

Ice Age Trail Alliance, Inc.

Policy: Property Divestment

Approved: Board of Directors

Effective Date: July 26, 2014

As Amended Through: April 18, 2024

Related Policies: Philanthropy and Gift Acceptance Policy, Code of Ethics and Conflict of Interest Policy

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1.0 Mission Statement

Ice Age Trail Alliance’s (the “Alliance”) mission is to conserve, create, maintain, and promote the Ice Age National Scenic Trail.

2.0 Background and Purpose

Divestment means the sale, gift or trade of Alliance land to another person, organization or agency. The Alliance owns some land for which the conservation values can be retained while still divesting all or a portion of the property. Examples of these are properties acquired many years ago when divestment was not considered as part of the acquisition process, or properties acquired more recently with the specific intent of partial protection (e.g. via easement) while divesting the remainder. The Alliance may consider divesting land for a variety of reasons; however, it must also ensure that such action is not prevented by donor intent or contractual obligations.

The *purpose of this policy* is to ensure that the Alliance considers the ramifications of the divestment of land and follows proper protocols.

3.0 Required Findings

As a matter of policy, and subject to a vote by a quorum of the Board of Directors, the Alliance may agree to divest a property only if it determines that each of the following is satisfied:

- A. The divestment of the property is consistent with the mission of the Alliance.
- B. The divestment of the property meets the requirements of the funding sources (including public and private funders) and/or property donor.

- C. The proceeds from the sale of a property will be used to further the Alliance's mission.
- D. The reason for divestment falls into one of the reasons outlined in Section 4.0

4.0 Reasons for Divestment and Conditions under Which Divestments May be Considered

The Alliance will only consider divestment of its properties for the following reasons:

- A. **Intent of Acquisition:** At the time of acquisition, the Alliance determines that the divestment of all or a portion of the property may further the mission of the Alliance. An example would be to acquire a property, place an easement on a portion of it to protect the Ice Age Trail corridor, and resell the remainder – especially if there is a house or other structure on the property to be divested. This may also occur if the property is donated to the Alliance with the intent of divestment to further the Alliance's mission.
- B. **Decrease Burden:** All Alliance-owned properties require the Alliance spend at least a minimum amount on management to ensure good neighbor relations, safe user experience, and, sometimes natural landscape enhancement. The Alliance may determine that divestment of a property will decrease the Alliance's net burden of management while still meeting the mission of the Alliance.
- C. **Unexpected Change:** An unexpected change in the property (or neighboring properties) may occur and decrease or eliminate the subject property's conservation values. An example of this may occur if a significant change in the location and route of the Ice Age Trail makes it impossible to accomplish the purpose of the property and there is no reasonable expectation that the Ice Age Trail will be rerouted back to the property.
- D. **Furthering the Mission:** Divestment of a property may occur if the property is sold and proceeds are used to further the Alliance's mission.
- E. **Loan Payback:** If the property was purchased with a loan or endowed funds that must be paid back, divestiture to pay back the loan may be considered.
- F. **Partnerships:** If another land trust, charitable organization or government entity is better suited to provide ongoing stewardship of the property and willing to accept the property, divestment may occur.
- G. **Exchange:** One property may be divested in exchange for another property which furthers the mission of the Alliance.
- H. **Other:** Divestment may occur due to potential claims by others such as adverse possession or eminent domain.

5.0 Sale of Properties to Non-conservation Organizations or Non-governmental Agencies (i.e. private individuals or corporations)

The Alliance shall not sell property without fulfilling both conservation and financial objectives. Accordingly, the Alliance shall not engage in the sale of property:

- A. In violation of the Alliance's bylaws and approved Board policies.
- B. Without retaining a perpetual conservation or trail easement when the property possesses conservation and/or trail values as evaluated in the Alliance's policies or procedures; except, however, if the usefulness of the property has changed over time and may no longer meet the Alliance's mission. In instances of a property trade, there shall be a net beneficial or neutral effect on the relevant conservation values protected by the original Alliance owned property.
- C. When the resale of the property, in the Board's opinion, would cause significant public or community relations problems such as perceived by the public as facilitating private development or otherwise not acting for the benefit of the public.
- D. Without honoring commitments to and expectations of the property's donor (in the case of property gifts) or of Alliance's conservation partners (i.e. funding) in the case of conservation property purchases.
- E. Without obtaining reasonable market value as determined by an appraisal of the property or through marketing experience of the property (i.e. unable to sell at appraised value for a reasonable period of time). The market value should take into consideration the conservation restrictions imposed by the Alliance, if any.
- F. Without marketing the property through a general, public offering unless the Board finds special circumstances indicate that 1) the Alliance can secure fair value by other marketing means; or 2) a public offering would not be effective or financially prudent so as to avoid private inurement.