs of hazardous waste or other environmental contamination
- Research with landowner and abutters to learn past and current uses of the property

If any of the research reveals hazardous materials on the property, GPMCT will pursue a Level Two inspection of the property conducted by an environmental engineer or hydrogeologist. The outcome of this research will determine whether or not GPMCT should proceed with conservation of the property.

IV. Final Review

GPMCT's Board will have taken a preliminary vote early on in the project planning process, giving the LandComm permission to proceed. After the LandComm and staff have thoroughly reviewed the necessary project documents (for example: final conservation easement draft, purchase and sale agreement and GPMCT appraisal, etc.) and heard the recommendations of staff and counsel, the LandComm will then make a final recommendation to the GPMCT Board of Directors.

Upon receiving a recommendation from the GPMCT Land Protection Committee, the Board of Directors will formally act on approval or denial of all land transactions, transfers, sales and exchanges of properties. This may involve approval of a resolution. Staff will provide the Board with a **Summary Fact Sheet** that outlines the relevant features of the project, including a location map and property map, estimated stewardship budget, overview of the property's conservation values, and the LandComm's recommendation regarding protection of the parcel. Photos shown at the board meeting will update those members who could not attend a site visit.

From time to time, the Board may delegate its review and approval authority to the Executive Committee when situations arise between meetings, but never as a substitution for such regular meetings. The Executive Committee shall be empowered to act on behalf of the Board when official action is needed on short notice and a full Board meeting is deemed impractical. This delegation of authority shall follow the procedures established in the GPMCT Bylaws.

V. Recordkeeping

Staff create a project file for each project. Staff document stages of each land conservation project using either the **Easement or Fee Lands Project Planning Checklist**. The checklist provides a framework for documentation of projects, supplemented by other written documentation, including legal agreements, written correspondence, printed copies of email exchanges, notes from phone conversations, and appraisals. Compilation of these files creates a complete record of information related to the transaction for the project file.

See Recordkeeping Policy for additional details.

Final signature copies of the deed, conservation easement or other permanent legal documents are printed on acid-free paper. All original documents are placed in GPMCT's safety deposit box or in fireproof filing cabinet as soon as a project is under written acquisition agreement or closed. Copies are kept in GPMCT office files.

VI. Recording

Deeds, conservation easements and all associated exhibits are recorded at the Hancock County Registry of Deeds as soon as possible after the transaction closes. The original, recorded document is kept in GPMCT project files (see Recordkeeping), and copies are sent to the landowner and the landowner's attorney for their files.

When GPMCT acquires an Option to purchase real estate, staff also acquires a Memorandum of Option, which is recorded at the Registry of Deeds. The Memorandum is a one-page summary of the Option agreement that outlines the property location, buyer, seller and expiration date of the Option, but does not list the Option price or the details of the agreement.

VII. Bequests of Land or Easements

If a landowner plans to donate land or a conservation easement as a bequest in their will, staff obtains a copy of the will to have on file in GPMCT office. In addition, GPMCT normally enters into a Memorandum of Understanding outlining the future management of the property – such as sale of a residence, management of natural resources or structures, and public access.

If a landowner plans to donate a conservation easement to GPMCT as a bequest, staff drafts the conservation easement to be included in the will.

The landowner becomes a member of the Stuart M. Gross Legacy Circle, which is a classification of donors who have made contributions to GPMCT through their estate planning.

VIII. Nonconservation Lands

GPMCT can acquire land that does not meet the organization's selection criteria for conservation land outlined in the Conservation Project Evaluation Form with the intent of using the proceeds from the sale of the property to advance its mission. Staff, LandComm and the Board of Directors should carefully weigh project feasibility and risks, including the following:

- *Potential legal, ethical, or public image problems associated with the acceptance of the property;*
- *Conflict of interest on the Board of Directors;*
- *Affect on IRS 501(c)(3) status or other IRS code requirements;*
- *Economic impact on the community;*
- *Opposition by a substantial number of residents or the town;*
- *Project's relationship to a controversial or inappropriate land development proposal or activity.*

Staff ensures that the donor's intent to transfer ownership of land for future sale, with the proceeds to benefit future conservation projects of the organization, is clearly documented.

IX. Selling, Transferring or Exchanging Land or Interests in Land

A. Transfer of a Real Property Asset

A real property asset (hereinafter “GPMCT Property”) is a property owned in fee by GPMCT, a conservation easement or other conservation restriction owned or controlled by GPMCT, or any other interest in land, such as a right-of-way or deed restriction allowing GPMCT to use or control a portion of land.

GPMCT Property will only be transferred following evaluation of the specific proposed asset transfer by the Board and an affirmative vote to transfer the asset by two-thirds of the entire membership of the Board.

A transfer includes a sale, bargain sale, gift, or long term lease of three or more years, of “GPMCT Property”.

At least one of the following six conditions must be met before GPMCT transfers any GPMCT Property. (The condition(s) must be documented in writing and presented to the Board prior to a vote to transfer the asset.)

1. The proposed transfer is to a Qualified Organization:

The party to which GPMCT proposes to transfer a specific GPMCT Property is either a qualified organization under Section 170(h)(3) of the Internal Revenue Code with purposes and capabilities that include the permanent protection, management, monitoring, and enforcement of real property interests, or is a governmental agency or unit with similar purposes and capabilities; GPMCT must determine that the qualified organization can fulfill long-term stewardship and enforcement responsibilities with respect to the property, that the transfer does not result in a net loss of important conservation values and, for donated properties, that the transfer is in keeping with the donor’s intent. If the property is transferred to the qualified organization, the deed may at the option of GPMCT, be subject to a conservation easement or deed covenants; or

2. Conditions on or near the GPMCT property have changed significantly:

Since the date of GPMCT's acquisition of the specific GPMCT Property, unexpected changes in conditions in the vicinity of the GPMCT Property make impossible or impractical its continued use for conservation purposes. In determining whether this condition is met, the Board of Directors shall review applicable sections of the Internal Revenue Code, in particular Section 1.170 A-14(g)(6)(i), as amended; or

3. The GPMCT Property was acquired as “Trade Land”:

Trade Lands are GPMCT Property not dedicated to conservation but available for raising funds for GPMCT, as set out in Section V(D) of GPMCT's Gift Acceptance Policy; and

4. Transfer of GPMCT Property subject to a Conservation Easement:

The specific GPMCT Property has significant conservation value which GPMCT is committed to protecting, and a Conservation Easement (or a Project Agreement or other protection) has been put in place providing adequate protection for the conservation value of the Property; or

5. A transfer of GPMCT Property is necessary to resolve ownership and boundary disputes:

The specific GPMCT Property transfer is expected to result in the resolution of a significant ownership or boundary dispute in which GPMCT has determined that the other party's case has substantial merit, or will remove uncertainty with respect to the boundaries of the GPMCT Property. Whenever feasible, GPMCT will seek, as part of its consideration for the transfer, to acquire new assets in adjacent or nearby property that will provide significant conservation benefit; or

6. The transfer is related to Amendment of a Conservation Easement:

The specific GPMCT Property transfer involves the amendment of a conservation easement (see also "Conservation Easement Amendment Policy") provided such amendment does not negatively affect the qualification of the specific conservation easement or the status of GPMCT under any applicable laws, including Sections 170(h) or 501(c)(3) of the Internal Revenue Code.

Prior to the approval of any sale of GPMCT Property the Board must specify, in writing, how the net income from the sale will be used, including but not limited to, identifying the specific accounts to which the funds will be deposited.

In evaluating a potential sale the Board must evaluate the following possible risks to the Trust in carrying out the sale:

- Environmental issues
- Title issues
- Survey problems
- Potential adverse reactions to the sale by conservation partners and/or the general public
- Other risks that may be identified for a specific property

All transactions that transfer a GPMCT Property under conditions 2, 3, 4, and 6 above must produce a consideration to GPMCT that equals or exceeds 90% of the fair market value of the GPMCT Property transferred. Prior to the vote by the Board, the Executive Director shall obtain and submit to the Board an estimate of its fair market value, dated within twelve months

of the date of proposed transfer, from an independent professional appraiser of real property. If the cost required to obtain a written estimate from an appraiser is unreasonably high in relation to the value of the GPMCT Property to be transferred, then the Executive Committee may waive the requirement for a written estimate and instead obtain a less formal opinion of value, which shall be documented in GPMCT's files.

GPMCT Property sold shall be made available under a detailed marketing plan that is drafted by GPMCT Staff, and approved by the Land Protection Committee and the Board. At a minimum the marketing plan will contain the following elements:

- Current status of the property, including conservation values
- Reason for sale
- Proposed conservation restrictions, if any
 - Must include plan for necessary stewardship funds if restrictions are proposed
- Price
- Potential interested parties (neighbors, farmers, other conservation groups, etc.)
- Bid period
 - Bid period must be a minimum of 60 days commencing with the initial advertising of the property to the public
- Bid selection criteria
 - Approval of the sale by the Board, excluding the involvement and vote of any member of the Board or staff who is a potential purchaser of the asset, will be based on the best interests of GPMCT.
 - If there are several acceptable bids, it is critical to choose a buyer based on his or her ability to protect the land rather than on price alone. The Trust might even accept one of the lower bids if it is from the most appropriate buyer, as long as the offer is at 90% of fair market value or above.
 - Must include a plan to fairly inform buyers of the terms of the selection process
- Real estate agent selection

If the GPMCT Property is not sold and there is no signed Purchase and Sale Agreement at the end of one year from the date on which the asset was initially advertised to the public, the Board must re-examine the information it has regarding the property and determine what action should be taken going forward.

All transfers of GPMCT Property must adhere to the GPMCT Conflict of Interest Policy.

If GPMCT transfers assets which GPMCT received as a donation and for which GPMCT signed the donor's IRS Form 8283 "Noncash Charitable Contributions," and if the transfer occurs within three years of the date of the receipt of the donation, then GPMCT must file IRS Form 8282 "Donee Information Return" with the IRS and forward a copy to the donor at his or her last known address.

X. Tax Benefits

A. Tax Code Requirements

GPMCT provides no assurances to landowners who are donating interests in real estate that their donation will be deductible for any tax benefit, nor any statement declaring the amount of the monetary value of the donated interest or what amount might be accepted by the IRS or the State of Maine.

Early in the development of land preservation projects, staff writes to potential land or easement donors or those considering a bargain sale who may claim a federal or state income tax deduction that the project must meet the requirements of the IRC 170(h) and any other state or federal regulations. Staff includes a copy of IRC 170(h) and IRS Notice 2004-41 regarding Charitable Contributions and Conservation Easements.

B. Appraisals

Staff writes to all potential donors of real estate interests anticipated to have a value over \$5,000 that documenting the value of their donation requires that they commission an independent real estate appraisal of the property. Staff informs landowners that GPMCT will not knowingly participate in projects where it has significant concerns about the tax deduction or appraisal. Staff does not make any assurances as to the deductibility, value, or potential tax benefits of a proposed gift of land or conservation easement.

If requested, staff may provide landowners with a list of appraisers they can work with on their project. The list includes information on the appraisal process, as typically stated:

“The following is a brief list of appraisers familiar with land conservation projects. This list is for informational purposes only and no endorsement of specific businesses or services is intended. There are no doubt other appraisers throughout the state who are familiar with conservation easements and landowners may certainly use appraisers who are not on this list. Before engaging an appraiser, Great Pond Mountain Conservation Trust recommends that landowners inquire about the appraiser's experience with conservation projects and request a written estimate of the fees for the appraiser's service. The cost of the appraisal will be the landowner's responsibility. This cost might be tax-deductible.”

C. Donee Responsibilities – IRS Forms 8283 and 8282

GPMCT is responsible for documenting the value of gifts of land or conservation easements received by signing IRS Form 8283. Once Section B, Part 1, “Information on Donated Property” and Part 3, “Declaration of Appraiser” are complete, the landowner sends IRS Form 8283 to GPMCT along with a complete copy of the appraisal of the donated property interest. If GPMCT believes the gift has not been properly appraised, staff will contact the landowner to discuss the appraisal and suggest that a new or updated appraisal be completed. Staff will not sign Form 8283 without a proper appraisal of the donated property interest.

Staff write landowners a letter outlining the procedure for completing 8283, and includes typical language to cover our Policy:

“In order to document your generous donation, GPMCT will need to receive a copy of the completed appraisal prior to signing Form 8283. Form 8283 will need to be prepared by you or

your accountant, and your appraiser, and then sent to GPMCT for our signature in Part IV, Donee Acknowledgement.

As a result of increased attention to land conservation donations from the IRS, GPMCT has recently updated its policies regarding documentation of donations in order to ensure that the value of gifts we receive are accurately represented. These policies require receiving copies of appraisals prior to signing an acknowledgement of their value, and if necessary, not signing the Form 8283 should we have strong reservations about the statement of value about a donation. We believe this approach will ultimately protect the land conservation community – both donors and land trusts – as it helps ensure a future of sound conservation transactions. We do not anticipate any issues surrounding your appraisal, but will contact you if we have any questions.”

If GPMCT sells or transfers a donated property (or any portion of a property) for any use other than conservation or for any financial consideration within three years after the date of donation, GPMCT submits IRS Form 8282 to report the sale or transfer, and provides the donor with a copy.

Documentation

Minutes of the proceedings, with written documentation of the disclosure and action taken on any conflict of interest, shall be kept by the Board Secretary. The Board Secretary shall report to the full Board at its next regularly scheduled meeting any action of the Executive Committee taken since the Board’s last regularly held meeting.

Supporting documentation includes:

- Conservation Project Evaluation Form
- Site Visit Report
- Baseline Documentation
- Fee Land Stewardship Budget Form
- Fee Land Project Planning Checklist
- Conservation Easement Project Planning Checklist
- Land/Easement Acquisition Worksheet
- Project Partnership Memorandum of Understanding
- Hazardous Waste Inspection Checklist
- Summary Fact Sheet
- Memorandum of Option
- IRS Forms 8283 and 8282
- Letters to landowners

Adoption

This policy was adopted by the Board of Directors of Great Pond Mountain Conservation Trust on the 6th day of December, 2016, at a duly constituted meeting at which a quorum was present.

Signature of authorized officer

Date