



## **Landowner Conservation Easement Project Application and Letter of Intent**

*All information will remain confidential*

Thank you for your interest in San Isabel Land Protection Trust (“San Isabel”). Our mission is to work with landowners to protect agricultural and forest lands, water resources, wildlife habitat and scenic open spaces, and to serve our community by facilitating parks and trails.

This project application and letter of intent serve as an official indication of your desire to begin the process of protecting your property with a conservation easement. Upon receipt of this application, a San Isabel representative will schedule a site visit to ensure the project’s viability according to San Isabel project criteria. The application must be accompanied by a \$1,500 retainer, which is a portion of the Project Coordination Fee assessed by the land trust. This fee engages San Isabel, covers staff time and costs, and is only refundable if San Isabel chooses not to accept the proposed project. Once San Isabel has approved your project, San Isabel staff can begin working with you regarding the placement of a conservation easement on your property.

Please read this application and letter of intent carefully and answer all questions as thoroughly as you can. If you have any questions, feel free to contact our office.

### **Please return the completed application and letter of intent to:**

San Isabel Land Protection Trust  
PO Box 124  
Westcliffe, CO 81252

Phone: 719-783-3018  
info@sanisabel.org  
www.sanisabel.org



## Landowner Project Application

### General Information

Date of Application: \_\_\_\_\_

Property Name: \_\_\_\_\_

Names of all legal owners:

Primary contact person: \_\_\_\_\_

Physical address of property:

Mailing address of owner or contact person:

Phone: (Home) \_\_\_\_\_ (Other) \_\_\_\_\_

E-mail: \_\_\_\_\_

County where property is held:

How is this property held? (Individual, partnership, corporation, etc.) Please be specific:

Location of property (miles from nearest town, proximity to roads etc.):

Deeded acreage owned: \_\_\_\_\_

If acres aren't contiguous, list number of parcels and relative distance from one another:

Deeded acreage proposed for the conservation easement: \_\_\_\_\_



## Property Details

1. How long have you or your family owned this property? (If you aren't the owner, please explain.)
2. Please describe the uses of your property.
3. Please describe the land ownership and uses on properties bordering or near your property.
4. Describe the development pressures in the area. Include the existing zoning status of your property and those surrounding it (if known).
5. Are there water rights associated with the property? If so, please give a specific description of source, name, amount, water court case number and decree.



6. What are the important conservation values of your property? Please include a short description of agricultural, wildlife habitat, open space, scenic views, historical or archeological values, and unusual geological features. Also, please mention if the property is visible from any public roads and if springs, creeks or rivers are present. Attach additional sheets as necessary.
  
7. Do you have any current leases (including residential, agricultural, recreation, minerals, or water) on the property? If so, please specify.
  
8. Do you own all the mineral rights associated with the property? If not, who owns them?
  
9. List any current mineral activity (gravel pits, oil/gas wells, etc.)
  
10. List any previous oil, gas, or gravel production on the property.
  
11. How many homes are located on the property?
  
12. Do you want to reserve any additional home sites? If so, please elaborate.



13. It is the policy of San Isabel to prohibit further subdivision of the property. Is there an important reason why you may need the ability to subdivide this property into two or more parcels? Please be specific.

14. Is there any additional information that you feel would be helpful for San Isabel to consider?

## **Project Details**

1. What is your desired timing for completion of the conservation easement? Most projects take a minimum of 6 months.
  
2. Do you foresee any future commercial activities on the property?
  
3. Have you been in contact with an attorney, appraiser, accountant, conservation consultant, or other professional regarding a conservation easement? If so, please list.
  
  
  
  
  
  
  
  
  
  
4. Do you have a mortgage on the property? If so, who is your lender? The lender must agree to the conservation easement on the property with an official subordination letter.



5. Are there any special circumstances on the property that might have bearing on this project (lawsuits, court judgments, restrictive covenants, special use valuations, access easements, etc.)?

6. How did you learn about San Isabel Land Protection Trust?

**IMPORTANT - Please attach the following to this document:**

- a. Map or plat of the proposed property (with existing & projected home sites identified)
- b. Legal description
- c. Recent title commitments/policies
- d. Copy of water rights decree(s) (if you have adjudicated surface water rights)



## Letter of Intent

The purpose of this letter is to convey our intent, as landowners, to initiate the process of placing a conservation easement on our property, with San Isabel Land Protection Trust (“San Isabel”) as grantee. As granting landowner, we acknowledge our understanding of the conservation easement process as follows:

(1) We understand that placing a conservation easement on our property has significant legal and financial implications, including certain tax benefits, as described within the Landowner Information Packet provided to us by San Isabel. We also understand that San Isabel cannot provide us with legal, tax or accounting advice. Accordingly, we shall retain and rely upon our own legal, tax, and accounting advisors for all such advice related to the conservation easement. San Isabel has provided us with a list of qualified professionals, including appraisers, geologists, attorneys and Colorado income tax credit brokers that may be able to assist us. However, we understand that it is our responsibility alone to determine the most qualified professionals for our specific purpose, whether chosen from the list or otherwise.

(2) We understand that as landowners we must use a qualified appraiser who follows the Uniform Standards of Professional Appraisal Practice (USPAP) Guidelines to complete a qualified appraisal for any donation, and that not all appraisers are qualified. The effective appraisal date must be within 60 days (before or after) of the recording date of the conservation easement. We understand that as landowners we are responsible for the determination of value of the donation of the conservation easement. We also understand that San Isabel will not knowingly participate in projects where there are concerns with the valuation of a conservation easement that could result in fraudulent tax deductions. Accordingly, we shall provide a copy of the completed appraisal to San Isabel.

(3) We understand that we will incur certain expenses, for which we are solely responsible, before a conservation easement can be accepted by San Isabel. San Isabel is not responsible for any of these expenses, regardless of the outcome of the conservation easement application. Those expenses will include, but may not be limited to, costs for:

- Qualified appraisal of the land, showing its value before and after the conservation easement, and references to other property owned by us, as required by U.S. Treasury Regulations, Internal Revenue Code §170 (\$7,000 – \$20,000)



- Baseline Inventory Report, required by Internal Revenue Regulations, showing the current physical and biological condition of the property must be completed by San Isabel or another qualified professional (\$2,000 – \$5,000)
- Title insurance commitment or other evidence showing the current state of the title, including mineral rights and any encumbrances (\$300 – \$1,500)
- Geologist’s report showing the probability of future mining and/or mineral exploration activity on the property, if we do not own all the mineral rights (\$1,500 – \$3,000)
- Legal and financial advice from our own advisers to insure that the conservation easement accomplishes our purposes and maximizes any available tax benefits (usually \$5,000 – \$10,000)
- Project coordination fee that covers San Isabel staff time and legal fees associated with the conservation easement (\$4,500, with \$1,500 as the retainer fee enclosed with this letter).
- Stewardship fund fee, to be paid at closing or per terms agreed upon in advance (\$8,000 – \$20,000)
- Closing costs/recording fees (\$150 – \$250)
- Tax credit certificate fee of \$4,600 paid to the Colorado Division of Real Estate, if we are claiming state conservation easement tax credits

In total, we acknowledge that we are likely to incur expenses in the range of \$25,000 – \$50,000 to complete the conservation easement. We understand that some of the expenses may need to be paid in advance, but that some can be paid upon the sale of state tax credits, depending upon our individual negotiations.

(4) We understand that before San Isabel can accept our conservation easement, the organization must determine that the proposed conservation easement embodies and protects qualified “conservation values,” as determined by San Isabel in accordance with applicable federal and state regulations.





In accordance with the foregoing, we reiterate our intent to collaborate with San Isabel to secure a conservation easement on our property. We will continue to work closely with San Isabel, as well as our personal advisors, to ensure that this process successfully completed.

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Landowner signature

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Date

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Please print name

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Landowner signature

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Date

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Please print name