

Redwood Coast Land Conservancy FACT SHEET 3

CONSERVATION EASEMENTS: FROM START TO FINISH

You have expressed interest in conserving ecological, scenic, historic, agricultural or other conservation values of your land. In response, the Redwood Coast Land Conservancy (RCLC) has provided you with basic information on available conservation techniques, as well as an overview of the potential tax benefits of each potential conservation approach. In addition, RCLC can provide you with an outline of our organization's purpose and the criteria we use to evaluate land conservation proposals.

In reviewing your land conservation options, let's assume you've decided you're interested in placing a conservation easement on your property and donating it to RCLC.

Here are the steps in the easement process itself:

1. Obtain and review the IRS regulations regarding conservation easements, to familiarize you with the standards they will use to determine the acceptability of your easement donation as a charitable deduction.
2. Complete the RCLC Project Application form and return it to us with any available maps, title reports, appraisals, wildlife or plant surveys, or other descriptions of the location and nature of your property. Be sure to include information about other easements and encumbrances on your land, including existing mortgages or liens.
3. A representative from RCLC will contact you to review your application and make arrangements to visit your land with you at a mutually convenient time, to begin discussing your conservation objectives in more detail. Your RCLC liaison will discuss with you our Stewardship Fund and answer other questions you may have about conservation easements.
4. You should meanwhile consult with a tax and legal advisor as you proceed with the easement process, so you are fully informed of the tax and legal issues you and your family will need to address.
5. Your RCLC liaison will then share your proposed project with the RCLC Board. The Board will determine the "fit" of your project with the scope of the RCLC land conservation project criteria. Part of this determination of "fit" will depend upon the availability of funding for the costs of developing the conservation easement and baseline documentation, as well as for ongoing Stewardship of the property.
6. Pending the RCLC Board's preliminary approval of your project, your liaison will meet with you to continue gathering data about your property, so that together we can agree upon the Conservation Plan that will form the basis of the easement. This plan will describe the property as well as existing land uses, indicate the specific conservation

values to be protected, and outline the means of protection. The means of protection will include a description of activities that may be prohibited or limited; and the rights that will be retained by the landowner.

7. In preparing the Conservation Plan, you may wish or need to consult other resource professionals and experts, including but not limited to wildlife biologists, botanists, soils analysts, surveyors, etc. RCLC will seek to assist you in making contact with public agencies as well as scientific or environmental organizations that may be useful in this process.

8. When you and RCLC are satisfied with the Conservation Plan, RCLC will draw up a first draft of the conservation easement itself and send it to you and your lawyer for your review and suggestions.

9. You are responsible for providing the necessary information that may be required to accompany the easement and complete the "baseline data" or land description required by the RCLC and the IRS. This documentation will be certified by both parties as an accurate description of the property at the time of the easement donation. Baseline documentation, prepared according to RCLC's Baseline Policy, is to be completed for signing simultaneous with the final Conservation Easement. Permanent markers with visible posts will need to be in place at property boundaries and noted on property maps.

10. If you are planning to seek an income tax deduction based on your easement donation, the IRS requires you to obtain a qualified appraisal of your property, reflecting its value both before and after the easement is in effect, to determine the value of your tax deduction. (Please note the appraisal requirement is waived if the donation value is less than \$5000.) RCLC will provide you with information about our easement appraisal requirements.

11. A final draft of the easement will be prepared after negotiations between you and RCLC are concluded.

12. The completed easement and baseline documentation will then be signed by both parties and recorded with the appropriate county Recorder's Offices.

13. If you are seeking a tax deduction based on your easement donation, you and RCLC will complete the IRS Form 8283 (Noncash Charitable Contributions), which you will file with your federal income tax return. This form must be signed by you, RCLC, and the qualified appraiser.

14. RCLC will assign your easement to a contact person at our organization, who will communicate with you to annually monitor the conservation easement. You will be asked to make a donation to our Stewardship Fund to ensure that we have the means to fulfill this obligation to protect your land in perpetuity.

(Adopted March 1994, revised December 2002 and September 2010)