

California Department of Conservation Agricultural Conservation Easement Sample Landowner Letter of Support

As part of the application process, landowners document their interest in and intent to proceed with placing an agricultural conservation easement on their property. A letter of intent signed by the landowner and applicant provides reassurance to all parties of their good faith efforts to proceed with an easement application/transaction, given fact-specific circumstances. Land trusts or other applicants may use different terminology or formats. The letter is customized to the properties under consideration, and the parties involved in the easement transaction.

A sample letter of intent is found on subsequent pages of this document.

<Landowner Name>
<Landowner Address>

Re: Letter of Intent-XXXX Farm

Dear <Landowner>

We are writing to confirm the substance of our recent discussions regarding our mutual interest in pursuing the potential purchase by the <Land Trust> of a conservation easement on your property, consisting of approximately XXX acres in XXX County, further described below (Property). As the Property is of a type and is located in an area that satisfies the criteria established by <Land Trust> for conservation easements, we are very excited to pursue the eventual acquisition of a conservation easement (Easement) on the Property. This letter will serve as a Letter of Intent (LOI) setting forth the understanding of the parties respecting the preliminary steps for undertaking this easement project.

The parties agree as follows:

1. The Property consists of the following parcels of land (Property): XXX County Assessor Parcel Numbers yyy-yy-yyy and yyy-yy-zzz.
2. <Landowner> plans to contract with <appraiser> to appraise the market value of the Easement in conformance with the appraisal requirements of the potential funding agencies, including the State of California. A copy of the final appraisal will be provided to <Land Trust> and <funding agencies>.
3. If the appraised value of the Easement is acceptable to all parties, <Landowner> and <Land Trust> would enter into negotiations which, if successful, will result in the signing of a mutually acceptable Purchase and Sale Agreement for the Easement. <Land Trust> would apply for <funding source(s)> for the acquisition of the Easement and the related transaction costs. To the extent that such funding covers certain transaction costs, <Landowner> may be reimbursed for appraisal and other related transaction costs; however, there is no guarantee that reimbursement would occur. Consummation of the Easement purchase by <Land Trust> would be contingent upon <Land Trust> obtaining funding to purchase the Property.
4. If funding is ultimately obtained to purchase the Easement, you will be asked by the <Land Trust> Board to make a donation to <Land Trust> as an endowment to assist in our easement stewardship responsibilities. **[Note: this section is not applicable to easements funded under the mitigation agreement between the High-Speed Rail Authority and the DOC-CFCP.]**
5. <Land Trust> and <landowner> agree that this LOI is not contractually binding on the parties and is only an expression of the intent of the parties to pursue a conservation

easement transaction. This LOI does not obligate either party to proceed to the completion of a purchase and sale of an Easement.

6. You understand that conservation easement transactions can be complex and we advise you to seek legal and/or tax advice to assist you in carrying out this potential conservation easement project.

If this LOI accurately reflects our present understanding with respect to the above, please sign the enclosed copy of this letter and return it to the above address. We are looking forward to working with you on this exciting conservation project.

Please call (xxx) xxx-xxx if you have any questions.

Sincerely,

<LAND TRUST>

XXX XXXX,
Executive Director

Read and Agreed:

The <Landowner, Described as legal parties (Revocable Trust, etc)>

<Landowner 1> – Trustee

<Landowner 2> - Trustee

Dated:_____ Dated:_____