Standard 8: Evaluating and Selecting Conservation Projects

Land trusts carefully evaluate and select their conservation projects

Practice 8A: Strategic Conservation Planning

1. Identify specific conservation priorities consistent with the land trust's mission and goals

Practice 8A1: Identify specific conservation priorities consistent with the land trust's mission and goals
It is the policy of the Conservancy that the Board shall establish a service area within which it shall focus its work. The size and extent of the service area shall be determined by the following factors, among others:

- Organizational capacity
- Community needs and opportunities for conservation
- Service areas of other neighboring land trusts

The Board shall also establish conservation priorities and focus areas as necessary. The Board shall review the service area and focus areas from time to time and revise them as necessary.

The Conservancy shall reserve the right to operate outside its customary service area and focus areas should the Board determine that there exists appropriate cause for doing so.

The Conservancy's established service area includes Bedford, Botetourt, Craig, Floyd, Franklin, Montgomery and Roanoke counties, and the cities of Roanoke and Salem, all in the Commonwealth of Virginia.

The Conservancy's priority areas include:

- Ridgetops/mountaintops
- Rivers and streams
- Farmland
- Scenic views
- Contiguous parcels to already conserved lands
- Wildlife habitat and corridors

Drafted 08/8/2007; adopted 11/4/2009, 09/2/2015; revised 04/4/2018

Standard 8: Evaluating and Selecting Conservation Projects

Land trusts carefully evaluate and select their conservation projects

Practice 8B1 and 8B2: Project Selection Criteria and Public Benefit

1. Develop and implement a written process to select land and conservation easement projects

2. Develop and apply written project-selection criteria that are consistent with the land trust's conservation priorities

Practice 8B1: Develop and implement a written process to select land and conservation easement projects

The Conservancy has developed and implemented the following written process to guide it in the selection of conservation easement projects:

BLUE RIDGE
LAND CONSERVANCY

BLUE RIDGE LAND CONSERVANCY
PROJECT SELECTION CHECKLIST
CONSERVATION EASEMENT

Project Name:_____

Date:_____

Task	**Complete**	**Date**
1. Initial landowner contact	☐	_____
2. Landowner file created	☐	_____
3. Names of landowner(s), donor(s) and other individual names added to database to receive newsletters and solicitations	☐	_____
4. Site visit held	☐	_____
5. Basic orientation given to landowner	☐	_____

- Mission of Blue Ridge Land Conservancy (BRLC)
- What a land trust is, its tools and its role
- Conservation purposes, protection implications and land-use restrictions

- Process involved in the preservation/conservation of the land
- Transaction alternatives/landowner options
- Financial incentives associated with donation (i.e. tax deduction)
- Importance of professional legal and financial advice
- Associated transaction costs
- Steps associated with donating a conservation easement

6. Landowner information sheet completed □ _____

7. Best holder of the conservation easement identified with landowner □ _____

If BRLC will hold the easement:

8. Project will be □ a donated easement □ an easement purchase □ a bargain sale

9. Easement application received □ _____

10. Discussion of BRLC Stewardship Endowment □ _____

11. Identify conservation values □ _____
    IRS defined values:

    □ the preservation of land areas for outdoor recreation by, or the education of, the general public, OR

    □ the protection of a relatively-natural habitat of fish, wildlife, or plants, or similar ecosystem, OR

    □ the 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 clearly-delineated federal, state, or local governmental conservation policy, and will yield a significant public benefit, OR

    □ the preservation of an historically-important land area or a certified historic structure

12. Obtain map/survey with property boundaries □ _____

13. Obtain a copy of the property deed ☐ _____

14. Identify zoning ordinances or regulations that apply to the property or its designation, if any, in local or regional plans ☐ _____

15. Obtain grantor consent letter ☐ _____

16. Prepare draft easement with attachments for Stewardship Committee review ☐ _____

17. Stewardship Committee site visit. ☐ _____

18. Stewardship Committee approval of project ☐ _____

19. Board approval of project ☐ _____

20. Identify zoning ordinances or regulations that apply to the property or its designation, if any, in local or regional plans ☐ _____

21. Identify via a 60-year title search any liens, encumbrances, easements, orrestrictions on the property, including ownership of mineral rights ☐ _____

22. Negotiate terms of easement/deal (price, payment terms, and payment of stewardship endowment etc.) ☐ _____

23. Review appraisal for appropriate methodologies and reasonable valuations ☐ _____

24. Complete baseline documentation report (BDR) ☐ _____

25. Legal review by BRLC's counsel ☐ _____

26. Receive stewardship endowment ☐ _____

27. Final baseline conditions report signed by BRLC and landowner ☐ _____

28. Sign all legal documents, including the deed ☐ _____

29. Record deed at courthouse ☐ _____

30. Payment sent to landowner (purchased/bargain sale easements only) ☐ _____

31. Establish monitoring schedules and responsibilities ☐ _____

32. Obtain within 30 days after closing:

Recorded deed for conservation easement ☐ _____

Signed settlement statements ☐ _____

Signed miscellaneous closing documents (such as signed contract, water rights deed, closing confirmation, affidavits, tax statements, and miscellaneous agreements and affirmations) ☐ _____

33. Secure/safe storage for originals of key documents according to BRLC policy ☐ _____

34. Complete within 30 days after closing ☐

_____

Send contemporaneous gift acknowledgement ☐ _____

Send thank you for stewardship donation ☐ _____

Press release/newsletter article prepared (if appropriate, with owner permission) ☐ _____

Post signage on property (if agreed upon) ☐ _____

35. Donor completes IRS Form 8283 and BRLC signs (prior review of appraisal done in step 23 BEFORE recordation) ☐ _____

36. Easement monitoring as per written policy and specific plan for this easement

Dates: _____

37. Landowner contact as per written policy

Dates: _____

Practice 8B2: Develop and apply written project-selection criteria that are consistent with the land trust's conservation priorities

[The following is former Practice 8B]

The Conservancy has developed and implemented the following written process to guide it in the selection offee simple land acquisition projects:

BLUE RIDGE LAND CONSERVANCY

PROJECT SELECTION CHECKLIST

FEE SIMPLE TITLE ACQUISITION

Project Name:_____

Date:_____

1: INITIAL CONTACT

Date	Initials	
_____	_____	Initial Landowner contact (e.g. telephone call, personal visit, other) Type of Contact: _____ Obtain phone number, address, and other relevant contact info
_____	_____	Mail introductory materials to landowner (e.g. land trust information, conservation/preservation options, costs, etc.) Date: _____ Type of Materials: _____
_____	_____	Begin Property Information Form (ownership, liens, encumbrances, easements, etc.). Inquire about recent title commitment, obtain if possible.
_____	_____	Meeting/Discussion with Landowner(s) and Family/Families: Explanation of: • Mission of Blue Ridge Land Conservancy (BRLC) • What a land trust is, its tools and its role • Conservation purposes, protection implications and land-use restrictions • Process involved in the preservation/conservation of the land (based on whether it is an easement, donation etc.)

- Professional advice
- Transaction Alternatives/Landowner Options
- Financial incentives associated with donation (i.e. tax deduction, state tax credits)
- Importance of legal and financial advice
- Associated transaction costs, including that landowner may be asked to pay for BRLC's legal review

_____ _____ Site Visit

2: INITIAL DATA COLLECTION

Date Initials

_____ _____ Identify conservation values

_____ _____ Obtain any available natural resource information

_____ _____ Obtain map/survey with property boundaries (preferably a USGS quad 7-minute series)

_____ _____ Determine local political support and influence

_____ _____ Confirm zoning and subdivision regulations

_____ _____ Identify potential funding sources (preliminary)

_____ _____ Begin Conservation Easement Information Form

3: PROJECT ANALYSIS REVIEW & BRLC DECISION

Date Initials

_____ _____ Obtain a recent Title Report or Commitment with all documents required

_____ Date ordered
_____ Date received

_____ _____ Complete Project Selection Criteria Form

_____ _____ Assess Property using Project Selection Criteria through Stewardship Committee review

_____ _____ Obtain Stewardship Committee approval to go forward with the project

_____ _____ Obtain any additional information identified by Stewardship Committee review

_____ _____ BRLC Board review and acceptance

_____ _____ Confirm and pursue likely funding options

_____ _____ Send "Acceptance of project / Engagement" letter to landowner
(include discussion of CVs, landowner's intent, mutual goals, estimated transaction costs, landowner's need for financial and legal advice, importance of obtaining deeds, mortgage information, title commitment etc.)

_____ _____ Property Information Form should be complete by now

4: DUE DILIGENCE / EASEMENT NEGOTIATIONS

Date Initials

_____ _____ If not done already, obtain a recent Title Report or Commitment with all documents required in Schedules A and B

_____ _____ Obtain copy of Deed (Warranty, Quit Claim) or copy of Deed of Trust (Mortgage Deed)

_____ _____ Complete Stewardship Endowment Formula

_____ _____ Negotiate terms of deal (price, payment terms, and payment of stewardship endowment etc.)

_____ _____ Complete Conservation Easement Information Form

_____ _____ Begin appraisal process (if applicable)
_____ ordered
_____ received

_____ _____ Title insurance policy
_____ ordered
_____ received

_____ _____ Mortgage subordination (if applicable)
_____ ordered
_____ received

_____ _____ Environmental Hazard Assessment (Phase I) Report (if needed)

_____ ordered
_____ received

_____ _____ BDR Report
_____ started
_____ completed

_____ _____ Final Appraisal (needed within 60 days of purchase to comply with IRS regulations)
_____ ordered
_____ received

_____ _____ Remoteness Letter or Mineable Resource Assessment Letter (if needed)

_____ _____ Survey (if needed)
_____ _____ Obtain Covenants, Conditions and Restrictions (if applicable)

_____ _____ Legal review by BRLC's counsel

_____ _____ Legal review by landowner's counsel

_____ _____ Sign purchase or option agreement if applicable

5. CLOSING

Date Initials

_____ _____ Received stewardship endowment

_____ _____ Sign all legal documents

_____ _____ Title policy issued by the title company after closing

_____ _____ Final BDR **(**may be amended during subsequent period as documents become available) signed by BRLC and landowner

_____ _____ Record deed in relevant county

6. POST CLOSING

Date	Initials	
_____	_____	Complete IRS-8283: Non-cash Charitable Contributions

Obtain 30 days after closing

_____	_____	Recorded deed for fee title
_____	_____	Signed settlement statements
_____	_____	Signed miscellaneous closing documents (such as signed contract, water rights deed, closing confirmation, affidavits, tax statements, and misc. agreements and affirmations)
_____	_____	Administrative Follow-up steps – organization of files and securing safe storage for originals of key documents
_____	_____	BRLC thank you for donation of property (if applicable)
_____	_____	BRLC thank you for stewardship donation received
_____	_____	Press release prepared and issued (if applicable)

Due 1 year after closing

_____	_____	Final Land Management Plan (if applicable)

Due periodically after closing as agreed

_____	_____	Reports and Updates

Adopted 04/4/2007; amended 11/4/2009, 09/2/2015; revised 04/4/2018

Standard 10: Tax Benefits and Appraisals

Land Trusts work diligently to see that every charitable gift of land or conservation easement meets federal and state law requirements, to avoid fraudulent or abusive transactions and to uphold public confidence in land conservation.

Practice 10C:

1. Review, on the land trust's own behalf, each transaction for consistency with federal and state income tax deduction or credit requirements

Practice 10C1: Review, on the land trust's own behalf, each transaction for consistency with federal and state income tax deduction or credit requirements

It is the policy of the Conservancy that donations to the Conservancy of fee interest in land for conservation purposes or conservation easements in which a landowner may seek federal tax deductions or register Virginia state tax credits, shall meet applicable federal and state requirements, including the conservation purposes test of IRC Section 170(h). For transactions that exceed an appraised donation value of $2.5 million or $1 million in potential tax credits, the transaction shall meet special conservation standards as adopted by the Virginia Land Conservation Foundation and determined by the Director of the Department of Conservation and Recreation, as mandated in Code of Virginia ¬ß 58.1-512 D.3.a.

Drafted 08/8/2007; adopted 11/4/2009, 09/2/2015; revised 04/4/2018

Standard 8: Evaluating and Selecting Conservation Projects

Land trusts carefully evaluates and select their conservation projects.

Practice 8B: Project Selection Criteria and Public Benefit

1. Document the public benefit of every land and conservation easement project

Practice 8B1: Document the public benefit of every land and conservation easement project

It is the policy of the Conservancy that the Conservancy shall evaluate and clearly document the public benefit of every land and easement transaction and how the benefits are consistent with the mission of the Conservancy. This shall be done in the deed of easement for conservation easements, or documented in Board minutes for fee interest properties. All projects shall conform to applicable federal and state laws. If the transaction involves potential tax incentives for the donor or seller, the Conservancy shall satisfy any federal, state, or local requirements for public benefit.

The Conservancy will consider these IRS factors for determining significant public benefit:

- The uniqueness of the property to the area;
- The intensity of land development in the vicinity of the property (both existing development and foreseeable trends of development);
- The consistency of the proposed open space use with public programs (whether federal, state, or local) for conservation in the region, including programs for outdoor recreation, irrigation or water supply protection, water quality maintenance or enhancement, flood prevention and control, erosion control, shoreline protection, and protection of land areas included in, or related to, a government approved master plan or land management area;
- The consistency of the proposed open space use with existing private conservation programs in the area, as evidenced by other land protected by easement or fee ownership by conservation organizations in close proximity to the property;
- The likelihood that development of the property would lead to or contribute to degradation of the scenic, natural or historic character of the area;
- The opportunity for the general public to use the property or to appreciate its scenic values;
- The importance of the property in preserving a local or regional landscape or resource that attracts tourism or commerce to the area;
- The cost to the Conservancy of enforcing the terms of the conservation restriction;
- The population density in the area of the property; and
- The consistency of the proposed open space use with a legislatively mandated program identifying particular parcels of land for future protection.

Drafted 08/8/2007; adopted 11/4/2009, 09/2/2015; revised 04/4/2018

Blue Ridge Land Conservancy Practices

Standard 8: Evaluating and Selecting Conservation Projects

Land trusts carefully evaluates and select their conservation projects.

Practice 8C: Project Evaluation

1. Visually inspect properties before buying or accepting donations of conservation land or conservation easements to determine and document whether:

a. There are important conservation values on the property

b. The project meets the land trust's project-selection criteria

2. Evaluate potential threats to the conservation values on the property and structure the project to best protect those conservation values

3. Evaluate any current or potential risks associated with the project, including to the land trust's reputation or to the land trust community, and modify or decline the project if the risks outweigh the benefits

Practice 8C1: Visually inspect properties before buying or accepting donations of conservation land or conservation easements to determine and document whether:

a. There are important conservation values on the property

b. The project meets the land trust's project-selection criteria

Practice 8C2: Evaluate potential threats to the conservation values on the property and structure the project to best protect those conservation values

Practice 8C3: Evaluate any current or potential risks associated with the project, including to the land trust's reputation or to the land trust community, and modify or decline the project if the risks outweigh the benefits

It is the policy of the Conservancy that prior to considering a land transaction; it shall conduct a site visit of the property in question in order to:

- determine whether the property meets the Conservancy's criteria and whether the conservation resources and public benefit are significant enough for the Conservancy to pursue the property's protection;
- identify any management-related problems that make it impossible or infeasible for the Conservancy to undertake the transaction; and
- identify potential problems that must be investigated further, resolved or mitigated, and carefully considered before the Board gives final approval.

The site inspection shall consist of the following:

- Inspection of key features and property boundaries. If possible, staff or Board members should walk the property with the landowner, who can provide historic information and identify key features. The inspection shall focus on key conservation resources, structures, hazardous natural areas, areas of disturbed land use, etc. Staff or Board members shall walk the property boundaries to look for potential problems from adjacent land use, where practical.

- Review of access. Does the property have access to a public road? If not, how is legal access gained?
- Review of type, significance, and condition of conservation resources—such as streams, wetlands, forests and other natural areas; agricultural land; presence of specific plant and animal species; historic or archeological resources; public views; and recreational potential.
- Review of threats to resources, on-site and off-site—such as incompatible development on surrounding lands, harmful runoff, erosion, overgrazing, any potential negative impacts of logging, mining, or non-indigenous invasive plants or animals.
- Review of existing land use and intensity of activity—residential, agricultural, and recreational, including uses authorized under leases or rental agreements.
- Review of existing improvements and their condition—such as buildings, stone walls, shelters, gates, dams, bridges, fences, trails, roads.
- Review of visible easements and encumbrances—such as rights-of-way providing access for adjacent properties, power lines, railroad tracks, pipelines, water lines, and mineral exploration.
- Review of safety hazards, both natural and structural—unstable or failing roads, bridges, buildings, or walls; landslides, fire or electrical hazards, and water hazards; steep cliffs attractive to trespassers and rock climbers; and swimming holes.
- Review of public use problems—such as dumping of household trash, illegal activities, and off-road vehicle use.
- Review of evidence of hazardous waste problems—such as dumps, evidence of underground tanks, bald spots lacking vegetation or where vegetation is dying, fumes, or evidence of buried waste such as disturbed soil.
- Review of adjacent land use — commercial, industrial or residential development; highways; farming; logging; water control; drainage; or, potential hazardous or toxic waste problems.
- Review of current planning and zoning of the property; information on liens, encumbrances and ownership that should be turned up in a title investigation.
- An evaluation of any current or potential risks associated with the project, including to the Conservancy's reputation or to the land trust community, and modifying or declining the project if the risks outweigh the benefits.

[from former Practice 8K:]

It is the policy of the Conservancy that the Conservancy shall examine the project for risks to the protection of important conservation values (such as surrounding land uses, extraction leases or other encumbrances, water rights, potential credibility issues or other threats) and evaluates whether it can reduce the risks. The Conservancy shall modify the project or turn it down if the risks outweigh the benefits.

Drafted 08/8/2007; adopted 11/4/2009, 09/2/2015; revised 04/4/2018

Standard 11: Conservation Easement Stewardship

Practice 11B: Baseline Documentation Report

1. For each conservation easement, have a baseline documentation report, with written descriptions, maps and photographs, that documents:

a. The conservation values protected by the easement

b. The relevant conditions of the property as necessary to monitor and enforce the easement

Practice 11B1: For each conservation easement, have a baseline documentation report, with written descriptions, maps and photographs, that documents:

a. The conservation values protected by the easement

b. The relevant conditions of the property as necessary to monitor and enforce the easement

It is the policy of the Conservancy that it shall document as a part of its baseline documentation report the condition of the important conservation values and public benefit of each property, in a manner appropriate to the individual property and the method of protection. These shall be documented by written descriptions, maps, and photographs. The purposes for documenting the conservation values shall include:

- To decide whether to protect the property.
- To determine how to protect the property.
- To establish a baseline of conservation values.
- To determine if the property has adequate conservation values to merit conservation.
- To build and maintain public trust by explaining the rationale for protecting the property.

Documentation of conservation values may include:

Off-site research:

- Environmental planning studies such as environmental impact reports.
- Plant and animal inventories, such as local, state or federal wildlife studies or a state's natural heritage program database.
- Government reports, such as local general plans, U.S. Department of Agriculture soil surveys, geology reports, and wetlands studies.
- Aerial photos and U.S. Geological Survey maps.
- Town or city histories and/or historical society reports.
- Title report done by an attorney or title company (mandatory)
- Oral histories obtained from the landowner, family members, neighbors, etc.

On-site inspection, considering factors identified in Practice ____.

Site specific inventories may include the following:

- For natural lands, a site inventory maps and describes plant communities and habitat types. It includes a species list of plants and animals observed or likely to occur on the site and whether rare, threatened, or endangered species or their habitats are present.
- For scenic sites, the inventory maps and portrays those elements of the landscape that make the site unique and scenic.

- For agricultural sites, the inventory identifies, by map and narrative, the soil types and/or features of the microclimates that make that land productive.
- For productive forestland, the inventory identifies forest types, species, site productivity, stocking levels and estimates of timber and values, accessibility, and sensitive sites.

Drafted 08/17/2015; adopted 9/2/2015; revised 04/4/2018

Standard 8: Evaluating and Selecting Conservation Projects

Land trusts carefully evaluates and select their conservation projects.

Practice 8D: Project Planning

1. Individually plan all land and conservation easement projects so that:
- *a. The land trust identifies the best available conservation strategy for the property*
- *b. The property's important conservation values are protected*
- *c. The project furthers the land trust's mission and goals*

2. Assess the stewardship implications of each project and the land trust's capacity to meet those obligations

Practice 8D1: Individually plan all land and conservation easement projects so that:
- a. The land trust identifies the best available conservation strategy for the property
- b. The property's important conservation values are protected
- c. The project furthers the land trust's mission and goals

Practice 8D2: Assess the stewardship implications of each project and the land trust's capacity to meet those obligations

The Conservancy's planning steps are outlined in its policies for Practice 8B; specifically: its steps for land and easement selection and checklists for conservation easements and fee-owned land acquisition.

[from former Practice 8H:]

It is the policy of the Conservancy that the Conservancy works with the landowner to evaluate and select the best conservation tool for the property and takes care that the chosen method can reasonably protect the property's important conservation values over time. This evaluation may include informing the landowner of appropriate conservation tools and partnership opportunities, even those that may not involve the Conservancy.

Drafted 08/28/2015; adopted 09/2/2015; revised 04/4/2018

Standard 8: Evaluating and Selecting Conservation Projects

Land trusts carefully evaluates and select their conservation projects.

Practice 8E: Project Selection Criteria and Public Benefit

1. When engaging in a partnership on a joint acquisition or long-term stewardship project or when co-holding conservation easements, create written agreements to clarify:

a. The goals of the project
b. The roles and responsibilities of each party
c. Legal and financial arrangements
d. Communications to the public and between parties

Practice 8E1: 1. When engaging in a partnership on a joint acquisition or long-term stewardship project or when co-holding conservation easements, create written agreements to clarify:

a. The goals of the project
b. The roles and responsibilities of each party
c. Legal and financial arrangements
d. Communications to the public and between parties

It is the policy of the Conservancy that it evaluates whether it has the skills and resources to protect the important conservation values on a property effectively, or whether it should refer the project to, or engage in a partnership with, another qualified conservation organization.

It is the policy of the Conservancy that if it does engage in a partnership on a joint acquisition or long-term stewardship project, agreements shall be documented in writing to clarify, as appropriate, the goals of the project, roles and responsibilities of each party, legal and financial arrangements, communications to the public and between parties, and public acknowledgement of each partner's role in the project.

If possible, the agreements shall address:

- Negotiations (who contacts the landowner, public agency, etc.);
- Responsibilities for other specific tasks;
- Specific plans for disposition, management, and/or monitoring of the land or easement;
- Out-of-pocket financial commitments;
- Transaction costs (who pays what, when and how bills are paid);
- Plans to split projected generated income (if applicable);
- Buy-out provisions;
- Decision-making processes;
- Public relations and who shall speak to the public;
- Confidentiality requirements; and,
- Methods for handling disagreements (mediation/arbitration).

Drafted 08/18/2015; adopted 09/2/2015; revised 04/4/2018