

The Prairie Enthusiasts, Inc.

Land Protection Policy and Procedures

Recommended by Land Protection Committee: March 6, 2012

Adopted by TPE Board: May 16, 2012

POLICY

The Prairie Enthusiasts, Inc., (TPE) strives to protect land that supports our mission. Our mission is to ensure the perpetuation and recovery of prairie, oak savanna and other associated ecosystems of the Upper Midwest through protection, management, restoration and education. To carry out this mission we strive to work openly and cooperatively with private landowners and other private and public conservation groups. We have established land protection criteria for ranking parcels worthy of protection.

We recognize that our long-term conservation success will depend upon the land we conserve and how we manage both fee title and conservation easement properties. In this process we always consider whether another conservation partner would be a more appropriate holder of title or conservation easement than TPE.

I. Preference For Type Of Protections

Our preference for type of protection is as follows. They are ranked from highest to lowest preference.

1. Acquisition of fee title (purchase or gift)
2. Acquisition of perpetual conservation easement (purchase or gift)
3. Acquisition of conservation lease (purchase or gift)
4. Establishment of written management agreement (limited term)
5. Verbal management agreement (limited term)

II. Land In Fee Title

TPE holds land in fee title for natural resource conservation and for the public to experience nature. Funding permitting, we purchase lands for this purpose. We recognize that the size of a parcel is not the primary determining factor and therefore evaluate each potential parcel as to its conservation value in relationship to the purpose it will be serving for TPE. Criteria for Ranking and Pursuing Land Protection Projects have been established for this purpose (Appendix A).

To manage these lands, TPE uses volunteers and grants. However, we recognize the need to build a Land Management Fund for ongoing management costs. A management plan, including the goals for the property and how the public will use the land, is prepared for each property by or under the direction of the Land Management Committee. The anticipated annual costs are outlined in the management plan, in addition to special capital or stewardship improvements.

PROCEDURES

I. How Conservation Easements Work

A conservation easement is a legal agreement designed to protect land. TPE has created a template conservation easement that reflects our goals and our organizational capacity to steward conservation easements. (See Appendix B for the conservation easement template.) Each conservation easement is tailored to a particular property and a particular landowner, while ensuring it meets our conservation goals. Registered in the public records, a conservation easement is binding on the current and all future owners of the property.

TPE prepares the conservation easement for landowner review after meeting with the landowner and viewing the land. To ensure clear title, TPE commissions a title search which will be paid by TPE or by the landowner, as agreed upon between them.

While it is TPE which initiates drafting a conservation easement with the landowner, all parties who have an interest in the land must be involved. For example, if there is a mortgage, the mortgage holder must agree to the terms of the conservation easement.

II. Conserving Land: Step-By-Step Procedure

The following steps are required whether TPE is acquiring a conservation easement or fee title.

1. Either a landowner or a TPE chapter can initiate discussions about a project. A TPE chapter shall complete a TPE Land Protection Project Proposal.
2. A site visit is made by a TPE chapter to walk the land and discuss conservation objectives of the landowner and to gather information necessary to determine whether the property meets TPE's land protection criteria.
3. Before significant time has been invested on the project, the landowner is advised of the land management costs or easement stewardship and defense costs involved with the project.
4. A TPE Land Protection Project Proposal is prepared by the chapter and is submitted to TPE Land Protection Committee for review. The Land Protection Committee shall determine whether it meets the criteria for pursuing land protection projects. A template for a TPE Land Protection Proposal is shown on Appendix C.
 - a. If it does meet the criteria, it shall be referred to TPE Board of Directors for approval with supporting materials (including the ranking information, location map, property configuration, any supporting aerial photographs, and a property description). The costs associated with the project, and funding sources are also outlined in advance of board approval. If the project meets our criteria, the Board may give it preliminary approval.

- b. If it does not meet the criteria, there shall be a discussion with, or report to, the Board of Directors as to why not, and whether the project could be modified to do so.
 - c. If it does meet the criteria, and upon TPE Board approval, the Chapter, in the case of a purchase, shall have an offer to purchase or an option to purchase prepared and signed. The offer to purchase or option agreement shall state the amount of any payment made toward the Land Management Fund as part of the transaction.
- 5. If approved by TPE Board, the chapter appoints a TPE representative for the project. The Board shall determine whether a survey and appraisal are necessary prior to approval.
 - 6. TPE will send a letter to the landowner, explaining the process, summarizing the past discussions, setting forth the anticipated stewardship costs and initiating a formal working arrangement. This “engagement” letter is signed by TPE and the landowner before the project proceeds further. See Appendix D-1 through D-3 for the templates of engagement letters for a fee title project. See Appendix E-1 through E-3 for the templates of engagement letters for a conservation easement project.
 - 7. While it is desirable to obtain a contribution from the landowner for stewardship funds, such a contribution is not always available and the lack of such a contribution does not mean that the project could not proceed.

III. Conservation Easement Projects

Where the project involves a conservation easement, the following additional steps are required:

- a. A draft conservation easement is prepared by TPE for review by the landowner and reviewed by TPE’s attorney. Once the draft conservation easement is approved by the landowner, the project is ready to move to the next step, and TPE commissions the title commitment.
- b. Baseline documentation is prepared by TPE representative to record the current state of the property, as relates to the conservation easement. The landowner reviews the baseline documentation.
- c. The landowner is asked to make a donation to the TPE Land Management Fund (Endowment) or Conservation Easement Monitoring/Defense Fund or both as appropriate.
- d. The Land Protection Committee makes a final review of the project and if it appears ready to be closed, shall refer it to the Board of Directors for final approval.
- e. After final approval by the Board, the baseline and the conservation easement shall be signed and recorded in the public records. TPE will order the final title insurance policy.

- f. TPE will send a gift letter to the owner together with the Internal Revenue Service form 8283 (see Appendices F and G). The gift letter shall advise the landowner that he or she is required to get a separate appraisal to qualify for the IRS tax deduction.
- g. After the easement project is completed, it will be added to the annual monitoring program. TPE contacts the landowner and visits the property at least annually, to ensure strong communication and ongoing compliance with the easement.

IV. Fee Title Ownership By TPE

Where TPE is acquiring fee title, the following additional steps are required:

- a. The proposal is presented to the Land Protection Committee. If approved by the Land Protection Committee, it will be sent to TPE Board for preliminary approval.
- b. If TPE will purchase the property, at either full value or a bargain sale, TPE will commission an appraisal.
- c. TPE works with its attorney to prepare an offer to purchase or an option which shall be presented to the Board of Directors for approval.
- d. TPE will commission a title commitment. TPE may initiate some test fundraising inquiries to see if the project is reasonable from a financial perspective.
- e. At the discretion of the Chapter, a survey may be commissioned if deemed necessary by the Chapter.
- f. The boundaries shall be determined and a personal inspection of boundaries shall be made by the chapter.
- g. After the closing, a land management plan will be created for the property by the Land Management Committee and if the property is part of the larger project, a conservation plan will be created.
- h. If fundraising is necessary, fundraising begins in earnest once the offer to purchase or option is signed.
- i. The Land Protection Committee shall make a final review of the project and if it appears ready to be closed, shall refer it to TPE Board of Directors for final approval.
- j. After the approval by TPE Board, the purchase of the property shall be closed and the deed recorded in the public records. TPE will order the final title insurance policy.
- k. If the transfer was a bargain sale or a donation, TPE shall send a gift letter to the owner together with the Internal Revenue Service form 8283 (see Appendices F and G). The gift letter shall advise the landowner that he or she is required to get a separate appraisal to qualify for the IRS tax deduction.

APPENDICES TO LAND PROTECTION POSITION STATEMENT AND PROCESS

Appendix A	Criteria for Ranking and Pursuing Land Protection Projects
Appendix A-1	Ranking Criteria Score Sheet Form
Appendix B	Template for Conservation Easement
Appendix B-1	DNR Standard Grant Easement Template
Appendix C	Land Protection Project Proposal Form
	Checklist for Acquisition of Conservation Easement
	Checklist for Fee Title Acquisition
Appendix D-1	Engagement Letter Template Sale of Property
Appendix D-2	Engagement Letter Template Real Estate Donation
Appendix D-3	Engagement Letter Template Bargain Sale of Property
Appendix E-1	Engagement Letter Template Sale of Conservation Easement
Appendix E-2	Engagement Letter Template Conservation Easement Donation
Appendix E-3	Engagement Letter Template Bargain Sale of Conservation Easement
Appendix F	Conservation Easement/Fee Title Gift Letter
Appendix G	IRS Form 8283