



## POLICY MANUAL

Code: TFB 01005

Policy X    Procedure     Guideline

Title: Trust Fund Board Conservation Covenants

Approved By: Trust Fund Board

Approved: July 18, 2001  
Resolution #: TFB 01/413

Chair signature:

Further References:

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**PURPOSE:** To clarify general practices associated with Trust Fund Board conservation covenants.

**BACKGROUND:** The *Islands Trust Act* establishes a Trust Fund to acquire, hold and manage land and received donations for the purpose of carrying out the object of the Islands Trust.

As a means of carrying out the object of Islands Trust, the Trust Fund Board may receive donations of conservation covenants. Covenants provide the covenant holder with an interest in a parcel of private land. The Covenant is a contractual agreement between the landowner and the covenant holder(s) that indicates what the parties will do to protect or conserve the covenanted land.

In recent negotiations there have been some questions from landowners and their legal counsel regarding aspects of the covenants being negotiated. Staff feel that a general policy will provide landowners with greater clarity regarding the Board's positions with respect to covenant negotiations.

The Trust Fund Board must consider and approve of conservation covenant projects taken on by the Trust Fund. The Board first approves the conservation proposal and once the covenant is negotiated, approves the agreement prior to signing and registration of the covenant at the Land Title Office.

## **DETAILS:**

1. The Board will consider accepting covenants as donations to preserve and protect significant features and values within the Islands Trust Area but it does not purchase conservation covenants.
2. The general intent of conservation covenants held by the Board is to preclude development and uses that may disturb or impact the natural features of the property.
3. The Board will work with the landowner to determine the value of the covenant and will provide the landowner with a receipt for tax purposes, when appropriate.
4. The Board will require the landowner to indemnify the Board and its staff, agents, etc. against third party liability of any kind.
5. The Board may not incur a liability without Ministerial approval and it is the policy of the Board not to provide indemnities to landowners.
6. A Rent Charge (which is a deterrent, fine-like charge) will be requested with each covenant as a deterrent to undertaking restricted activities. The Rent Charge amount will be based on the size of the property, the nature of the features and values and the level of threat or risk of a breach of agreement.
7. Covenants will generally include a restriction on the cutting of native vegetation.
8. In cases of financial need, Islands Trust Fund will try to share the costs of covenanting, such as necessary survey, appraisal, baselines, and registration fees, with landowners and other covenant holders.
9. The Board will review and approve all covenants for signing before they are registered.