



Funding Forever

Conservation Easement Stewardship and Transfer Fees

Signing a conservation easement is often celebrated as the completion of a project. However, it is just the beginning of Heritage Conservancy's promise and obligation to ensure the conservation objectives of the easement and associated restrictions on future land use and improvements are respected *forever*. ***This work never ends.***

“Stewardship” refers to a range of activities that Heritage Conservancy performs in its management and oversight of a conservation easement. We are committed to providing the highest level of stewardship that maintains strong landowner relationships, better protects important natural resources, and helps prevent potential conflicts with the recorded easement. Below are some of the stewardship tasks our professional staff regularly perform:

- monitor each property protected by a Heritage Conservancy easement once a year
- answer questions from landowners as well as prospective buyers
- provide landowners with information on how to care for their unique properties
- review landowner requests to exercise reserved rights and/or amendments
- resolve compliance issues
- track changes in ownership and collect new contact information
- utilize technology to ensure efficiency and accuracy
- complete training to stay current on conservation best practices

If needed, Heritage Conservancy will also seek additional guidance from outside professionals specializing in forestry, native landscaping, or engineering.

Heritage Conservancy's Conservation Easement Stewardship Fund

Every land trust must ensure that it always has available the financial resources necessary to uphold its easements. To this end, Heritage Conservancy established a Conservation Easement Stewardship Fund, a restricted account managed specifically for the purpose of maintaining financial resources to enable our organization to manage the portfolio of conservation easements it holds. This is also a best practices requirement of our national land trust accreditation status.

Sharing the Responsibility to Meet the Need

Like funding the acquisition of a conservation easement, covering the costs of perpetual stewardship comes from a variety of sources. We've implemented an approach that shares the financial commitment among stakeholders.

Heritage Conservancy makes every effort to provide its services to landowners at little to no cost. Our staff time, legal fees, and incurred project expenses are typically covered by a combination of generous donations, awarded grants, and fee for service contracts. Of the \$40,000-\$60,000 in estimated project costs, a landowner is frequently asked only to make a financial contribution to support the long-term stewardship of the easement.

1. Upfront Stewardship Fee. Heritage Conservancy's Board of Directors has set a policy that for every easement the organization accepts, it must be accompanied by a minimum payment to the Stewardship Fund to help uphold the easement in perpetuity. Currently, the minimum Stewardship Fee is \$15,000 per easement.

The Stewardship Fee can be paid from multiple sources. For each project, we work to establish a payment arrangement that works for all parties.

In addition to paying a portion of the easement purchase price and related project costs, some funders will also pay a portion or all of the Stewardship Fee; others do not.

When property owners are financially compensated for an easement and alternative funding is not available, we ask that they pay a portion or all of the Stewardship Fee.

2. Transfer Fee. In addition to the upfront Stewardship Fee, a Transfer Fee helps spread the cost of easement stewardship among future owners of the eased land. A Transfer Fee payment equal to 1% of the purchase price is due to Heritage Conservancy when the property is transferred into new ownership. Negotiations between the buyer and seller will determine the party responsible for the payment. *Exceptions to Transfer Fee payment requirements are made for transfers between family members.*

3. Fundraising. As part of our regular fundraising initiatives, Heritage Conservancy actively seeks contributions from donors to build the Stewardship Fund.

Are Payments Tax Deductible?

The payments you make in support of stewardship are *very likely tax deductible* for federal tax purposes. Since Heritage Conservancy cannot provide tax advice, we encourage you to consult your tax advisor to establish certainty. Payments required of future owners are not tax deductible.

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