

Greenville County
Historic and Natural Resources Trust

Policies and Procedures*

Adopted

August 18, 2021

Amended August 29, 2022

Table of Contents

Introduction.....	3
Preface.....	3
Operating Procedures.....	4
Board Committees.....	5
Grant Review and Management.....	6
Allocation of Grant Funding.....	6
Conservation Criteria.....	6
Pre-proposal Process.....	7
Application.....	7
Ranking Sheet and Scoring Process.....	8
Appraisal Requirements.....	8
Grant Agreement.....	8
Requirements for Release of Grant Funds.....	8
<i>De Minimis</i> Adjustments to Grant Terms.....	8
Release of Payment of Grant Funds.....	9
Verification of Compliance.....	9
Stewardship Reports.....	9
Eligible Costs.....	9
Tracking of Leverage and Match	10
Existing Protected Properties.....	10

INTRODUCTION

Preface

The Greenville County Historic and Natural Resources Trust (Trust) was established December 2020 by Greenville County Council (GCC) via Ordinance #5247. The purpose of the Trust is:

... to protect lands with significant natural, cultural and/or and historic resources in Greenville County that meet the criteria set forth ... by providing a financial incentive to willing landowners to convey either a conservation easement or fee simple title to eligible recipients.

The Trust is initially funded by appropriations from the Greenville County general fund. The Trust will provide grants funds to eligible Trust recipients.

“Eligible Trust Recipient” means any of the following:

- i. Greenville County;
- ii. A municipality in Greenville County;
- iii. An agency or commission of Greenville County whose mission directly relates to the conservation of lands with significant natural, cultural and/or historic resources;
- iv. A not-for-profit charitable corporation or trust authorized to do business in South Carolina and organized and operated for natural resource conservation, land conservation, or historical preservation purposes, and having tax-exempt status as a public charity under the Internal Revenue Code of 1986, as amended, and having the power to acquire, hold, and maintain interests in land for these purposes;
- v. Federal, state, and local agencies organized and operated for natural resource protection, land conservation, or historical preservation purposes.

Operating Procedures

Overview: Members of the Trust Board are appointed by and operate at the pleasure of GCC.

Appointees: Appointments are made by GCC with one resident representative per district. Members serve two-year terms and can serve two consecutive terms, if reappointed. Initial members*, appointed effective April 6, 2021 have staggered terms as follows:

Appointee	District	Term
Carlton Owen	17 – Dill	11/30/23
Brent Odom	18 – Barnes	11/30/23
Pam Shucker	19 – Meadows	11/30/23
Alex Reynolds	20 – Shaw	11/30/23
Dave Hargett	21 – Harrison	11/30/23
Joe Pulliam	22 – Tzouvelekas	11/30/23
Tripp Taylor	23 – Norris	11/30/24
Doug Harper	24 – Seman	11/30/24
Ken Baxter	25 – Fant	11/30/24
Bryant Harrison	26 – Ballard	11/30/24
Dennis DeFrancesco	27 – Kirven	11/30/24
Matt Thomas	28 – Tripp	11/30/24

*Mr. Odom resigned effective August 1, 2021 due to relocation outside of District 18.

Meetings: Per the ordinance, the Board must meet at least 4 times/year but can meet more frequently as needed. Meetings will be either in-person or via video conference. Except for special circumstances when meeting in-person, the Board will meet at County Square. Meetings will be noticed as prescribed at least one-week in advance.

- Meetings will be governed in compliance with Robert’s Rules of Order.
- Quorum:
 - When all Board positions are filled, a quorum requires 7 (seven) members.
 - Should one or more Board positions be open, a quorum will be the equivalent of one-half the active members plus one.
- All meetings are open to the public with the exception for Executive Sessions. Such sessions are only allowed if:
 - A positive vote is taken in open session to move to executive session
 - An agenda is published and the minutes state the reason for the session
 - No voting is taken in executive session. Motion and votes must be in open meeting.
 - The discussion does not deviate from stated topic
 - The meeting is called back into open session even if only to adjourn
 - For practical purposes the likely limits of executive sessions for the Trust are:
 - Details of contracts for purchases of lands or easements until the deal is closed
 - Discussions with legal counsel regarding contracts

Officers: The Board elects its own officers for two-year terms, initial officers elected at the inaugural meeting on April 15, 2021 are:

- Chair, Doug Harper
- Vice-Chair, Carlton Owen
- Secretary, Pam Shucker

Committees: The Board may designate such committees or sub-committees as deemed necessary by the Board to accomplish its mission. Committees may include non-Board members, but the Chair must be a member of the Board.

Staff Support: As the Trust is not a stand-alone not-for-profit, it does not have employees. Staff support will be provided on an ad hoc basis as requested and designated by the County Administrator.

Conflict of Interest: Board members may not participate in board action or vote on any contract involving properties in which the member or any family member or any individual with whom the member is associated has an economic interest. If an action or vote on a transaction comes before the Board, the member with the potential conflict shall:ⁱ

- (1) Prepare a written statement describing the matter requiring an action or decision and the nature of his/her potential conflict of interest with respect to the action or decisions; and
- (2) Furnish a copy of the written statement to the Chair (or Vice Chair if the Chair is the member in question) who shall cause the statement to be printed in the minutes and shall require the member to be excused from any votes, deliberations, or other actions on the matter on which the potential conflict of interest exists.

¹ Excerpted from Section 5, Greenville County Council Policy for Board and Commission Appointments

Reimbursement of Expenses: Members serve without compensation. However, expenses for mileage or other costs necessary to serve, if appropriately tracked, may be deductible from state and federal income taxes.

Amendments: Amendments to these Operating Procedures – except for provisions established by Ordinance or Greenville County Policy for Board and Commission Appointments – are possible by majority vote of the Board.

The above procedures were approved by the Trust Board 6.9.2021

Representation of the Trust to Outside Entities and/or Media: The Chairman of the Board is the primary authorized speaker on behalf of the Trust regarding its actions, positions, or policies. Media contacts may be addressed by the Chairman and/or the Chair of the Communications Committee. It is the expectation of the Trust that individual Board members will have direct contact with their Councilperson as needed to ensure open two-way communications and transparency.

Board Committees

Standing Committees of the Board are:

Executive Committee shall include the Chairman of the Board as Chair, the Vice-Chairman, the Secretary and chairs of any other standing committees. Its duties include overseeing all executive management functions, reviewing all committees' actions, guiding general administration of the Trust and all other duties prescribed herein.

Grants Committee shall include the Vice-Chairman of the Board as Chair, and four or more committee members. Its duties include overseeing the grant administration process, reviewing

project ranking sheets, and advising on all grant award procedures.

Communications Committee shall include a Chairman and two or more committeemembers. Its duties include advising and developing means to ensure transparent, readily accessible information about the Trust to the public, GCC, and other interested parties.

Grant Review and Management

Allocation of Grant Funding

In years when the Trust has funding, the Trust shall solicit, review, approve and allocate grant monies in a manner that promotes transparency, accountability, and good governance. The Trust will strive to process and review applications in the same quarter as submittal but in any case not more than 90 days from the closing date for submittal in the grant cycle in which the application was submitted.

The Trust will award grants in a process similar to that established for the SC Conservation Bank Act, and in a manner that achieves the most meaningful conservation outcomes for Greenville County, with a focus on ensuring geographic diversity across the County to the greatest extent practical.

Conservation Criteria

Conservation criteria identified in the Ordinance are as follows:

- a. Environmental Sensitivity
 - i. Presence of wetlands
 - ii. Frontage on USGS blue line streams
 - iii. Water quality classification of stream by the South Carolina Department of Health and Environmental Control
 - iv. Presence of threatened and/or endangered species
 - v. Habitat suitable for threatened and/or endangered species
 - vi. Habitat suitable for native wildlife species
 - vii. Extent of biological diversity
 - viii. Presence of unique geological and/or natural features
- b. Percentage of Property Sharing a Boundary with Protected Land
- c. Historic/ Cultural Structures and Features
 - i. Contains structures or features designated on the National Register of Historic Places

- ii. Contains structures or features eligible for designation on the National Register of Historic Places
 - iii. Contains structures or features designated as historic by Greenville County
 - iv. Contains historic and/or prehistoric structures
 - v. Contains historic and/or prehistoric sites or locations of an historic event
- d. Percentage of Property Containing Prime/ Statewide Important Soil Types
 - e. Extent of Active Farming on Property
 - f. Extent of Public Visibility of Property
 - i. Visibility from public roads
 - ii. Visibility from public land
 - g. Scenic view from property
 - h. Extent of public access
 - i. Location of property
 - j. Threat of development
 - k. Size of property
 - l. Financial leverage (match by other grantors vs. Trust investment in project)

Pre-proposal Process

As the Trust does not have dedicated staff and to minimize work for both the Trust Board and Eligible Entities, the Trust will pre-screen applications based upon a “short-form” or pre-proposal. Where applicants are making a full application to the SC Conservation Bank the pre-proposal (with available backup) will suffice as the application. Where an applicant is NOT making an application to the Bank, the Board may require additional information. Based upon available funding and ranking of criteria contained in the pre-proposal, the Board will notify applicants if additional information is necessary for review.

Application

The Trust will create an application that allows Eligible entities to provide information on the proposed conservation transaction and sets forth the justifications for its consideration as a conservation priority consistent with the mission and criteria set forth in the Trust enabling ordinance. To the maximum extent practical the application will be consistent with that of the SC Conservation Bank to minimize duplication of effort by Eligible entities. The application is available on the Trust’s website. From time to time and in consultation with Eligible entities, the Board may make modifications to the application to streamline workload.

Ranking Sheet and Scoring Process

To ensure that Trust funds are awarded to the highest priority projects, the Board shall score and rank each project based on its conservation values, financial leverage and such other criteria as the Board determines to be pertinent. The Board may update ranking criteria from time to time as necessary.

After reviewing the completed application, the Grants Committee will score each project. The Grants Committee will submit an executive summary report to the full Board including a list of all projects considered along with ranking in order of highest score (the Scoring List). The Board will meet in public session to review and approve the Scoring List. The Trust will fund the highest ranked grants in accordance with its annual budget appropriations.

Appraisal Requirements

Where a project submitted to the Trust is also seeking funding from the SC Conservation Bank and/or other state/federal agencies, the Board will accept appraisals completed in compliance with SC Conservation Bank or a state or federal agency with similar missional objectives. In no case will the Trust authorize grants to purchase interests in lands at a price that exceeds the fair market value of the interest being acquired. Should the applicant not be submitting a companion application to the SC Conservation Bank, the application must be accompanied by an appraisal completed by a SC Conservation Bank-approved appraiser. (the Approved Appraiser List is available on the Bank's website.) The Trust will ensure the confidentiality of appraisals before the award of a grant.

Grant Agreement

To ensure that the terms and conditions of grant awards are set forth in clear and concise language, the Trust will issue a Grant Agreement for each funded project. At a minimum, the Grant Agreement will include the amount of award, the process for funds being released, the terms and conditions of the award, and the requirements for verification of grant compliance.

Requirements for Release of Grant Funds

The Trust will not release grant funds until the Board determines that all terms and conditions of the Grant Agreement have been satisfied. All due diligence items must be dated within twelve (12) months of closing.

De Minimis Adjustments to Grant Terms

To provide administrative flexibility with grants, a vote by the Board to fund a grant application carries the implied authority to accept *De Minimis Adjustments* arising after the Board approved the grant but before the release of funding.

The term "*De Minimis Adjustment*" shall be defined as:

- A reduction in the acreage to be protected of no more than 10%;
- A reduction in the final appraised value of the real property of no more than 10%, provided the grant amount does not exceed the appraised value;
- Adjustments to the terms of the project that do not substantively compromise the conservation values on the property to be protected; or
- Any other minor differentiations in the project that do not substantively impact its conservation purposes.

If a *De Minimis Adjustment* arises, the Grants Committee Chairman shall inform the Board of the same, who may authorize the action to reduce the grant amount on a pro rata basis, leave it unaffected, or bring the application back before the Board. Any other material modification to the grant terms not falling within the definition of a *De Minimis Adjustment* shall nullify the Board's approval of the original application.

Release of Grant Funds

All due diligence, legal documentation and other materials required for the release of funds must be reviewed and approved to the Board's satisfaction. Thereafter, grant funds shall ordinarily be wired (unless an alternative method of funds transfer is required) from Greenville County to the closing attorney and placed in an escrow account until disbursed at closing.

Verification of Grant Compliance

The following items are a required for verification of Grant compliance:

Grantee shall provide a Closing Package to the Board, which shall include the items listed below. The Closing Package must be received by the Board within 30 days of closing the real estate transaction subject to the Application.

- Cover letter listing all enclosed documents, a full accounting of the use of Grant funds, and a brief acknowledgement that Grantee has satisfied the objectives, terms, and conditions of the Project, as set forth in the Application;
- Copy of the signed closing statement;
- Copy of recorded Grant Agreement;
- Copies of final due diligence and legal documents, and all other recorded documents; and
- All other documentation requested by the Trust.

Stewardship Reports

Grant awardees shall, on an annual basis, provide copies of its stewardship reports verifying conditions of the protected properties for all Trust funded projects. This activity may be delegated to partners in the project but are ultimately the responsibility of the grant awardee. Awardees are solely responsible for complying with the requirements of this policy. If the awardee fails to comply, the Grants Committee may choose to bar the eligible entity from submitting new applications until it becomes compliant.

Eligible Costs

Trust funds may only be used by eligible recipients for the acquisition of interests in land for conservation purposes, including closing costs. Trust funds may not be used to pay general operating expenses of eligible fund recipients, nor may Trust funds be used for the management or maintenance of acquired interests in lands. In no case may closing costs exceed \$5,000 of the grant amount.

In the event the Board approves transaction costs as part of the grant, the award shall be made in a lump sum payment simultaneous with the closing of the transfer of the real estate interest underlying the grant award. Any grant funds for transaction costs shall only be made as a reimbursement and shall

be supported by a memo from the applicant stating the nature and amount of any expenses to be covered, which shall be evidenced by copies of invoices. All approved awards of transaction costs are contingent on the underlying project application being completed and shall not be released until all other grant conditions are satisfied to the discretion of the Grants Committee. No transaction costs shall be paid in anticipation of the project's approval or closing.

The Trust shall not reimburse indirect costs or administrative expenses incurred by applicant ("Disqualified Transaction Costs"). Disqualified Transactions Costs shall include, but are not limited to:

- A. Stewardship fees;
- B. Interest expenses;
- C. Staff time;
- D. Indirect costs;
- E. Administrative costs; and
- F. Travel and mileage.

Tracking of Leverage and Match

The Trust views its ability to incentivize and attract other funding as a key metric of its success. Accordingly, the Board shall craft mechanisms to track all other funds, including in-kind donation of value, that support Trust projects.

Existing Protected Properties

No Awards for Existing Protected Properties: The Trust shall not fund applications to protect properties, or portions thereof, that have already been encumbered with permanent conservation restrictions. For the purpose of illustration, this policy shall specifically apply to conservation easements that have already been donated, or properties that have already been encumbered with existing conservation restrictions or that were acquired with other funds that required them to be maintained in a substantively protected manner.

Properties Owned by Eligible Grant Recipients: There are circumstances in which an applicant may use its own unrestricted funds or borrowed monies to acquire a threatened property in advance of applying to the Trust for funding. Generally, this situation arises when the seller will not allow for a contract period long enough to fall within the Trust's application timeline. Were eligible grant recipients discouraged from acquiring important conservation properties in such situations, many high-priority tracts would be lost. Additionally, if the property were acquired with unrestricted funds, the entity could resell it to recoup funding, in which case the opportunity to protect it would be foregone. Similarly, if the applicant purchased the property with debt, the lender could foreclose on its interest and sell the tract without restrictions. Accordingly, the Trust will not consider the fact that an eligible grant recipient owns the property as evidence it is protected, provided the following:

- a) The property is not encumbered with existing conservation restrictions;
- b) The property was not acquired with other funding that substantively restricted its future uses; and
- c) Other circumstances, including the length of ownership by the applicant, do not give rise to a presumption that it is already de facto protected, as determined in the sole discretion of the Board.

Early Closing: Circumstances may also arise when an eligible grant recipient may need to close on the acquisition of either a fee simple or conservation easement interest in the property after the approval of the grant award but prior to the release of the Trust's funds. This situation generally arises due to other funding sources requiring an earlier closing or when the landowner must close at a year-end date for tax-purposes. Accordingly, the determination of whether the property is protected will be marked as the date the Board formally reviews the grant application. Thereafter, if approved by the Board, the applicant may close the subject transaction prior to the release of Trust funds. In such instances, the applicant must acknowledge in writing that the Trust's release of the grant award is contingent on the applicant complying with the terms and conditions of the Grant Agreement and the availability of funds.

Maximum Payment: The Trust shall not make an award under this Section in an amount greater than the applicant's appraised value in the property interests.
