

## **QUESTIONS AND ANSWERS ABOUT A CONSERVATION EASEMENT ON MACMAHAN ISLAND**

Q1: Why is SICO considering the grant of a conservation easement?

A1: As the owner of land for 119 years, SICO has the rare opportunity to protect a significant portion of a cherished place. Hundreds of other island communities have chosen to preserve the natural beauty and special way of “island life” by placing undeveloped land under conservancy. If the SICO community cares about preserving MacMahan Island for future generations, then additional conservation measures should be taken.

Q2: What lands would be placed into the conservation easement?

A2: Approximately 195 acres of undeveloped land on the northern part of the island and all of Turnip Island.

Q3: Why is SICO considering a conservation easement when the MacMahan Island Agreement (MIA) is already in place?

A3: The MIA is a restrictive covenant between SICO and certain cottage/land owners. However, the restrictions are limited and enforcement is limited to the individuals who were signatories to the MIA and currently hold property on the island. An easement held by a third party conservation organization will protect the area in perpetuity and will alleviate the burden of enforcement from the MIA signatories (or their successors).

Q4: What impact would the conservation easement have on the MacMahan Island Agreement?

A4: The two legal documents would co-exist and complement one another. The easement would cover only the undeveloped land in the northern part of the island and Turnip Island. The remaining lands owned by SICO would continue to be covered by the MIA and land owned by signatories to the MIA would continue to be subject to its terms.

Q5: Would the conservation easement allow public access to protected land on MacMahan Island and Turnip Island?

A5: No public access rights would be granted. In fact public access to the protected land is expressly excluded in the conservation easement.

Q6: Would the easement restrict current or future operations of SICO in any way?

A6: No, the easement was drafted to allow SICO to continue all day to day operations necessary for the proper functioning, convenience and safety of the island.

Q7: What effect would the easement have on privately-owned property?

A7: The easement would not have any impact on property owned by shareholders or cottage owners or any of the rights that shareholders or cottage owners currently have to maintain or develop their property.

Q8: Would the grant of a conservation easement have any impact on tax assessments for SICO or individual cottage owners?

A8: Each easement affects land values and property taxes differently. The MacMahan Island Agreement caused the SICO tax assessments to be adjusted downward many years ago. The Town of Georgetown may need to consider whether any further reduction is justified. Such tax determinations are complex and cannot be predicted with any degree of certainty. In some communities the value of privately-owned property has increased somewhat when adjacent lands are placed under conservation, however whether this would be the case in Georgetown would be difficult to predict since this value may have already been accounted for as part of the effects of the MIA.

Q9: What about SICO's rights to cut wood or use protected land for recreational purposes?

A9: The conservation easement would preserve SICO rights to forest management, fire protections and outdoor recreation activities including but not limited to hiking, picnicking, bicycling, hunting, fishing and nature observation.

Q10: How much would it cost to grant the conservation easement?

A10: SICO would have to make a one time "stewardship contribution" to the conservancy organization in the amount of \$2500-\$5000. If a land survey is required, the cost would be in the range of \$8000-\$12,000. Legal costs would be in the range of \$5000-\$10,000. These costs would be covered in the SICO Operating Budgets for the years 2008 and 2009.

