



Box 181, Center Lovell, Maine 04016

November, 1989

Dear Fellow Landowner:

We are writing to introduce The Greater Lovell Land Trust (GLLT) to all fortunate enough to live in the Kezar Lake watershed area. Kezar Lake and its environment are endangered by excessive development which can arise swiftly and overwhelm natural and community resources. We are dedicated to preserving the water quality of the lake and the beauty of its surroundings.

The GLLT is community based and inspired. It is not an association of summer or winter people alone. It works with the planning board and the long-range planning committee of the Town of Lovell and seeks to do so with Stow and Stoneham. It supports the goals of the Kezar Lake Association.

The GLLT is the first land trust in Western Maine. It is modeled on the Maine Coast Heritage Trust and the Nature Conservancy. We plan to be flexible and quick to respond to local needs. We have already begun an ambitious program. This past year we received our first donations of land and conservation easements.

Our primary goal is to obtain voluntary donations of conservation easements to help limit development. We are also dedicated to preserving areas of environmental and historical importance in conjunction with the state-sponsored \$35,000,000 Land for Maine Futures program. The GLLT is committed to raising \$300,000 toward the purchase of the 550 acre Diamond Occidental tract that borders on Heald Pond and drains into Boulder Brook.

We enclose a statement of the purpose of the GLLT as well as information on conservation easements. There can be tax advantages in individual cases where charitable donations to the GLLT have Federal tax exemption.

We hope to raise enough money for a revolving fund to achieve our goals. Our target is to raise \$3,000,000 over several years so that we can meet the challenge of surging developments in the 1990's and retain the gem-like quality of our Kezar Lake heritage.

Please direct inquiries about conservation easements or land donations to any officer or director of the GLLT. As we are interested in creating an endowment for our revolving fund, we welcome inquiries about monetary donations to this organization. We also encourage people to consider the GLLT in their estate planning. Contributions of any amount are welcome.

The GLLT will be around for generations to come. With your support, we can succeed in preserving the pristine nature of the Kezar Lake watershed.

Sincerely,  
Sally Davey (Co-President)  
Howard A. Corwin, M.D. (Co-President)



# CONSERVATION EASEMENTS: THE BASICS

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## What is a Conservation Easement?

A conservation easement is a legal agreement a property owner makes to restrict the type and amount of development that may take place on his or her property with a recognized organization like a Land Trust. Each easement may be tailored to the particular needs of the owner or character of the property.

When you own land you also own a bundle of rights (like the right to build, to subdivide, to restrict access, to harvest timber, to farm, etc.). When you grant an easement on your property you give away or restrict the rights that you have spelled out in the easement document.

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## How Long Does an Easement Last?

Conservation easements are designed to last forever. One of the chief advantages of putting your land under an easement with a Land Trust is the knowledge that your land will be protected in perpetuity.

*It is important to note that you retain ownership of the property and can specify the exact nature and degree of restrictions for your property when the easement document is drafted. For example, a conservation easement does not have to allow public access nor does it have to ban all future building. You may of course still sell or bequeath your property, but the subsequent owners are bound by the restrictions on it.*

## What are the Advantages of a Conservation Easement?

1. The property in question will be protected forever.
2. There may be financial benefits if the easement meets the standards of the Internal Revenue Code as a charitable contribution. By reducing the size of a taxable estate an easement may enable land to pass intact to future generations when it might otherwise have to be sold to meet inheritance taxes.
3. The easement process provides a means to put reasonable limits on development while protecting the scenic and ecological balance of a particular watershed or valued area.
4. In some cases reduced property taxes result from a conservation easement.

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## What are the disadvantages of Conservation Easements?

1. A conservation easement can in some cases reduce the land's market value. The trade-off between reduced market value and resulting tax advantages needs to be evaluated.
2. It is difficult to modify an easement. The consent of the holder (i.e. the Land Trust) would be required and a court proceeding may well be necessary. Any tax benefits that have accrued to the grantor must also be considered. It is important that the easement document be clear and exact to avoid need for future alterations.
3. The Land Trust has a stewardship responsibility that usually involves annual checks on the property to insure that the terms of the easement are in tact. The Land Trust has the legal right to require the owner to correct a violation to restore the property to its original condition if necessary.



# QUESTIONS AND ANSWERS ABOUT EASEMENTS

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## Do Conservation Easements Reduce Property Taxes?

It depends. Local assessors should consider the effect, if any, that a conservation easement may have on a property's assessed value. In theory if you adopted an easement that would restrict further subdivision or building you would be reducing the market value of the land by restricting its development potential. On the other hand, easements are evaluated on a case by case basis. It may be that by sheltering your present house and buildings with open space you are actually maintaining or increasing their value in the eyes of the assessor. There are no guarantees of a tax break and the specific terms of the easement (for example, will the open space be open to public use) are an important consideration.

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## How Can Donating an Easement Reduce a Property Owner's Income Tax?

This is a complex issue that usually demands legal assistance. In general terms a conservation easement that is perpetual and is donated "exclusively for conservation purposes" may be considered under the Internal Revenue Code Section 170(h) if "conservation purposes" include the following:

1. the preservation of land areas for outdoor recreation by, or the education of, the general public.
2. the protection of relatively natural habitats of fish, wildlife, or plants, or similiar ecosystems.
3. the preservation of open space — including farmland and forest land — for scenic enjoyment or pursuant to an adopted governmental conservation policy; in either case, such open space preservation must yield a significant benefit.
4. the preservation of historically important land areas or buldings.

The value of the easement donation is determined by the difference between the appraised market value with and without easement restrictions.

## What are the Costs Involved?

The property owner should expect to pay the legal costs of easement process. The costs will vary depending on the complexity of the project, the need for appraisals, the lawyer selected, and the tax benefits sought. In addition, a modest endowment might be expected to cover the projected costs of the Land Trust acting as holder.

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## Is This an Untried Concept?

There have been over 260 separate easements in the State of Maine and over 200 separate easements in New Hampshire. In some cases this concept has been used to protect large important holdings (like 9,000 acres along the Penobscot's East and West Branches).

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## Where Do I Get More Information?

One of the best sources to contact for information is an organization in service since 1970:

### Maine Coast Heritage Trust

167 Park Row  
Brunswick, Maine 04011  
207-729-7366

A recommended book that can give you detailed information:

### The Conservation Easement Handbook

by Janet Diehl & Thomas Barrett  
1988 by the Land Trust Exchange  
and the Trust for Public Land

*The Greater Lovell Land Trust recommends that individuals interested in placing an easement on their property should consult an attorney for expert advice. A list of attorneys with expertise in this area is available on request.*



# POLICY STATEMENT

The mission of the Greater Lowell Land Trust is to protect and enhance the water quality of Kezar Lake and to provide alternative land development in the Kezar Lake watershed in the towns of Lovell, Stoneham, and Stow.

The trust, a non-profit alternative to the powers of state and local governments, works exclusively to fulfill the public purposes expressed in Maine conservation laws, such as the Great Ponds Act, the Shoreline Zoning Act, and Town Zoning Regulations.

Through purchase, gift, acquisition of development rights, and the voluntary placing of conservation covenants on property, the Trust works to ensure planned land development in the watershed of Kezar Lake. The Trust cooperates with public, educational, and non-profit groups in educational efforts directed at preserving water quality, land management, and establishing realistic land development options and alternatives.

The Trust does not prevent appropriate land development within the watershed area, but works to ensure that all development efforts comply with existing state and local legislation.

The Trust has begun to acquire and reserve from development specific parcels and easements to protect land of special esthetic, habitat, or other considerations.

Acquisition of land by the Trust is accomplished through negotiation and voluntary cooperation with private landowners. All gifts to the Trust are tax deductible, fully recognized under the provisions of the Internal Revenue Code.

## OFFICERS AND DIRECTORS:

Howard Corwin, Co-President  
Sally Davey, Co-President  
Kevin Harding, First Vice-President  
Duncan Howlett, Second Vice-President  
Chapman Stockford, Secretary  
Edward Nista, Treasurer  
Joan Irish

John Prescott  
George Cadigan  
Thomas McLaughlin  
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Peter Fenn, Counsel  
Nicholas Bull, Clerk



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