



Briefing Note: Proposed Conservation Easement Guidance Outline November 30, 2010

Purpose: Better engage SFI Program Participants with the land trust and working forest conservation easement communities by providing an easy-to-use framework for SFI Program Participants to understand the risks and opportunities of putting their land under conservation easements.

Background

Working-forest conservation easements are one conservation tool that can also provide financial benefits to landowners. However, they can be complex and time consuming to negotiate, and also require a permanent commitment by the landowner. Thus, many landowners may avoid them altogether.

To help bridge the communication and information gap between landowners and organizations such as land trusts, and state forestry agencies, that may purchase and/or accept donated conservation easements, guidance on conservation easements will create a better understanding of the process, and the risks and benefits associated with conservation easements for SFI Program Participants and other landowners. The guidance will support informed decision-making by landowners, increased communications between SFI Program Participants and conservation organizations, and potentially facilitate increased use of conservation easements by SFI Program Participants.

Overview of Guidance to be Created

The guidance on conservation easements would provide additional tools and implementation guidance for Indicator 17.1.4:

Participation in efforts to support or promote conservation of managed forests through voluntary market-based incentive programs such as current-use taxation programs, Forest Legacy Program or conservation easements.

Guidance will build upon past research and publications on conservation easements by other organizations such as the Land Trust Alliance (LTA), the Open Space Institute (OSI), who have both expressed a strong interest in partnering on this project, and other appropriate organizations, such as The Conservation Fund, as identified. To the extent possible it will be web-based, provide information, and help inform landowners' decision-making process.

Specific content will be compiled and developed to inform and guide landowners at all stages of the process, and include:

- Background on Conservation Easements
 - Types (with a focus on working-forest conservation easements)
 - Donating versus selling an easement (implications of tax status on potential tax incentives, i.e. private companies and C-corps versus TIMOs and REITs)
 - What an easement is and what it is not (including what rights landowners retain)
 - Overview of the range of easements with real examples (possible use of supply agreement comparison as an analogy for easement)
 - What values on forest lands are conservation interests looking to acquire?
- Information on funding sources (i.e. land trusts and other conservation organizations)
 - Access to databases with contact information in specific states and regions
- What to look for in a partner



- What landowners should know about the different types of easement buyers before contacting potential partners
- What questions to ask to ensure they find the right partner
- Management under a working forest conservation easement
 - Using forest certification as a tool to meet monitoring requirements
- Selling a property with an easement

Next Steps

With Board input & approval, SFI will work with partners (OSI and LTA and others as identified) to:

- Finalize content for guidance on conservation easements.
- Develop a budget and timeline for delivering the final product.
- Identify resources that already exist and just need to be repackaged and those that need to be newly created.
- Identify if additional outside expertise needed.
- Deliver the final product.