



Bayfield Regional Conservancy

Conservation Easement Endowment Fund

The donation of an easement is a major commitment for any landowner. The primary reward for granting an easement is the knowledge that a cherished property will be forever protected. In addition, you may receive an income tax deduction for the gift of your easement to a qualified non-profit such as the Bayfield Regional Conservancy. By placing a conservation easement on your land, you may also reduce property taxes or estate taxes.

In accepting an easement, the Bayfield Regional Conservancy is making a major commitment. We assume the legal responsibility to carry out the donor's intentions by upholding the terms of the conservation easement – forever. The generous gift of an easement allows the organization to further its mission of protecting lands that are essential to the character of the region, but each easement also represents a perpetual obligation for the Bayfield Regional Conservancy. Although it is very unusual for grantors to violate the terms of those easements, the likelihood that violations will occur increases as time passes and properties change hands.

In order for the Bayfield Regional Conservancy to care for the easements it holds, it must regularly monitor those easements and be prepared to enforce their terms. At the least, this will involve a modest amount of staff time and travel. In the worst cases, we may need to defend the terms of an easement, perhaps through court action, which could entail great expense.

Purpose of the Endowment

The Conservation Easement Endowment has been established solely for the purpose of covering costs associated with monitoring and defending easements held by the Bayfield Regional Conservancy. It allows staff to visit the property annually, to collect information about current condition of the land. As the fund grows, it insures our ability to take whatever actions may be necessary to uphold the terms of each easement.

It is the policy of the Bayfield Regional Conservancy to request that landowners make a tax-deductible gift of cash, securities, or other assets to the Conservation Easement Endowment at the time of their easement donation. The contribution ranges from \$3,500 - \$12,000. If a donation is not possible at the time of the easement gift, landowners are asked to consider pledging a future contribution, which may be donated over several years, or as a bequest. We recognize that not all landowners are able to make such a contribution, and a cash gift is not a condition of our acceptance of an easement. However, we do ask that each donor consider the following:

1. The average monitoring costs for each easement held by Conservancy is \$175/year. A donation of \$3,500 yielding 5% interest income per annum will generate \$175/year, just enough to cover our annual monitoring expenses.

2. If you are able, please consider a larger gift. Gifts in excess of \$3,500 allow us to build a reserve for the defense of all easements should violations occur in the future. And, very importantly, we work with many committed landowners who are not able to make a financial gift with their easement. Your generosity will help us care for all easements in a responsible manner.

3. When making a gift to the Bayfield Regional Conservancy, donors are asked to consider the following complicating factors that may suggest a higher than average contribution: a) difficulty of access to the property for monitoring personnel; b) large size of the parcel; c) degree of future development permitted d) present and future risk that the easement terms may be violated. We can help you access which, if any, of these factors may apply to your property.

4. There are many ways of structuring a gift to the Bayfield Regional Conservancy. Some landowners choose to make a one-time cash gift at the time their easement is signed; others pledge gifts over a period of years. Gifts of appreciated assets, including stock, bonds and personal property can also be an effective way to contribute as the actual cost to the donor is usually far below the market value.

Uses of the Endowment

1. Monitoring property under easement held by the Bayfield Regional Conservancy; possible expenses include staff travel and time, photography, administration;
2. Enforcement expenses, primarily for legal fees and court costs;
3. Preventative measures, in addition to monitoring, such as orientation meetings with new landowners, surveys and boundary marking;

Management of the Endowment

The Conservation Easement Endowment consists of principal invested in insured accounts. Income received accrues to principal, unless expended for the uses specified above. The invested funds are generated primarily from cash and securities contributed to the Bayfield Regional Conservancy by conservation easement grantors.

Donations to the Conservation Easement Endowment are pooled into a single account for administration and for investment purposes. Because funds are pooled, your contribution to safeguard a particular property may be used toward payment of monitoring and enforcement costs for other properties over which we hold an easement. All properties will be defended equally and the fullest extent that resources allow. Special fundraising efforts will be undertaken as necessary to replenish any expenditure of principal or to strengthen the Endowment.

Permanent protection is our goal. We appreciate your investment in the Conservation Easement Endowment to insure that these significant conservation areas are preserved forever.