

MINUTES OF A SPECIAL CITY COUNCIL MEETING HELD SEPTEMBER 4, 2008  
AT THE CIVIC CENTER, 83 WEST MAIN, HYRUM, UTAH.

**CONVENED:** 2:00 p.m.

**ROLL CALL:** Councilmembers Paul C. James, Thomas C. LaBau, and Craig Rasmussen present.

**EXCUSED:** Mayor Howard and Councilmembers Martin L. Felix, and Stephanie Miller.

**CALL TO ORDER:** There being three members present and three members representing a quorum, the meeting was called to order.

**OTHERS PRESENT:** City Administrator D. Brent Jensen and Wastewater Superintendent Kevin Maughan, and John Bennett with the LeRay McAllister Conservation Fund. City Recorder Stephanie Fricke recorded the minutes.

**AGENDA:** A copy of the notice and agenda for this meeting was faxed to The Herald Journal, mailed to each member of the governing body, and posted at the Civic Center more than forty-eight hours before meeting time.

#### AGENDA

4. WORKSHOP:
  - A. On-site tour of city properties with John Bennett from the LeRay McAllister Conservation Fund.
    - I. Left Hand Fork Canyon
    - II. CCC Camp
    - III. AJ's Park and Canyon Campground
    - IV. Blacksmith Fork Park
    - V. Salt Hollow Park
5. ADJOURNMENT

#### **WORKSHOP:**

#### **ON-SITE TOUR OF CITY PROPERTIES WITH JOHN BENNETT FROM THE LERAY MCALLISTER CONSERVATION FUND.**

John Bennett with the LeRay McAllister Conservation Fund (LMF) explained what a conservation easement was and how it is implemented. A conservation easement (or conservation restriction) is a legal agreement between a landowner and a land trust or government agency that permanently limits uses of the land in order to protect its conservation values. It allows the owner to continue to own and use their land and to sell it or pass it on to heirs. People execute a conservation easement because they love their open space land, and want to protect their land from inappropriate development while keeping their

private ownership of the property. Granting an easement to a conservation organization that qualifies under the Internal Revenue Code as a "public charity" - which nearly all land trusts do - can yield income and estate tax savings. This also allows landowners to receive some compensation for their property while protecting the land's valuable resources by relinquishing future development rights.

Unless the contract includes a fee title purchase, the property remains in the hands of its original private owner. The easement itself is held by a land trust such as The Nature Conservancy or a government agency such as the Utah Department of Natural Resources or Department of Agriculture and Food or in Hyrum City's case it could be Cache County. The easement holder then extinguishes development rights and certain other uses in order to protect the valuable resources the property provides.

Public access to most easements is not required. Access to conserved property is only required when deemed appropriate to forward the goals of the easement such as with certain recreational activities. Examples of LMF funded projects that contain public access provisions include: Grafton Ranch which contains some private land but allows access to historical buildings; Bar J Jorgensen Ranch which provides hunting access Castle Valley , Summit Park and Willow Heights provide recreation access across private land. Access must be provided to easement holder to monitor the condition of the easement to ensure compliance with its terms and conditions.

LMF Conservation Funds can be used to protect lands possessing resources deemed critical to your community. These resources may include, but are not limited to agricultural lands, historical and cultural sites, wildlife habitat, natural recreation, wetlands and watershed protection areas.

Funds may not be used to purchase land for "active recreation" sites such as city parks containing constructed playgrounds, baseball or soccer fields, etc. The funded project must be something that will be preserved predominantly in, or restored to its natural state or used for agricultural production.

LeRay McAllister funds can be used only for costs associated with acquisition or restoration to natural condition. For example, these funds can be used to purchase access for a trailhead, but for not can't be used to build trails. Matching funds may come from: private citizen donations, private conservation foundations, city or county funds, the Utah Department of Agriculture and Food and Department of Natural Resources, federal programs such as the Department of Agriculture Forest Legacy program, and Natural Resources Conservation Service Farm and Ranchland Protection Program.

AMENDED  
09-18-08

The LeRay McAllister Conservation Fund is the only state source for funds to match existing federal conservation programs. Donations of land by the landowner may also count as part of the match, but must be based on an independent appraisal of value. An added benefit is that these donations may often count towards certain tax deductions. A landowner sometimes sells a conservation easement, but occasionally easements are donated. This donation is equal to a portion of the value of the property being put under easement. It is considered as a donation in-kind and counts against the total sale price of the easement. If the donation benefits the public by permanently protecting important conservation resources and meets other federal tax code requirements it can qualify as a tax-deductible charitable donation. The amount of the donation is the difference between the land's value with the easement and its value without the easement. Placing an easement on private property may or may not result in property tax savings. The value of a conservation easement can range from 50% to 95% of the market value of the land - typically the CE is between 70 and 80%. The value of the CE must be determined by a qualified appraisal.

*LEFT HAND FORK CANYON* - John Bennett said both upper and lower 40 acre parcels in Left Hand Fork Canyon qualify to apply for funds from the LeRay McAllister Fund, if the City decided to place a conservation easement on the property. The property could still be used for recreational purposes and maintain a conservation status. Other groups that might be interested in participating the easement may be the Nature Conservancy, State Forestry Division, and Utah Sportsman Association. These groups may help with funding the easement which will increase Hyrum City's percentage of funding. The LeRay McAllister Fund will only fund a maximum of 50% of the conservation value of the land and then it is up to the land owner to find other sources if the land owner needs or wants additional funding.

*CCC CAMP* - John Bennett said the CCC Camp property could also qualify for the City to apply for funds from the LeRay McAllister Fund. Other groups that might be interested in participating in the easement may be the State History Committee, Water Shed Protection Agencies, etc. The property could still be developed into a campground and used for wells and springs, if the City placed it under a conservation easement.

*BLACKSMITH FORK PARK* - John Bennett said if the City is going to develop the park and provide ball diamonds, playground equipment, grass, etc. then this park would not qualify for funds from the LeRay McAllister Fund. The LeRay McAllister Fund requires property to be preserved or restored to its natural state.

*SALT HOLLOW PARK* - John Bennett said the wetland area in Salt Hollow Park could qualify for funds from the LeRay McAllister

Fund. The City could still build a bridge walkway through the wetlands if there was a conservation easement on the park. The developed park area of Salt Hollow Park would not qualify for funding.

*SEWER PLANT PROPERTY* - John Bennett said sewer plant property would also qualify for funding from the LeRay McAllister Fund since it is used for agricultural purposes.

**ADJOURNMENT:**

**ACTION**

There being no further business before the Council, the Council Meeting adjourned at 5:00 P.m.

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W. Dean Howard  
Mayor

ATTEST:

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Stephanie Fricke  
City Recorder

Approved: September 18, 2008  
As Amended