

# VCLT Policies and Procedures

Valley Community Land Trust

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## Document History

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## Introduction

### **Purpose of the Policies and Procedures**

The Valley Community Land Trust (VCLT) is a membership organization. Major policies are normally set by the Board of Directors, which is elected by the members, whereas minor policies and procedures develop out of the day-to-day activities of the Officers, the Board and the Standing Committees.

Most of VCLT's work is accomplished by volunteers, some elected and some appointed, serving on the Board of Directors and on committees. Since volunteers may serve only a few years in any one capacity, there is a need for an easy way to inform new incumbents of policies and procedures that have been adopted in the past. The Bylaws require the Board of Directors to maintain a *Policies and Procedures Manual* to meet that need.

### **Use of the VCLT Policies and Procedures Manual**

The VCLT *Policies and Procedures Manual* should be regarded as an aid, not a complete guide or model for conducting VCLT activity. Since VCLT depends on volunteers to conduct the business of the organization and to infuse the activities of committees and the Board of Directors, with new ideas, creative insights, and leadership qualities, no manual can be expected to describe or guide the work in full detail.

There are, however, some advantages to knowing how things are done or how they have been done in the past. You will be spared time needed to "reinvent the wheel"; you may avoid delay and possible embarrassment by not proposing an action that runs counter to existing policy; or, on the other hand, you may get an early and essential warning that an existing policy or procedure requires adjustment to reflect changing circumstances. In brief, this manual is not designed to tell you how to do your job within VCLT, but how it may be done more easily or expeditiously.

When an action has been taken once, it becomes a precedent and is likely to be considered a "procedure" by those who come later. In this sense, it is difficult to determine how inclusive the manual should be. If only actions labeled by the Board of Directors as policy were to be included, the manual would be thin indeed. If all actions taken are included as procedures, the manual would be so unwieldy it would be useless. Even if this version of the manual does not strike a happy medium, it is hoped that readers will comment and that future editions can be improved.

No policies or procedures are sacrosanct or eternal. In the appropriate places in what follows, you are told how policies and procedures, even the Bylaws, may be changed.

### **VCLT Structure and General Operations**

This section describes in a general way how we have chosen to interpret and implement the Articles of Organization and the Bylaws. This section is a paraphrasing of the Bylaws and in no way can substitute for them in a procedural dispute. Whenever you have a question about something described here, refer to the Articles of Organization and the Bylaws.

## **Purposes of the VCLT**

These purposes are taken verbatim from our Articles of Organization (see Appendix I).

1. To acquire and hold title to land, not as private or public property, but in trusteeship; to hold such land in stewardship for present and future generations by keeping said land from the pressures of speculation.
2. To provide access to land, through long-term lease agreements, for persons who cannot secure or maintain access or do not wish to enter into private ownership of land.
3. To facilitate access to housing for low-income people and others who wish to further the purposes of the Corporation.
4. To encourage patterns of land management based on the responsible use of renewable and non-renewable resources and long-term productivity of the land.
5. To do research concerning land management; to disseminate the results of that research and to educate the land trust community and the general public regarding access to low-cost housing, the conservation of natural resources and responsible long-term stewardship of the land.
6. To support the creation of community based institutions and enterprises and to promote communication and cooperation among such institutions.
7. To work with democratic decision-making processes in the functions of this community land trust and to build a structure and sense of community which will endure through comings and goings of individual members of the trust.

## **Consensus Decision Making**

Most decisions are made in the VCLT by consensus. When consensus fails repeatedly we take a vote. The following definition is from an article in *Activist Magazine* by Tanya Gulliver (2004):

“Consensus does not mean that everyone thinks that the decision made is necessarily the best one possible, or even that they are sure it will work. What it does mean is that incoming to that decision, no one felt that her/his position on the matter was misunderstood or that it wasn’t given a proper hearing.”

Appendix III. Consensus Tools contains some tools that might help in reaching consensus.

The decision making process is defined in our Bylaws, section III (E).

## **Membership**

The VCLT is a membership organization. The members are the ultimate decision makers in that they elect from among themselves the Board of Directors and the Standing Committees (except the Nelson Fund Committee). See the Membership and Membership Committee sections of this manual for more information on membership.

## **Board of Directors**

The Board is the most active body and its members and staff run the day to day operations of the organization. The Bylaws require the Board to meet six times a year but normally it meets about once a month.

## Introduction

The members of the Board are drawn from the membership. In nominating and electing Board members, we should seek a mix of lessees and non-lessees and diversity in gender, race, class, etc.

### **Officers**

Officers are elected by the Board from the members of the Board and take on extra responsibilities beyond those of other Board members. There are at least three officers at all times: a Chairperson, a Clerk and a Treasurer. There may also be Vice-Chairs, Assistant Secretaries, and Assistant Treasurers, as needed and appointed by the Board.

### **Standing Committees**

There are five standing committees. These committees have significant independence of action but their decisions are subject to Board review.

The Membership Committee is responsible for outreach to and education of the wider community, for recruiting new members and keeping track of existing members.

The Lease Committee is responsible for developing suitable leases for long term land tenure and stewardship of the land, negotiating leases with new lessees, and handling defaults of the lease agreement.

The Land Use Committee works with lessees to develop land use plans and monitors lessees' implementation of their plans.

The Housing Committee works with the Lease Committee to develop lease terms related to the construction, use, and sale of lessee's homes and buildings and helps implement terms of the lease related to such sales.

The Nelson Fund Committee is responsible for raising funds for land acquisition through the solicitation of donations and low or no interest loans to the organization. It also monitors the repayment of loans and advises the Board on management of repayment funds.

### **Amending the Bylaws**

The Bylaws may be changed only by unanimous consent of the Board and either consensus or, failing that, favorable vote by at least half of all the eligible members.

### **Amending the Policies and Procedures**

Maintenance of this document is a Board responsibility. It may not be modified without Board approval (see the bylaws, IV-(A) d). VCLT Eligible Members may submit written proposals for changes by mail or personally at any meeting of the Board. Committees have a responsibility to regularly review the Policies and Procedures related to their operation and to propose modifications whenever they deem it appropriate. When the Board makes changes, they shall present the changes to the membership at the next Membership Meeting.

## **Policies and Procedures**

### **A. General Policies and Procedures**

#### **A.1. Open Meetings**

Section IV-h of the VCLT Bylaws states that Board Meetings are open to “eligible members and others invited by the Board. Invited by the Board means a request for attendance has been submitted to the Clerk at least one week in advance of the meeting, and has then been approved by a majority of the Board.

The Agenda for Board meetings is set by the Clerk in consultation with the Board Chair, during the week prior to the meeting. Last-minute additions to the meeting agenda will be limited to urgent and/or unanticipated items accepted unanimously as such by the Board Members present at the meeting.

Although a brief non-Board comment period is provided for at each Board meeting, non-Board members (eligible members and others who have been invited in accord with the above procedure) should not assume that any additional time will be made available for presentations on or discussions of issues of interest to them but not already on the meeting agenda.

In order to speak to an issue, eligible members and invited others must be recognized by the Board Chair (or in his/her absence, whomever is presiding). Specific administrative staff members may be exempted from this requirement at the discretion of a majority of the Board.

#### **A.2. Record Keeping**

The Board and all Committees shall take minutes of their meetings, to include the date, a list of the members present, and any decisions made. Copies of the minutes shall be provided to the VCLT Clerk in a timely manner.



## **B. Membership Policies and Procedures**

### **B.1. Membership Meetings**

According to the Bylaws, the membership must meet twice a year, in Fall and Spring. The fall meeting is officially for elections and, like the spring meeting, any other business that requires the membership's attention.

Special Membership Meetings may be called by

- 1) the Board,
- 2) any officer at the request of ten percent of the members or ten members whichever is less,
- 3) by an aggrieved member during a grievance procedure.

### **B.2. Membership Fees**

Each member must pay an annual fee or get a written waiver/reduction from the Membership Committee to remain in good standing. The Board works with the Membership Committee to determine the membership fee. Failure to pay your fee or to get a waiver/reduction will lead to termination of your membership privileges. See the Membership Committee policies and procedures for more information on membership privilege termination.

### **B.3. New Members**

New members may join at any time by applying to the Membership Committee. There is a sixty day waiting period before New Members become Eligible Members and can take part in decision making.

### **B.4. Removal of Board Members by Membership**

Eligible members may remove a Board Member for good cause when the Board Member is believed to have acted in a manner seriously detrimental to the land trust. To initiate this procedure, at least 10% of the Eligible Members must sign written charges against the Board Member. A special committee is then formed to review the charges. If the committee recommends the removal of the Board Member, a Special Membership Meeting is convened to decide the question of removal. See section III-(G) of the Bylaws for details on this procedure.

## **C. Lessee Policies and Procedures**

### **C.1. Potential Lessee Selection Procedures**

Lessee selection for available leaseholds is a board decision. The board is responsible for ensuring the selection process is fair and transparent (without sacrificing confidentiality).

## Membership Policies and Procedures

VCLT encourages anyone interested in living on VCLT land to fill out a preliminary application, become a member of the land trust (if not already), and participate on committees and in trust activities. Anyone who fills out a preliminary application and is a member of the land trust will be kept on a waiting list of potential lessees.

### **Lessee Selection Committee**

When a leasehold becomes available, the board appoints a selection committee consisting of a subset of board members, and at its discretion, other land trust members. The selection committee:

1. Sets priorities, in regard to the specific leasehold, for the Prioritized Criteria below.
2. Notifies all potential lessees on the waiting list, providing them with:
  - Information on the leasehold (location, price, lease fees, taxes, land and improvement details, plus the ranking of prioritized criteria for that leasehold).
  - Application requirements and deadline for application completion.
3. Processes applications
  1. Verifies they are complete.
  2. Verifies applicants are qualified according to the Qualifying Criteria below.
  3. Notifies applicants with incomplete applications or who do not qualify.
4. Maintains confidentiality of all application information
5. Interviews all qualified applicants.
6. Scores applicants up to the maximum point score according to the Highly Desirable and Prioritized Criteria and the Leasehold Residency Bonus, providing written explanations for each applicant's score as well as a summary of each applicant's suitability for the leasehold.
7. Recommends a selection order to the board and hands off all application and evaluation materials.

The board may accept the committee's recommendation or re-interview and/or reevaluate applicants according to the weighted criteria.

## Lessee Selection Criteria

**Qualifying Criteria** – Applicants must meet all of the following requirements before they will be considered for a specific leasehold:

- Current VCLT membership, with dues paid
- Adequate financial capacity for the leasehold (based on financial statements, credit check, or bank loan pre-approval, and their capacity for sweat equity)
- Compliance with restrictions (if any) imposed by partners or funding sources for the leasehold

**Highly Desirable Criterion 30%** – The following criterion established by the board as highly desirable has a fixed maximum point value for any and all offered leaseholds:

- VCLT involvement: recent, constructive, consistent participation on a committee, the board, or as a dedicated volunteer – preferably for at least a year. (*maximum 30 points*)

**Prioritized Criteria 70%** – The following criteria shall be prioritized by the selection committee on a per-leasehold basis by distributing 70 points among them (not counting the leasehold residency bonus). The default point assignments listed here may be used when there are no unique aspects to the available leasehold and the land trust has no special requirements.

- How long they have been on the potential lessee list. More points will be awarded for older applications with continuous active membership. (*default: 15 points*)
- How well they fit with leasehold (land use plans, household size, special needs, compatibility with neighboring lessees) (*default: 15 points*)
- Level of financial and/or housing need (*default: 10 points*)
- Construction skills or other ability to provide sweat equity in the creation of affordable housing (*default: 10 points*)
- History of local residency, local community involvement and/or community involvement in other communities (*default: 15 points*)
- Attendance at a home ownership class within the last five years (*default: 5 points*)

**Leasehold Residency Bonus** – Applicants may receive a maximum 10 points extra for previous residency at the leasehold.

## Membership Policies and Procedures

**Final decision** – The final decision is made by the full board after the committee has completed the evaluation process with all applicants. For the purpose of transparency, the committee’s final recommended applicant rankings shall be submitted to the board with a full explanation of the process the committee employed to arrive at the result. Applicants may obtain a copy of their individual evaluations and may request that the board reconsider their decision.

### **C.2. Mortgages**

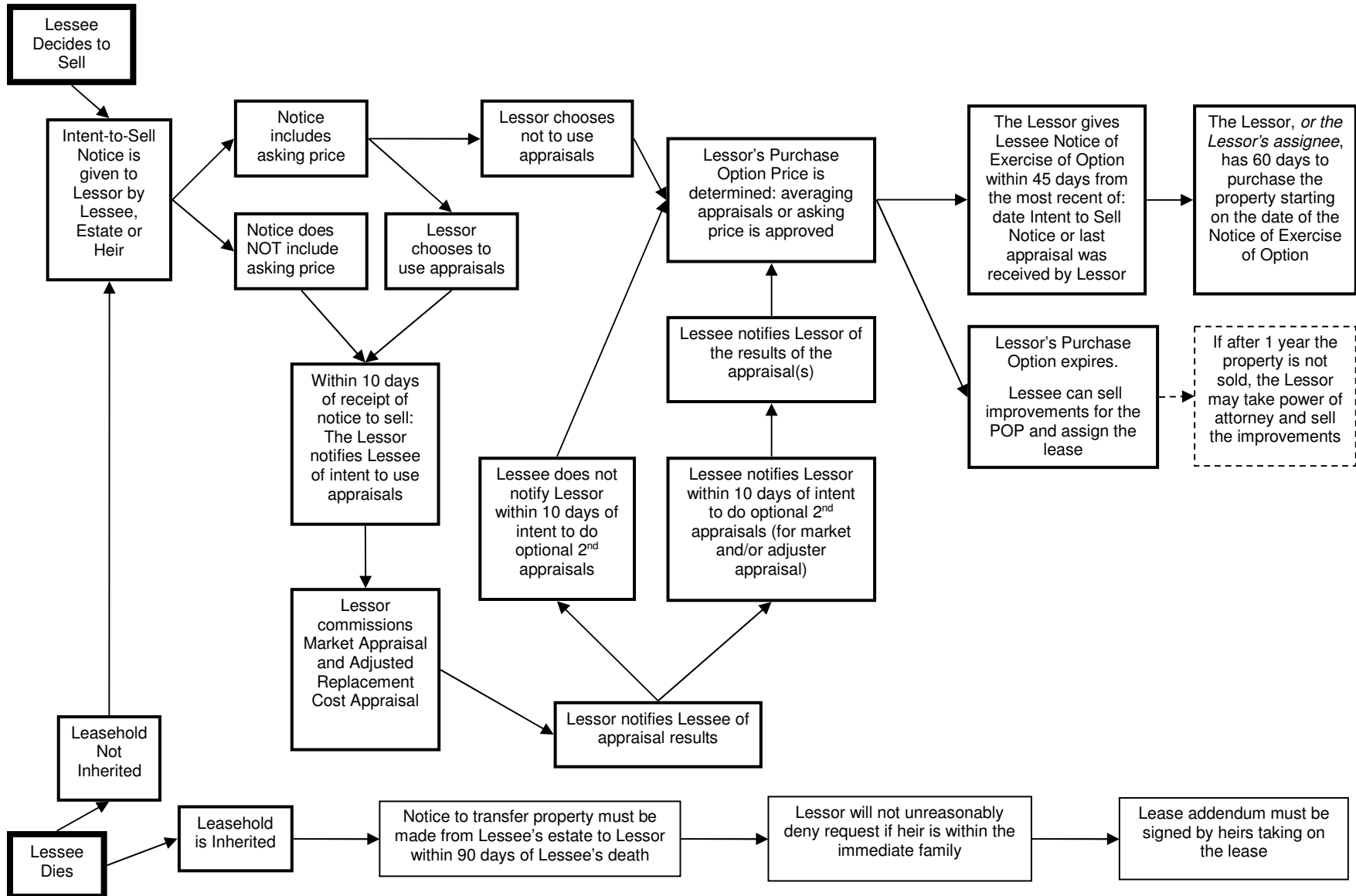
Initially, mortgage agreements shall be negotiated by the Lessee and the Lease Committee. Final approval is a Board responsibility.

The Board will approve mortgages that encumber the lessee’s interest in the leasehold, but not the land itself. Mortgages that encumber the land require a special and extraordinary process described in section VII-(A) of the Bylaws.

### **C.3. Resale**

The VCLT uses a fair equity formula in its leases to keep VCLT homes affordable while maintaining the ability of lessees to gain equity when they sell their homes. This formula is outlined in the Lessee’s lease. The following diagram is to help understand the resale process in the new “Early 21<sup>st</sup> Century Lease”, to understand more about the fair equity formula read section H2 in the Lease Committee section of this manual.

## Procedures for Resale/Transfer of Improvements and Leasehold



#### **C.4. Lease Fee Late Payment Policy and Procedures**

Lease fees are due monthly, and lessees are encouraged to make regular monthly payments. Nonpayment of lease fees is cause for lease termination. However, VCLT has long allowed some differing payment structures (quarterly, etc.). VCLT will continue to allow lessees to make their payments in a flexible manner as long as lease fees are paid by the middle (June 30) and the end (December 31) of the land trust's fiscal year.

Lessees whose fees are not paid up at the middle and end of any fiscal year are to be guided by the process below until their arrearage balance is settled (i.e. no past due money is owed). If a lessee thinks amounts owed are incorrect or has other issues that prevent payment, the lessee must settle these issues through lease committee negotiation or clauses related to arbitration in the lease and By-Laws. Lessees are encouraged to be proactive if they have lease issues, but payments are expected to continue according to the terms of the lease and this policy.

##### **Late Payment Process:**

The late payment process applies to lessees who are not paid up or who notify the Treasurer that they anticipate not being paid up by the middle or end of our fiscal year (June 30 and Dec. 31). The Treasurer or her/his designee (hereafter Treasurer+) will contact such lessees to set up a payment schedule for the accumulated unpaid fees as well as for those due in ongoing months.

If the Lessee and Treasurer+ verbally agree to a payment schedule, then

- 1) The Lessee begins immediate payments according to the proposed schedule. If the Lessee fails to adhere to the schedule, then the Board shall initiate the lease termination process as specified in the lease.
- 2) The Treasurer+ proposes the schedule at the next meeting of the Board (or at a special meeting if necessary) and invites the Lessee to attend the meeting.
  - a. If the Board accepts the schedule, the Lessee and Board execute a written agreement to accept and implement the schedule.
  - b. If the Board rejects the schedule, they may either offer an alternative or initiate the lease termination process as specified in the lease.

If the Lessee and Treasurer+ do not agree to a payment schedule within three weeks of initial contact in the matter, then the Board shall initiate the lease termination process as specified in the lease.

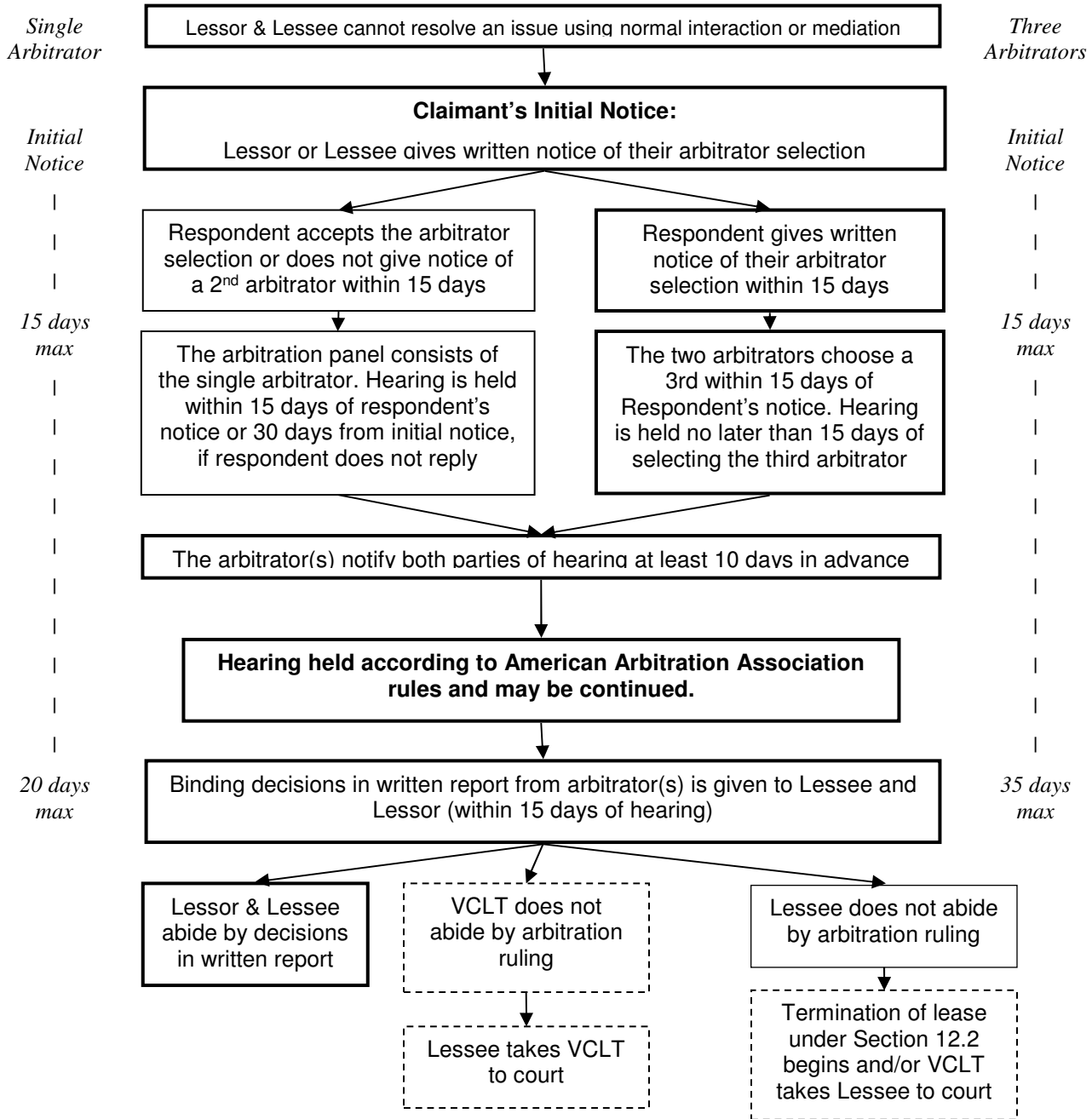
##### **Late Payment Charges:**

As a standing policy for lessees paying lease fees on a monthly basis, late charges for late payments (when and where they are permitted under the lease) are waived for the first late payment in any six month period. As long as this policy is in force, it shall serve as a conditional waiver of the late payment charge under the terms of the lease.

For Lessees who have an agreement to pay less frequently there is no such standing policy and the late charge will be incurred at the end of the grace period (in 2009 this is 30 days after the agreed due date). Specific waivers may be granted by the board for good reason. Such waivers must be in writing and signed by an officer.

### C.5. Dispute Resolution: Arbitration Process

The dispute resolution in each lessee’s lease should be followed. The following chart should not be considered legal advice, but is the VCLT’s general understanding of the arbitration process in the new “21<sup>st</sup> Century Lease”.



## **D. Board Policies and Procedures**

### **D.1. Size of the Board**

The Bylaws allow the Board to determine its own size. Current policy sets the Board at seven members.

### **D.2. Election of Officers**

The Board elects officers each year from among the members of the Board immediately after the Fall Semi-Annual Membership Meeting. Vacated officer positions are filled by the Board from among its members at the first Board Meeting after the position becomes vacant.

### **D.3. Determination of Membership Fees**

While the Bylaws do not require membership approval, the Board policy is to seek such approval. The Board shall review the membership fee annually and change it only after review by the Eligible Membership at a Membership Meeting whose notice includes the proposed change.

### **D.4. Financial Planning**

The Board creates and maintains financial plans for the organization as a whole and for each land parcel.

1. Plan for the VCLT as a Whole

This should include 1-year, five-year, and long range plans, including goals, budgets, and cash flow analysis as applicable, but with detailed budgets for the 1-year plan.

2. Plans for Individual Land Parcels

This is especially important as part of the acquisition of new property, but is also important for following and predicting the economic course of specific existing VCLT property.



## **E. Officer Policies and Procedures**

The officers are the managers and principal workers of the land trust. The organization depends on them to ensure that we abide by our Bylaws, Policies and Procedures, leases, employment contracts, and other agreements. Officers, especially the Chair and Clerk, should have some familiarity with all of these.

### **E.1. Chairperson**

#### Executive Responsibilities

The Chair is usually the main point of contact for administrative staff and shares with the Clerk in keeping track of progress by Board members on between-meeting tasks.

The Chair runs Board meetings or appoints someone to do so in their stead.

#### Legal President

The Chair holds the legal position of President and is the signatory when documents require the President's signature.

### **E.2. Clerk**

#### Record Keeping

The Clerk is responsible for keeping and preserving records of decisions and actions taken by the Membership, Board, and Committees.

#### Calendar of Responsibilities

The Clerk is responsible for maintaining a calendar of responsibilities including both deadlines and prudent start times for tasks that the bylaws, lease agreements, financial commitments, and the law require of the VCLT.

#### Maintaining the Policies and Procedures

The Clerk is responsible for maintaining a current version of this document and notifying the membership of changes made to it.

#### Communications

The Clerk is responsible for getting meeting notices delivered in a timely manner.

### **E.3. Treasurer**

#### Finances

The Treasurer is responsible for depositing and disbursing funds and managing our bank accounts. The Treasurer works with the Board and Committees to compile our budget and financial plans. The Treasurer works with our bookkeeper to manage and monitor day to day financial activities.

#### Bank Accounts and Safe Deposit Box

The Treasurer is responsible for the security of our bank accounts and the contents of our safe deposit box. The Treasurer is responsible for ensuring that the bank accounts are reconciled regularly and that an accurate record of the contents of the safe deposit box is maintained.

## Officer Policies and Procedures

The Treasurer maintains a Treasurer's Book, which records a) the current bank, bank account numbers, current check signers, and b) safe deposit box location, number, contents, and name address and phone number of each person possessing a key to the box. The treasurer is responsible for passing the Treasurer's Book on to their successor.

At this writing, we have five bank accounts:

1. Operating checking account (earns no interest, balance maintained at levels to meet day to day expenses)
2. Operating money market account (earns interest, board-designated funds for operations, source of cash for operating checking account)
3. Nelson land fund checking account (earns no interest, for funds donated in the name of Wally Nelson or otherwise designated earn no interest and restricted to land acquisition)
4. Land fund money market (earns interest on board-designated funds for land acquisition)
5. Credit union membership share account

The Treasurer must obtain board consent before transferring funds from a land fund account into an operating account.

If we receive donations that can earn interest but are restricted for land acquisition, we will need to open another money market account to keep those donor-restricted funds segregated from the board-restricted funds.

Our safe deposit box is at Bank of Western Mass, 45 Federal St., Greenfield and contains original leases and copies of insurance policies.

### Check Signing Policy

Checks for budgeted expenditures under \$5000 and unbudgeted expenditures under \$100 may be written with one signature without prior board approval. All other checks must have two signatures or prior board approval for one signature.

### Lease Fees and Real Estate Taxes

The Treasurer works with our bookkeeper and the Lease Committee to determine lease fees and allocate land taxes among the lessees. For leases which have lump sum real estate tax payments, those payments are added to the lease fees for the month after the bill is received.

The Treasurer implements the Late Lease Fee Policy.

## Officer Policies and Procedures

### Budget Development

The Treasurer develops a budget in January for proposal to the board at their next meeting. The budget is based on previous years' income and expenses as well as projected changes as determined by the Treasurer, Board and Committees.

### **E.4.Officers' Assistants**

The Board may appoint Vice-Chairs, Assistant Secretaries and Assistant Treasurers from among the Board Members on an as-needed basis. Board Members who are appointed to the posts of Vice Chair, Assistant Clerk and Assistant Treasurer legally have all the powers and responsibilities of the officers they are assisting but Board policy requires they must consult their respective primary officer before taking any action in their role as assistant unless a responsibility is specifically delegated to them.

## **F. Standing Committees General Policies and Procedures**

### **F.1. Terms**

Standing Committee members will serve three years. No person shall serve more than two consecutive terms on any one Standing Committee.

### **F.2. Minimum Membership and Quorum**

All Standing Committees will have at least three Eligible Members and three Eligible Members shall constitute a quorum for committee meetings.

### **F.3. Meeting Frequency**

Standing Committees shall determine the frequency of their meetings, but shall meet at least once every six months.

### **F.4. Calling Meetings**

Meetings of Standing Committees may be called by the Committee chairperson or by any two other members of the Committee upon notification to the remaining members at least two days in advance of the meeting.

### **F.5. Open Meetings**

Standing Committee meetings shall be open to all Members but decision making shall be reserved for Committee members.

### **F.6. Notice**

Notice of Standing Committee Meetings shall be given to each Eligible Member who submits a written request for such notice to any member of the committee. Such notice shall state the place, date, and hour of the meeting and shall be given by a committee member, at least fifteen (15) days before the meeting or, if the meeting is called less than fifteen (15) days before the meeting, within one (1) day of the meeting being called. Such notice may be given by telecopy or electronic mail or other equivalent electronic media, or by leaving such notice with such member or at such member's residence or last known usual place of business, or by mailing it postage prepaid and addressed to such member at such member's last known address as it appears upon VCLT records.

### **F.7. Board Review of Decisions**

All Standing Committee decisions shall be regularly reviewed and may be modified by the Board.

### **F.8. Minutes**

Each Standing Committee will keep minutes of meetings which will be available to the Board and to Members. Committees shall provide copies of such minutes to the VCLT Clerk in a timely manner.

### **F.9. Committee Policies**

Each Standing Committee shall determine its own policy guidelines for conducting its affairs, provided that they are in writing and in adherence with the purposes and philosophy of the VCLT and the By-Laws. Committees shall provide up-to-date copies of these policy guidelines to the Board in a timely manner.

### **F.10. Conflict of Interest**

A member of a Standing Committee shall disclose at their earliest opportunity if they or any parent, spouse, child, partner, employer, or similar related business entity has a substantial interest in any property or business that would be substantially affected by any matter before the Standing Committee. Such member(s) shall not participate in decision making in such matters but may participate in discussions prior to any decisions and shall be counted towards the quorum required for any decisions.

Notwithstanding the above, in matters that come before the Standing Committee in which all VCLT lessees have a substantial interest, Standing Committee members who are also VCLT lessees or whose parent, spouse, child, partner, employer, or similar related business entity is a VCLT lessee, once they have disclosed their individual interests in such matters, may participate in decision making in such matters to further the purposes of the VCLT to the best of their abilities, as long as such lessee Standing Committee members have no significant individual interest separate from other VCLT lessees.

## **G. Membership Committee Policies and Procedures**

### **G.1. Purposes and Responsibilities**

Membership Committee purposes and functions include:

- New Members. To find and introduce New Members to the VCLT, performing the public relations aspects of the VCLT, which includes the educational functions required as part of maintaining our 501(c)3 status.
- Mediation. To act as a mediator, upon request, in an attempt to reconcile disputes and grievances of any Members.
- Determining Eligible Members. To produce a list of the Eligible Members as of the record date prior to each Membership Meeting.
- Recordkeeping. To maintain records of membership fee payments and to notify Members whose payments are due.
- Fee Reductions and Waivers. To process requests for membership fee reductions and waivers and to keep written records of such actions to ensure that the list of Eligible Members includes those whose fees have been reduced or waived.

### **G.2. Membership Fee Notice**

In the first two weeks of January, the committee notifies all members that membership fees for the year are due before the close of the Spring Semi-Annual Meeting.

### **G.3. Maintaining the Membership Rolls**

The committee works with the Clerk to keep a list of Eligible Members, New Members, and Lapsed Members. The list contains the applicant's name and contact information and the date the application is received and the year of their last membership fee payment. When membership applications are received, the applicants are listed as New Members for 60 days after which they are listed as Eligible Members. Within the first week after the Spring Semi-Annual Membership Meeting, non-lessee Eligible Members who have not paid their membership fee are listed as Lapsed Members and the committee shall send them a notice of their ineligible status, reminding them of the fee amount and where to send it in order to become Eligible again.

### **G.4. Membership Fee Waivers and Reductions**

If a person wishes to become a member and supports the concept of the Land Trust but is unable to afford such fee, they may apply to the Membership Committee for a fee waiver or reduction. Fee waivers and reductions shall be granted for one year at a time.

Fee waivers and reductions shall be in writing, signed by a Membership Committee member, indicating the amount of the reduction or waiver and its start date.

### **G.5. New Member Orientation**

Periodically, the committee hosts new member orientations and community outreach events which present the goals and purposes of the land trust and describe how the land trust works.

**G.6. Grievance Procedure**

1. If the Membership Committee and an aggrieved member fail to settle the member's grievance, they may set up a small investigatory committee composed of one person selected by the aggrieved member, one selected by the Membership Committee, and a third chosen by the appointed two. No more than one week shall elapse from the time the grievance is brought before the Membership Committee and the formation of this investigatory committee. The investigatory committee shall propose a resolution of the matter to the Board within one week of its formation.
2. If the aggrieved member does not accept the proposal of the small investigatory committee, he or she may present an alternative proposal to the Board of Directors at a meeting held within a week of the investigatory committee's proposal. The Board shall accept the investigatory committee's proposal, the member's proposal or a new proposal of their own.
3. If member does not accept the decision of the Board, the member then may appeal to the membership at a Special Membership Meeting called, within four weeks of the Board decision, for the purpose of considering the dispute. Notice of the meeting shall include the investigatory committee's proposal, the member's proposal and any new Board proposal if there is one.
  - a. If a quorum is not present for the Special Membership Meeting then the Board's decision shall stand and be final.
  - b. If a quorum is present, then there shall be a brief question and answer period, followed by a vote on the aggrieved member's proposal. A two-thirds majority is required to over-rule the Board. The result of the vote of the Special Membership Meeting shall be final.

## H. Lease Committee Policies and Procedures

### H.1. Purposes and Responsibilities

Lease Committee purposes and functions shall include:

- 1) Lease Language. To negotiate and draft leases, subject to the approval of the Board and in conformance with the purposes of the VCLT.
- 3) Lessee Compliance. To monitor, in cooperation with the Land Use Committee, lessee compliance with the lease agreements and deal with all lease-related matters.
- 4) Lease Termination and Reassignment. To carry out all necessary procedures in connection with the Board-approved termination of leases or reassignment of leases to new member/lessees.

### H.2. Determination of Lease Fees (Early 21<sup>st</sup> Century Lease)

The monthly lease fee is ongoing for the term of the lease and is recalculated at least every seven years. The lease calls for a “fair rental value” which we interpret to mean fair to both land trust and lessee. We calculate the lease fee as the greater of: a) a fair portion of the land trust’s administrative costs or b) the market rate for the leased land adjusted for the lease restrictions.

In determining the lease fee, the lease committee ensures that the sum of all lease fees will cover the trust’s administrative costs and that each individual lease fee is no less than the market rate for land leases with adjustments for the lease restrictions (such as those applying to transfers, land use and resale of the improvements). This market rate minimum ensures the trust remains qualified under the IRS regulations to receive tax-deductible donations.

#### Land Trust Administrative Costs

The land trust divides our annual expenses into two major categories: 1) Administration and 2) Land Acquisition & Development. The cost of buying new land and associated development costs are not part of the administration budget. Administration expenses result from the land trusts responsibilities to uphold its lease agreements, comply with local, state and federal laws, and look after the long-term welfare of the organization. These expenses include, but are not limited to:

- Insurance – general liability and directors and officers insurance
- Consultants – administrative assistance, legal advice, mediation providers, etc.
- Transfer costs – recording fees, property taxes and maintenance costs while there is no lessee, etc.
- Public relations – website, brochures, educational literature, etc.



## Lease Committee Policies and Procedures

Each leasehold's share of the land trust's monthly administrative costs is a share of the average administrative costs of the trust for the three years prior to the year of calculation, apportioned according to the relative use value of the leasehold's land. The use value of the land is the greater of the town tax assessors' valuation<sup>1</sup> or 90% of the average value of a minimum size house lot across our service area<sup>2</sup>. The purpose of the minimum value is to take into account low valuations resulting from the unusual CLT lease arrangement, especially when there are multiple leaseholds on the one tax lot.

In the apportionment of administrative costs we include the value of leaseholds that are vacant or under development. While this approach means some of the administrative costs of the trust may not be covered until these leaseholds are leased, it reduces the need to recalculate fees when they *are* leased and it allows us to market the leaseholds with a known fee.

### Market Lease Fee

The lease committee determines the market lease fee by first estimating what a market lease fee would be if there were no unusual restrictions in lease. This is done by taking the monthly payment for a 20 year bank loan for the current assessed or appraised value of the leasehold land and adding the leasehold's portion of the land trust's monthly administrative costs (as calculated above). This lease fee (the estimated market rate for a normal unrestricted lease) is adjusted to yield the market rate by applying discounts for the unusual restrictions that are part of the trust's lease:

Lease Restriction	Reference	% Discount
Resale price of improvements restricted	Article 10	30%
Land use plan and adherence required	Sec. 4.2 & 7.3	20%
Mortgages are restricted	Article 8	15%
Subletting requires approval and sub-lease fee is capped	Article 11	10%
Annual occupancy minimum	Section 4.4	3%
Lease transfer or assignment requires approval	Article 10	3%
Building expansion requires approval	Section 7.3	2%
Buildings may not be removed	Section 7.1	1%
<b>Total discounts</b>		<b>84%</b>

### Final Fee Determination

The final fee is the greater of the lessee's fair portion of the land trust's monthly leasehold administrative costs or the market lease fee.

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<sup>1</sup> In the case that a leasehold's agricultural land is under the minimum size for 61A but is otherwise qualified, e.g. is being actively farmed and meets the 61A income requirements, we shall determine the use value of that land as if it had qualified.

<sup>2</sup> In 2013 we estimate the average value of a minimum size house lot across our service area is \$50k, so (applying the 90%) the minimum value of any leasehold is \$45k.

## Lease Committee Policies and Procedures

Below is the determination of 2013 fees based on this process:

### 2013 Lease Fees (for those with new lease)

Based on VCLT administration costs averaged over '10-'12. Assumes 3 new leaseholds.

	2010 Per-Leasehold Assessed Land Values	% of Aggregate Assessed Leasehold Land Values	New Lease Fees (monthly share of \$1108 net admin costs)
Morse*	62,169	9.3%	103
Ladd	54,884	8.2%	91
258 Shelburne Line Rd*	54,884	8.2%	91
Rehmus	53,669	8.0%	89
Cornman	56,098	8.4%	93
13 Morse Village Rd*	50,272	7.5%	83
Broll/Cohen*	45,000	6.7%	75
Schachtl	45,000	6.7%	75
Voegele	45,000	6.7%	75
Surprenant*	50,500	7.6%	84
New land 1	50,000	7.5%	83
New land 2	50,000	7.5%	83
New land 3	50,000	7.5%	83
Totals	667,476	100%	1108

\*Lessees with new lease

### H.2.a Determination of Late Payment Charge

Some of our leases impose a late payment charge to cover the effort and expenses of handling late lease fee payments, including the extra bookkeeping and mailing of notices. Imposing a charge that is punitive is legally tenuous. If taken to court a late charge is unlikely to be allowed unless it can be justified as covering reasonable expenses. It is reasonable to charge what we would pay a bookkeeper for half an hour plus the cost of postage to send notices by registered mail. The late charge isn't applied until the lessee is in default which requires a late payment notice and a default notice. Currently (2009) bookkeepers charge around \$25 an hour and a registered letter costs a little over \$3, so a reasonable late charge is \$20.

This late fee may be waived at the board's discretion but such a waiver must be in writing.

### H.3. Determination of Liability Insurance Amounts

To ensure that the land trust has sufficient liability coverage, the board or designated committee shall adjust the dollar amounts of liability insurance required to be carried by Lessees at least every five years, in years evenly divisible by five (e.g. 2010, 2015). The adjustment shall be roughly equal to the percentage of change (positive or negative), over the period in question, of the Consumer Price Index for urban areas the size of Greenfield, Massachusetts, or such other index as reasonably measures adjustments in coverage amounts for liability insurance. Such an index is maintained by the Office of Prices and Living Conditions of the Bureau of Labor Statistics, of the U.S. Department of Labor.

#### **H.4. Lease Signatories**

Each lease shall be signed on behalf of the Trust by one Lease Committee member, one Land Use Committee member and one Officer.

#### **H.5. Early Lease Termination**

At the discretion of the Lease Committee, a tenant may be barred from terminating his/her lease before its expiration until a replacement tenant has been found and a new lease agreement secured.

#### **H.6. Time-Limited Lease Fee Waivers based on hardship / affordability**

##### **H.6.a.1) Overview**

In the pursuit of its mission to act as an effective steward of this land and to continue to create and maintain leasehold opportunities, the Valley Community Land Trust incurs expenses. The land lease agreements of the trust include a lease fee to help cover these administrative costs.

The VCLT acknowledges that over the course of a 99 year lease, the lease fee may not be affordable to all lessees at all times. Once a lessee has signed on however, there is the option, if s/he falls on hard times, to apply for a time-limited full or partial waiver of their current monthly lease fee amount.

The VCLT's lease fees are relatively small portion of housing costs in most cases, but in some households might tip housing cost to an unaffordable level. VCLT will consider granting a lease fee waiver or reduction if the lessees housing costs exceed 30% of their gross income or if special circumstances increase their housing plus monthly debt service beyond 40% of their gross income.<sup>3</sup>

If granted, a waiver will run for a minimum of one year and a maximum of three. However, making such an application does not guarantee it will be granted, even if the lessee can verify their low or reduced-income status, as the Board must also take into consideration the waiver's effect on the financial situation of the trust as a whole.

##### **H.6.a.2) Procedure:**

#### **A. Lessee Requests a Waiver**

If a lessee finds their lease fee unmanageable, they should contact the board in writing and request an evaluation of their lease fee affordability. They can also

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<sup>3</sup> Affordable housing programs and lending institutions often **assume** that a person can spend up to 30% of their income on housing. For example the **Section 8 Housing Voucher Program** in MA requires that tenants pay at least 30% of their adjusted gross income for housing and utilities, and their rent cannot exceed 40% of their income.

## Lease Committee Policies and Procedures

schedule a time to come talk with the board or Lease Committee to ask questions.

### **B. Lease Committee Requests Income Verification**

The Lease Committee requests the documentation to verify the lessee's income (documentation should be presented for all adults in the household):

- Prior two years' tax returns
- 3 recent paystubs or other written documentation of current income sources
- Current debt service costs, with three recent payment records for each debt
- A filled out housing budget worksheet (see end of this document)
- An explanation of any unusual circumstances affecting the individual's income or expenses such as illness, job loss, extraordinary debt, etc.

Documentation of income from assets must also be included; major non-income-producing assets should also be listed.

### **C. Lease Committee Review**

Using the submitted financial data, the Lease Committee will:

- Determine the lessee's (and lessee household's) average gross monthly income
- Review the lessee's Housing Budget Worksheet
- Confirm if they are spending over 30% of their gross income on housing costs
- Confirm if they are spending more than 40% of their monthly gross income on housing and debt service.
- Review any applicable information on special circumstances

Upon completion of their review, the Lease Committee will make a recommendation to the Board whether or not to grant a waiver. If a waiver is recommended, the committee will include a suggested term (from 1-3 years), whether it should be full or partial, and if partial, what the new reduced fee should be. If a waiver does not seem appropriate, a deferral for some specific period may also be recommended.

### **D. Board Review of Lease Committee Recommendation**

The board will review the committee recommendation and the trust's financial situation and determine whether (if at all) a full or partial waiver can be granted – and, if the answer is yes, for how long. If a waiver is not felt to be appropriate (or economically responsible in terms of the Board's fiduciary responsibility), a deferral for some specific period may be granted.

**E. Lessee and VCLT Sign Lease Fee Waiver Agreement**

The trust and the lessee sign a written agreement regarding the new lease fee level or deferral. This agreement must include the effective dates, the amount of the fee during that period, and the requirement that the lessee notify the trust if their circumstances change and they no longer need a waiver or deferral.

H.6.a.3) Timing

The VCLT recognizes that waiver requests will likely be urgent business for the lessee making them. The lease committee will meet and make their recommendations within 30 days of receiving the completed housing budget worksheet and other documentation. The board will review those recommendations at their next board meeting and promptly reply to the lessee.

# Housing Budget Worksheet

Date: \_\_\_\_\_

Name: \_\_\_\_\_ Address: \_\_\_\_\_

*Please attach tax returns, pay stubs, income records for income-producing assets, list of major non-income-producing assets, records of monthly debt service payments, and any special circumstances to this worksheet.*

**INCOME** **Monthly**

A. Adjusted Gross Income (from prior year 1040) \_\_\_\_\_ ÷ 12 = \_\_\_\_\_

**HOUSING EXPENSES** **Monthly**

B. Monthly Mortgage Payment (Principle and Interest) \_\_\_\_\_

C. Annual property taxes (land + house) \_\_\_\_\_ ÷ 12 = \_\_\_\_\_

D. Annual homeowner insurance premium \_\_\_\_\_ ÷ 12 = \_\_\_\_\_

E. Annual heating costs (wood, propane, etc.) \_\_\_\_\_ ÷ 12 = \_\_\_\_\_

F. Average monthly electric, sewer, and water bill \_\_\_\_\_

G. Current Monthly Land Lease Fee \_\_\_\_\_

**H. Add row B through G to get subtotal of housing expenses =** \_\_\_\_\_

**I. Divide row H by row A for % of gross income for housing =** \_\_\_\_\_

Is this more than 30%? [ ] yes [ ] no

**SPECIAL CIRCUMSTANCES** **Monthly**

J. Unusual housing costs (major repairs, etc.)\* \_\_\_\_\_

K. Other monthly debt payments\* \_\_\_\_\_

**L. Add Row H+J+K for total debt service & housing costs/mo. =** \_\_\_\_\_

**M. Divide row L by row A for % of gross income for debt =** \_\_\_\_\_

Is this more than 40%? [ ] yes [ ] no

\* Please explain any numbers entered in row J & K:

## I. Land Use Committee Policies and Procedures

### I.1. Purposes and Responsibilities

Land Use Committee purposes and functions shall include:

- Advising. To serve in an advisory role to the VCLT and its lessees regarding land use issues.
- Land Acquisition. To make recommendations on desirability and appropriate use of potential land acquisitions.
- Land Use Plans. To work with potential lessees on land use plans for potential and newly acquired lands.
- Lease Language. To work in consultation with the Lease Committee on land use sections of lease agreements.
- House Siting. To consult with the Housing Committee on land use plans as pertains to siting of houses and associated improvements.
- Lessee Compliance. To monitor whether lessees' use of the land is in compliance with the lease agreement.
- Property Boundaries. To maintain knowledge of leasehold and VCLT property boundaries.

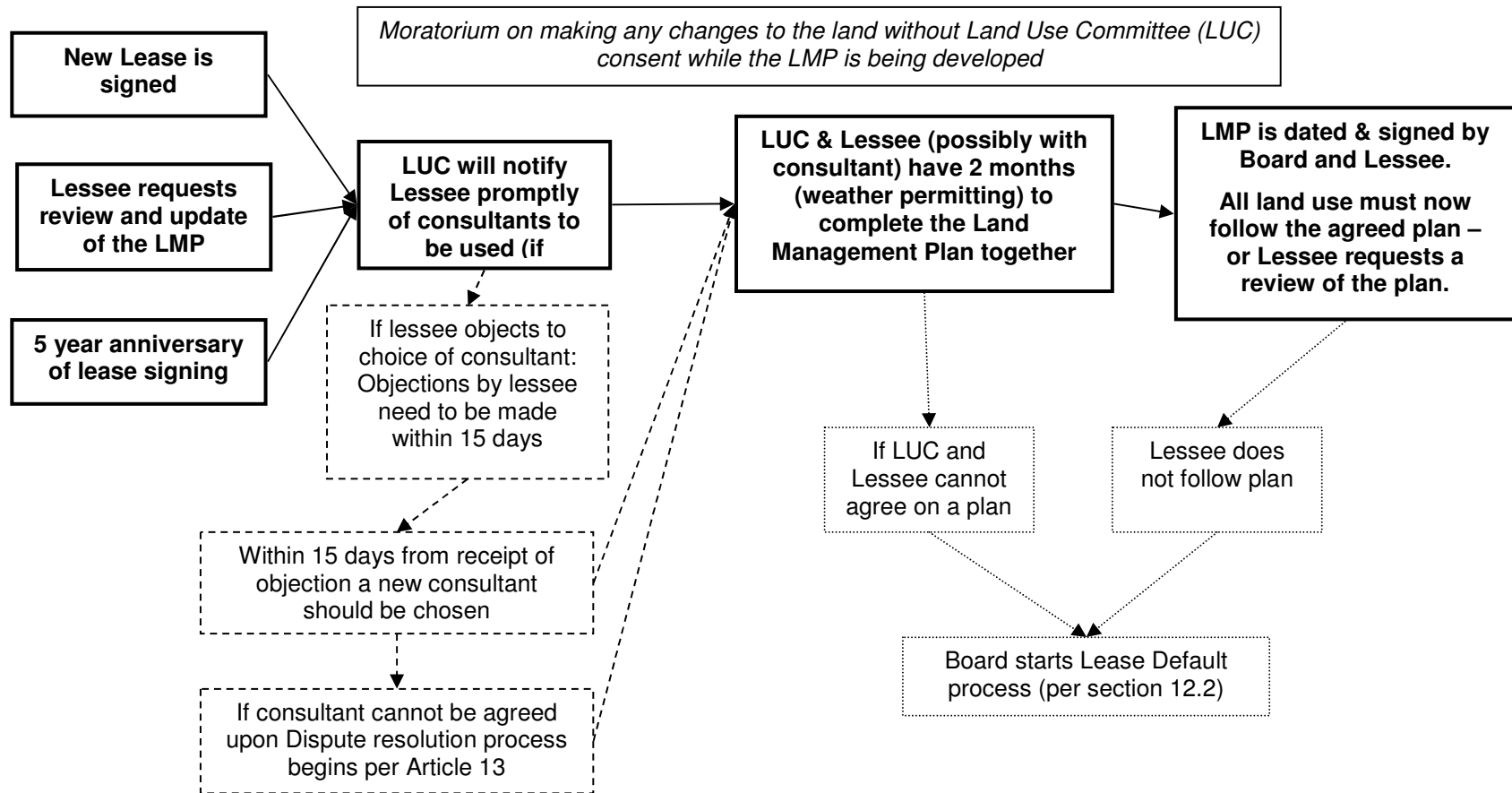
### I.2. Land Use Plan Guidelines

The lease requires a land use plan to be compiled for each leasehold with the lessee(s) working with the committee. These plans set forth the natural features of the land and ecologically sound principals and practices for its management. Specific provisions are made for

- 1) taking forest products by the lessee (for their own use) and by the trust (for their commercial value)
- 5) managing fields and pastures to maintain productivity and build soil health
- 6) protecting wetlands and other delicate features of the land.

The most current lease (the "Early 21<sup>st</sup> Century Lease) has the following general process for creating land management plans. The following chart is not intended to replace a reading of the actual lease language, but to help aid in an understanding of VCLT general policies and procedures.

Land Management Plans





### **I.3. Land Visit Procedures**

The committee visits the trusts leaseholds every two years, usually half during one year and the other half during the next. These visits are conducted by at least one committee member who is familiar with the leasehold's land use plan. During the visit the committee member(s) review each feature of the plan with the lessee(s) to determine whether the plan is being followed and, if not, whether the plan needs revision or the lessee needs to come into compliance with the plan. The visiting committee member(s) submit a written report to the full committee by its next meeting or within two weeks of the visit if the meeting is sooner than that.

### **I.4. Definition for Ecologically Sound**

Ecologically sound practices are actions that impact the land while maintaining the ecosystem's carrying capacity and its ability to perform nature's services. Symptoms of pending loss of carrying capacity and nature's services are:

- 1) reductions in plant species diversity,
- 7) encroachments onto wetlands,
- 8) soil erosion and siltation of ponds, streams, lakes and rivers,
- 9) reduction in forestation
- 10) removal or burying of top soil

## **J. Nelson Fund Committee Policies and Procedures**

The Nelson Fund Committee shall be appointed by the Board and include at least one Board Member and other persons, who need not be Members of VCLT, who shall be selected on the basis of their financial, legal, fund-raising, or community-related skills.

### **J.1. Purposes and Responsibilities**

The purpose of the Nelson Fund (which does not earn interest) and its sister Land Fund (which may earn interest) is to hold assets to be used for (a) new land purchases and (b) the purchase of a lessee's buildings and improvements upon the exercise of the VCLT's repurchase option under the terms of a lease.

The Committee's purposes and functions shall include:

- 1) Soliciting Funds. To solicit donations and no- or low-interest loans for use by the VCLT.
- 11) Terms for Borrowing. To advise the Board as to the terms of loans to VCLT, including principal amount borrowed, term of the loan, interest rate accruing on outstanding principal, if required, and guaranty provisions, if required.
- 12) Asset Use and Reserves. To advise the Board on the use of Nelson Fund and Land Fund assets and on reserving general funds for loan repayment.
- 13) Policy Recommendations. To recommend to the Board any other policies required to manage the Nelson Fund and Land Fund assets.

### **J.2. Fund Accounting Procedures**

The Nelson Fund Committee shall elect from among its members a bookkeeper who shall keep accurate records of the financial transactions of the Nelson Fund and Land Fund.

### **J.3. Maximum Interest Rate to Be Paid Out**

The committee shall determine a maximum interest rate that will be paid to lenders, subject to ratification by the membership at a Semi-annual or Special Membership Meeting, for which 15-day written notice with an agenda has been given.

The maximum interest rate to be paid for loans to the Nelson Fund and Land Fund is currently 5%.

### **J.4. Maintaining a Reserve Fund**

When loans are outstanding, the bookkeeper shall establish a reserve fund in a separate bank account and the committee shall work with the Board to ensure the account always holds sufficient funds for the next 24 months' loan payments.

## **K. Housing Committee Policies and Procedures**

### **K.1. Purposes and Responsibilities**

Housing Committee purposes and functions shall include:

- Lease Language. To work in consultation with the Lease Committee on sections of lease agreements concerning housing, construction, and resale value for improvements, and to ensure lease agreements reflect the VCLT's concerns for affordability of homes and buildings.
- Lessee Compliance. To maintain and facilitate lessee compliance with lease terms that govern improvements.
- Resale Values. To negotiate all proposed resale values for housing, with consideration given to inflation, improvements, and depreciation.
- Networking. To engage in active dialogue and cooperation with other housing-oriented groups and organizations to facilitate and initiate local housing development.

### **K.2. Lessee Compliance Policies**

Existing leases have different requirements for the VCLT's consent and lessees' reporting of new improvements.

#### Original Lease

Lessees must get consent from the committee before making any major improvements (defined as excavations into the subsoil of more than 10 square meters or more than 1 meter below the soil surface). The committee withholds consent for proposed improvements only if it determines that the work

- 1) is not in compliance with the land use plan,
- 14) is unsafe,
- 15) has adverse social impacts, or
- 16) restricts the physical or financial access of future leaseholders to the leasehold or its features.

#### Revised Original Lease

The lease contains no restrictions on improvements made by the lessee but only guarantees equity if proposed improvements are submitted for the committee's review. The committee has 30 days to determine the maximum equity value for the proposed work.

#### Early 21<sup>st</sup> Century Lease I

Lessees must submit proposals to the committee's approval before adding new improvements or expanding the exterior of existing improvements. The committee withholds consent for proposed improvements only if it determines that the work

- 1) is not in compliance with the land use plan,
- 17) is unsafe,
- 18) has adverse social impacts, or

- 19) restricts the physical or financial access of future leaseholders to the leasehold or its features.

### **K.3. Fair Equity Procedures**

Existing leases have different fair equity terms and the procedures for determining a lessees' fair equity depends on their lease.

#### Original Lease

The lease requires lessees to keep accurate records and receipts of construction costs. The committee and the lessees use these records and mutually agreeable appraisers to determine the fair equity value within six months following completion or use of the improvements. The committee assigns no equity value to improvements which the lessees do not obtain written consent or for which no records are kept.

#### Revised Original Lease

To be summarized

#### Early 21<sup>st</sup> Century Lease I

In this lease the purchase option price is the lesser of a) the lessees' asking price, b) the improvement's depreciated replacement cost or c) the improvement's market price. The procedure for determining the price is generally as follows (for specifics refer to the lease):

- 1) When lessees decide to sell their improvements they notify the land trust. This notice may or may not include a proposed asking price.
- 2) If the lessees propose an asking price and the trust agrees that it is a fair price, the trust may decide to accept it as the option price without getting full, professional appraisals.
- 3) If the lessees do not propose an asking price or the trust isn't sure about the fairness of the asking price, then within 10 days of the lessee's notice to sell, the trust arranges a market price appraisal of the improvements only (without the land) and a depreciated replacement cost appraisal of the improvements and notifies the lessees of this action. If the lessees choose they may also commission appraisals with the results being averaged with the trust's appraisals to determine the option price.
- 4) After the appraisals are completed or after the notice to sell if there are no appraisals, the trust has 45 days in which to decide whether or not to exercise its option.
- 5) If the trust decides to exercise its option, it must do so within 60 days of when it notifies the lessees of that decision.
- 6) If the trust decides not to exercise its option or the period for exercise expires, the lessees may sell the improvements to anyone who agrees to the terms of the current lease and signs the Letter of Stipulation.

#### **K.4. Green Building Guidelines**

Part of the mission of the Valley Community Land Trust is to provide access to housing and land to low-income people and to think about the long-term stewardship of this land. In the spirit of this mission the VCLT board hereby adopts a policy of encouraging all new housing built on land trust land to take into consideration the environmental impact of the housing, and more specifically:

1. To build energy efficient housing that decreases demand for fossil fuels and keeps operating costs low;
2. To plan for the durability of the building to decrease maintenance costs for occupants and decrease the embodied energy of materials over the lifetime of the structure; and
3. To build simple buildings that require fewer materials to build, cost less to operate and will remain affordable by virtue of their simplicity and economy.

To ensure that these principles are being met the board encourages lessees to:

1. Have home plans evaluated by a certified Home Energy Rater prior to construction and consider energy efficiency as an integral part of the home design. A HERS Index of less than 65 should be a goal.
2. Identify and evaluate risks to the durability of the structure and plan strategies to address these risks. The LEED for Homes rating system created by the USGBC has a template available for creating a durability plan.
3. Build smaller homes using local materials.

Potential lessees are encouraged to use these guidelines when planning their home construction. Pursuant to section 7.3 CONSTRUCTION AND ALTERATION of our "Early 21<sup>st</sup> Century Lease," VCLT will review plans and building permits prior to giving written permission for construction. The VCLT encourages lessees to also provide the land trust with a copy of the preliminary HERS index and their durability plan.

## **L. Calendar of Responsibilities**

### **Things to do in January:**

#### **Lessees:**

- Lease fees due First of every month (must be paid up by June 30<sup>th</sup>)

#### **Board: Next Meeting**

- review committee reports & minutes from last meeting
- additional agenda items suggested by board & VCLT members

#### **Treasurer+:**

- File 1099 with IRS
- Set up late lease fee payment schedule with any lessee not current as of December 31<sup>st</sup> and invite lessee to next board meeting
- Close out the books for the previous year
- Create annual financial report for previous year
- Draft a budget for the year to be presented to board at the next meeting

#### **Committees:**

- All standing committees must meet at least twice per year
- Schedule a winter/spring committee meeting

#### **Membership Committee:**

- In the first two weeks of January, notify members that membership fees will be due by the spring semi-annual meeting

### **Things to do in February:**

#### **Lessees:**

- Lease fees due First of every month (must be paid up by June 30<sup>th</sup>)

#### **Board: Next Meeting**

- Review one section of the LTA standards and practices, discuss implementation
- Review draft budget presented by Treasurer
- review committee reports & minutes from last meeting
- review status of any late lease payments
- assign someone to write bi-annual comprehensive written report
- additional agenda items suggested by board & VCLT members

### **Things to do in March:**

#### **Lessees:**

- Lease fees due First of every month (must be paid up by June 30<sup>th</sup>)

#### **Board: Next Meeting**

- review committee reports, minutes from last meeting & comprehensive written report

## Calendar of Responsibilities

- choose date for spring semi-annual (between March 1<sup>st</sup> and June 30<sup>th</sup>)
- set record date (or the default will be the day before notice is sent about the semi-annual)
- additional agenda items suggested by board & VCLT members

### **Land Use Committee:**

- create schedule of which land management plans need to be reviewed and which leaseholds need to be visited this year

### **Lease Committee:**

- request current copy of lessee homeowner insurance policies

### **Membership Committee:**

- create a current list of VCLT members

### **Members:**

- *Possible spring semi-annual meeting – see to do list below\**

### **Things to do in April:**

#### **Lessees:**

- Lease fees due First of every month (must be paid up by June 30<sup>th</sup>)

#### **Board: Next Meeting**

- review committee reports & minutes from last meeting
- additional agenda items suggested by board & VCLT members

#### **Members:**

- *Possible spring semi-annual meeting – see to do list below\**

### **Things to do in May:**

#### **Lessees:**

- Lease fees due First of every month (must be paid up by June 30<sup>th</sup>)

#### **Board: Next Meeting**

- review committee reports, minutes from last meeting & comprehensive written report
- additional agenda items suggested by board & VCLT members

#### **Treasurer+:**

- file 990 with IRS

### **Land Use Committee:**

- create schedule of which land management plans need to be reviewed and which leaseholds need to be visited this year

### **Members:**

- *Possible spring semi-annual meeting – see to do list below\**

## Calendar of Responsibilities

### **Things to do in June:**

#### **Lessees:**

- Lease fees due First of every month (must be paid up by June 30<sup>th</sup>)

#### **Board: Next Meeting**

- review committee reports & minutes from last meeting
- additional agenda items suggested by board & VCLT members

#### **Treasurer+:**

- send invoice to lessees for any outstanding balances

#### **Members:**

- *Possible spring semi-annual meeting – see to do list below\**

### **Things to do in July:**

#### **Lessees:**

- Lease fees due First of every month (must be paid up by Dec 31st)

#### **Board: Next Meeting**

- review committee reports & minutes from last meeting
- additional agenda items suggested by board & VCLT members

#### **Treasurer+:**

- Set up late lease fee payment schedule with any lessee not current as of June 30<sup>th</sup> and invite the lessee to the next board meeting

### **Things to do in August:**

#### **Lessees:**

- Lease fees due First of every month (must be paid up by Dec 31st)

#### **Board: Next Meeting**

- review committee reports & minutes from last meeting
- review status of any late lease payments
- review membership fees
- additional agenda items suggested by board & VCLT members

### **Things to do in September:**

#### **Lessees:**

- Lease fees due First of every month (must be paid up by Dec 31st)
- Chapter 61A & 61B annual filings due

#### **Board: Next Meeting**

- review committee reports & minutes from last meeting
- assign someone to write bi-annual comprehensive written report
- choose date for fall semi-annual (between Sept. 1<sup>st</sup> and Dec 31<sup>st</sup>)



## Calendar of Responsibilities

- set record date (or the default will be the day before notice is sent about the semi-annual)
- additional agenda items suggested by board & VCLT members

**Membership Committee: Create up-to-date membership list by the record date**

**Members:**

- *Possible fall semi-annual meeting – see to do list below\*\**

### **Things to do in October:**

**Lessees:**

- Lease fees due First of every month (must be paid up by Dec 31st)

**Board: Next Meeting**

- review committee reports, minutes from last meeting & comprehensive written report
- additional agenda items suggested by board & VCLT members

**Members: *Possible fall semi-annual meeting – see to do list below\*\****

### **Things to do in November:**

**Lessees:**

- Lease fees due First of every month (must be paid up by Dec 31st)

**Committees: All standing committees must meet at least twice per year**

- schedule a fall/winter committee meeting

**Board: Next Meeting**

- review committee reports & minutes from last meeting
- additional agenda items suggested by board & VCLT members
- schedule accountant to review finances

**Clerk:**

- File Massachusetts corporate filing with Secretary of State **before Nov 15**

**Members:**

- *Possible fall semi-annual meeting – see to do list below\*\**

### **Things to do in December:**

**Lessees:**

- Lease fees due First of every month (must be paid up by Dec 31st)

**Board: Next Meeting**

- review committee reports & minutes from last meeting
- review policy & procedures manual
- approve a budget for next year
- additional agenda items suggested by board & VCLT members

## Calendar of Responsibilities

### **Treasurer+:**

- Send lessees invoice for any outstanding lease fees
- Request 1099-misc form from IRS if needed

### **Members:**

- *Possible fall semi-annual meeting – see to do list below\*\**

### **\*Spring Semi-Annual Meeting:**

#### **Clerk:**

- Send out written notice of semi-annual at least 15 days prior to meeting
  - include time, date & place of meeting
  - include comprehensive written report
  - include agenda for meeting

#### **All Members:**

- all members should pay dues before the end of the meeting if they would like to remain active for the current year (they get to vote at the meeting if they paid dues last year)
- confirm current committee membership, elect new members if needed

#### **Membership Committee:**

- within the first week after the semi-annual meeting, create a list of all “lapsed” non-lessee members and send them notice of their status

### **\*\* Fall Semi-Annual Meeting:**

#### **Clerk:**

- Send out written notice of semi-annual at least 15 days prior to meeting
  - include time, date & place of meeting
  - include comprehensive written report
  - include agenda for meeting

#### **All Members:**

- elect board members (staggered 3 year terms)
- confirm current committee membership, elect new members if needed

#### **Board:**

- elect officers at first board meeting after membership meeting (maximum 2 consecutive 1-year terms for chairperson)

## **Appendix I. Articles of Organization**

(Adopted December 3, 2006)

### **ARTICLE I**

The name of the corporation is:

Valley Community Land Trust Incorporated

### **ARTICLE II**

The purpose of the corporation is to engage in the following activities:

1. To acquire and hold title to land, not as private or public property, but in trusteeship; to hold such land in stewardship for present and future generations by keeping said land from the pressures of speculation.
2. To provide affordable access to land through long-term lease agreements.
3. To facilitate access to housing for low-income people and others who wish to further the purposes of the Corporation.
4. To encourage patterns of land management based on the responsible use of renewable and non-renewable resources and long-term productivity of the land.
5. To research land management and disseminate the results thereof and to educate the land trust community and the general public regarding access to low-cost housing, conservation of natural resources and responsible long-term stewardship of the land.
6. To support the creation of community based institutions and enterprises and to promote communication and cooperation among such institutions.
7. To work with democratic decision-making processes in the functions of this community land trust and to build a structure and sense of community that will endure through changes in the membership of the Corporation.

### **ARTICLE III**

A corporation may have one or more classes of members. If it does, the designation of such classes, the manner of election or appointments, the duration of membership and the qualification and rights, including voting rights, of the members of each class, may be set forth in the by-laws of the corporation or may be set forth below:

The classes of members, manner of becoming a member, duration of membership, and qualifications and rights including voting rights shall be set forth in the Corporation's by-laws.

**ARTICLE IV**

Other lawful provisions, if any, for the conduct and regulation of the business and affairs of the corporation, for its voluntary dissolution, or for limiting, defining, or regulating the powers of the corporation, or of its directors or members, or of any class of members, are as follows:

To further the purposes set forth in Article II above, the Corporation shall have the authority to exercise all the powers conferred upon corporations organized under Chapter 180 of the Massachusetts General Laws, Chapter 156B S9 excepting paragraph (M) and successors to Chapter 156 S9A, including but not limited to the power to accept donations of money and property, whether real or personal, or any interest therein, wherever situated, and the power to acquire, hold, and dispose of all real property, provided that only such powers shall be exercised or as limited herein.

This Corporation is not organized for profit and no part of the assets or income of the Corporation shall be distributable to or inure to the benefit of the members, directors, officers, or private persons of any kind, except that the Corporation shall be empowered to pay reasonable compensation for services rendered and to make payments in furtherance of the purposes set forth in Article II above.

The Corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 as amended or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as those sections may be amended from time to time. No substantial part of the activities of the Corporation shall consist of the carrying on of propaganda or otherwise attempting to influence legislation as a substantial part of its activities. The Corporation shall not discriminate against any person(s) on the basis of race, color, sex, religion, or national origin.

To ensure that the real property owned by the Corporation be removed from the marketplace and held in stewardship for future generations, no real property owned by the Corporation shall be sold, mortgaged, or otherwise used for security for any indebtedness except under extraordinary circumstances. The definition of extraordinary circumstances and the decision making process required to sell land shall be set forth in the by-laws of the Corporation.

These Articles shall only be repealed, amended or altered in any particular in accordance with the governing statute, which currently requires approval by two thirds of the membership.

In the event of the dissolution of the Corporation, the assets of the Corporation remaining after satisfying the obligation of the Corporation shall be distributed to a corporation that is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 as amended and contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended, provided that such corporation shall pledge to carry out the purposes of the Corporation as a condition to the acceptance of such assets.

## Appendix II. Bylaws

### BY-LAWS of the VALLEY COMMUNITY LAND TRUST

(Amended 12/3/2006)

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**ARTICLE I Name, Purposes, Location, Corporate Seal, Fiscal Year**

Name and Purposes. The name and purposes of the corporation (the “VCLT”) shall be as set forth in the Articles of Organization.

Location. The principal office of the VCLT in the Commonwealth of Massachusetts shall initially be located at the place set forth in the Articles of Organization. The Board of Directors (“Board”) may change the location of the principal office in the Commonwealth of Massachusetts effective upon filing a certificate or annual report with the Secretary of the Commonwealth.

Corporate Seal. The Board may adopt and alter the seal of the VCLT. The seal of the VCLT, if any, shall, subject to alteration by the members of the Board (each a “Board Member”), bear its name, the word "Massachusetts" and the year of its incorporation.

Fiscal Year. The fiscal year of the VCLT shall, unless otherwise decided by the Board, end on December 31 in each year.

**ARTICLE II Membership**

In all its dealings, the VCLT and/or its duly authorized agents shall encourage participation of individuals from a wide variety of lifestyles and backgrounds.

**II-(A) Membership Requirements**

1. Eligibility. Anyone who is eighteen years or older, if a natural person, and supports the concepts and principles of the VCLT and pays the annual membership fee may become a member (a “Member”).
2. Membership Fees. The annual membership fee shall be set and reviewed annually by the Board. If a person who wishes to become a member supports the concepts and principles of the VCLT but is unable to afford such fee, the fee may be reduced or waived on an annual basis, in writing, by the Membership Committee.

3. Fee Payment. Annual membership fees are due each year by the close of the Spring Semi-Annual Membership Meeting. Members who have not paid the annual fee and have not obtained a fee waiver from the Membership Committee by the close of the Spring Semi-Annual Membership Meeting shall thereafter be denied all powers and rights of Membership as specified in these Bylaws until they pay the fee or obtain a waiver.
4. Any lessee who is a signatory on a VCLT lease agreement is automatically a member and is not required to make an additional membership fee payment.

#### **II-(B) New Members**

5. New Members shall have a waiting and education period of sixty days before becoming eligible to vote or otherwise participate in decision-making regarding VCLT business.
6. New Members are encouraged to read background material regarding the history, philosophy, and operation of community land trusts, and to participate in a CLT study group.

#### **II-(C) Membership Powers and Rights**

After the initial sixty-day waiting and education period, members whose annual fee has been paid or a fee waiver obtained (“Eligible Members”) are entitled to participate in decision-making at Membership Meetings; make nominations for and vote in elections to the Board and Standing Committees; serve, if selected, as members of the Board and Standing Committees; and otherwise participate in decision-making regarding VCLT business. Eligible Members shall have such other powers and rights as are vested in them by law, the Articles of Organization, or these Bylaws, and as the Board may designate.

#### **II-(D) Member Liability**

Members of the VCLT shall not be personally liable for debts, liabilities, or obligations of the VCLT.

#### **II-(E) Member Tenure**

The tenure of each Member is indefinite until such Member fails for five (5) consecutive years to pay an annual fee or obtain a waiver, dies, ceases to exist (if not a natural person), resigns, is removed, or becomes disqualified.

Lapsed or resigned Members, if they wish to rejoin, shall be required to reapply as New Members with all the restrictions of New Members described in Article II-(B).

#### **II-(F) Member Resignation**

A member may resign by delivering his, her or its written resignation to the chairperson, Treasurer, or Clerk of the VCLT, at a Membership Meeting or Board Meeting, or to the VCLT at its principal office. Such resignation shall be effective upon receipt (unless specified to be effective at some other time), and acceptance thereof shall not be necessary to make it effective unless it so states.

### **ARTICLE III Membership Meetings**

Semi-Annual Membership Meetings and Special Membership Meetings, collectively referred to herein as “Membership Meetings,” are a forum for Eligible Members to share information, hear Board and Standing Committee reports, and discuss issues and make decisions related to the governance of the VCLT.

#### **III-(A) Semi-Annual Membership Meetings**

Two Semi-Annual Membership Meetings for the purpose of conducting VCLT business shall be held each year, one in the Fall and one in the Spring, at a specific date and time determined by the Board. The Fall Semi-Annual Membership Meeting shall be held between September 1 and December 31 and shall be designated as the “annual meeting” for legal purposes.. The Spring Semi-Annual Membership Meeting shall be held between March 1 and June 30.

#### **III-(B) Special Membership Meetings**

Special Membership Meetings may be called by the Board or the Chairperson and shall be called by any officer upon written request of at least ten percent of the Eligible Members or ten members, whichever is less.

### **III-(C) Notice and Minutes of Meetings**

Except as otherwise provided by law, a written notice of every Membership Meeting, stating the place, date, and hour thereof, shall be given by the Clerk, by an Assistant Clerk, or by the person calling the meeting, at least fifteen (15) days before a Semi-annual Membership Meeting and at least seven (7) days before a Special Membership Meeting to each Eligible Member, who by law, by the Articles of Organization, or by these Bylaws, is entitled to such notice, by telephone, telecopy or electronic mail or other equivalent electronic media, or by leaving such notice with such Member or at such Member's residence or last known usual place of business, or by mailing it postage prepaid and addressed to such Member at such Member's last known address as it appears upon VCLT records.

Any notice given hereunder shall state the place, date, and hour of the meeting, an agenda and list of nominees if known, but need not specify all the purposes of the meeting except that if an amendment to the VCLT's Articles of Organization or these Bylaws shall be a purpose of the meeting, or if the meeting is the first annual meeting next following the making, amending or repealing by the Board of the Policies and Procedures Manual, the same shall be so stated in the notice.

Except as provided by law, no notice need be given to any Member if a written waiver of notice, executed before or after the meeting by the Member or his, her, or its attorney thereunto duly authorized, is filed with the records of the meeting.

No notice of any adjourned meeting shall be required if (a) the time and place thereof are announced at the meeting at which the adjournment is taken, (b) the adjournment is for less than thirty (30) days, and (c) no new record date is fixed for the adjourned meeting.

Minutes will be taken at all Membership Meetings, and will be made accessible to all Eligible Members.

### **III-(D) Quorum**

Except as otherwise provided by law, by the Articles of Organization, or by these Bylaws, at any Membership Meeting, one fifth (1/5) of the Eligible Members shall constitute a quorum.

### **III-(E) Decision-making**

a) Except as otherwise provided in this Article III-(E), decisions at Membership Meetings will be by consensus. When consensus cannot be reached concerning a particular proposal (the "Proposal") at a Membership Meeting:

1. the Chairperson shall call for small groups of four or less Eligible Members to meet immediately and discuss the Proposal for a period not to exceed thirty minutes;

7. at the expiration of the thirty minute period, all Eligible Members shall reconvene to reconsider the Proposal. Consensus failing again on the Proposal;

8. a decision on the Proposal will be postponed until the next Membership Meeting at which a quorum is present. Consensus failing on the Proposal at such meeting

9. a decision on the Proposal shall be made by a two-thirds majority vote of Eligible Members in attendance at such meeting.

b) Notwithstanding Article III-(E)(a), decisions at Membership Meetings regarding the following actions shall not be made by consensus but shall require the percentage vote of Eligible Members specified in the referenced Article:

1. Election of Board and Standing Committee members (see Article III-(F)).

10. Removal of Members and Board Members (see Article III-(G)).

11. Sale or encumbrance of land (see Article VII-(A)).

12. Amending these By-Laws (see Article VIII).

c) Wherever action by vote is called for in these Bylaws:

There shall be an opportunity for Eligible Members to ask questions and present opinions prior to voting.



- 1) Each Eligible Member shall have one (1) vote.
- 2) Eligible Members may only vote in person. No voting by proxy shall be permitted. An Eligible Member who is not a natural person (e.g. corporate members) must appoint a representative, in writing to the Board, to cast its vote.
- 3) Eligible Members may participate in any vote by means of a telephone conference call or similar communications equipment through which all persons participating in the meeting can communicate with each other at the same time and participation by such means shall constitute presence in person at the meeting for quorum purposes.

When a quorum is present at any meeting, a majority of the votes properly cast by Eligible Members present in person, or duly represented in the case of Eligible Members that are not natural persons, shall decide any question, including election to any office, unless otherwise provided by law, the Articles of Organization, or these Bylaws.

### **III-(F) Elections**

Election of Board and Standing Committees members at a Membership Meeting shall be determined by majority vote of the Eligible Members present.

### **III-(G) Removal of Members and Board Members**

1. A Member or a Board Member (“Charged Party”) may be removed for good cause by the Eligible Members when such Charged Party is judged to have acted in a manner seriously detrimental to the VCLT as provided in this Article III-(G). Prior to the effective date of such removal, the following procedure shall be followed.
13. Written charges specifying the conduct considered to be detrimental must be signed by at least ten percent of the Eligible Members and submitted to the Chairperson (or, if the Chairperson is the Charged Party, to the Clerk).
14. Within five (5) days of receipt of such charges, the Chairperson (or Clerk) shall deliver or mail a copy by certified mail, return receipt requested, of the charges to the Charged Party.
15. A Special Committee consisting of three Eligible Members shall be created to consider the charges.
16. One member of such Committee shall be selected by the Board within five (5) days following the delivery or mailing of the charges to the Charged Party.
17. A second member may be selected by the Charged Party no later than five (5) days following the Board’s selection of the first member of the Committee. In the event that the Charged Party fails to select a second member within such five day period, the Board shall select a second member.
18. Within five (5) days following the selection of the second member of the Committee, the first and second members shall select a third member of the Committee. If the first and second members cannot agree upon a third member within such five-day period, the Board shall select a third member.
19. In the forgoing selection of the Special Committee members, whenever the Board selects a member, it shall make its decision without the participation of the Charged Party (if the Charged Party is a Board Member) and it shall make a good faith effort to select an Eligible Member who will consider the charges without bias.
20. The Special Committee shall hold a hearing, at which both the Charged Party, the Eligible Members who have filed charges, and others of the Committee’s choosing may present evidence. Following the hearing, the Committee shall prepare a written report of its findings and its recommendation for or against removal. The recommendation shall be based on a majority vote of such Committee if consensus cannot be reached. The report shall contain a statement of how each member of the Committee has voted. The report shall be completed and submitted to the Chairperson (or, if the Chairperson is the Charged Party, to the Clerk) no later than fifteen (15) days following the selection of the third member of the Committee.

21. If the Committee recommends removal of the Charged Party, within five (5) days following the Chairperson's receipt of the Committee's recommendation the Chairperson shall call a Special Membership Meeting to decide the question of removal. The date of such meeting shall be no later than fifteen (15) days following the Chairperson's receipt of the Committee's recommendation. The decision to remove a Charged Party shall require a vote of three quarters (3/4) of the Eligible Members in attendance at such Special Meeting.

22. If the Committee does not recommend removal of the Charged Party, all Eligible Members shall be so notified in a timely manner and the Committee's report shall be made available to all Eligible Members.

### **III-(H) Record Date**

For the purposes provided by law, the Board may fix in advance a record date for determining the Eligible Members of the VCLT, which record date, unless a shorter period is provided in the Articles of Organization, shall be not more than sixty (60) days prior to the event for which such determination is to be made. If such a record date is fixed by the Board, only Eligible Members of record on such record date shall have the right (except as otherwise provided in Article III-(C) of these Bylaws) to notice of and to participate in decision making (if and to the extent they have the right to participate) at the meeting (and any adjournment thereof) or the right to consent or dissent to any action, for which purpose such record date was fixed.

If no record date is fixed by the Board, the record date for determining Eligible Members having the right to notice of, or to vote at, a Membership Meeting shall be at the close of business on the day preceding the day on which notice is given. The record date for determining Eligible Members for any other purpose shall be at the close of business on the day on which the Board acts with respect thereto.

## **ARTICLE IV Board of Directors**

### **IV-(A) Powers and Duties**

It shall be the duty of the Board to carry out the purposes of the VCLT as set forth in the Articles of Organization and these Bylaws. The affairs of the VCLT shall be managed by the Board which shall have and may exercise all the powers of the VCLT, except those powers reserved to the Members by law, the Articles of Organization, or these Bylaws. The Board shall have all powers, rights, and obligations conferred by law upon a Board of a corporation organized under Massachusetts General Laws, Chapter 180.

Such powers and duties shall include but not be limited to the following:

- a) Corporation Staff. The Board shall have the power to hire and fire salaried staff to conduct the VCLT's business. All salaried staff members shall be responsible to the Board.
- b) Land Acquisition. The Board shall be responsible for finding and acquiring land, whether by purchase or donation.
- c) Financial Planning. The Board shall organize and oversee a financial plan for the VCLT as a whole and, for each separate parcel of land held by the VCLT.
- d) Policies and Procedures Manual. At least once a year, the Board shall review and, when necessary, update a Policies and Procedures Manual for officers, Board Members, Standing Committee Members and Eligible Members.

### **IV-(B) Number, Tenure and Composition**

The Board shall consist of such number as shall be fixed by the Board from time to time, except that such number may be otherwise fixed by the Eligible Members of the VCLT at any Semi-Annual Membership Meeting or Special Membership Meeting, but shall not in any event be less than one (1). Except as otherwise provided by law, by the Articles of Organization, or by these Bylaws, the Board shall be elected from the Eligible Members at the Fall Semi-Annual Membership Meeting in the manner prescribed by law, by the Articles of Organization, and by these Bylaws.

Except as otherwise provided by law, by the Articles of Organization, or by these Bylaws, and subject to a Board Member's earlier death, resignation, removal, or disqualification, a Board Member shall hold office for a term of three years and shall serve until the expiration of such term or the expiration of any term to which they are elected until a successor is elected and qualified at the Fall Semi-Annual Membership Meeting. To insure continuity, Board Member terms shall overlap so that no more than a third plus one of the terms end in any year.

It is in the interest of the VCLT that the Board include men, women, at least one representative of the wider public interest, lessees, and persons with various skills appropriate to the functioning of the Board.

#### **IV-(C) Board Meetings**

The Board shall hold a regular Board meeting (a "Board Meeting") at least six times a year at bi-monthly intervals.

An emergency Board meeting ("Emergency Board Meeting") may be called at any time upon the request of the Chairperson or by two other Board Members.

#### **IV-(D) Quorum**

Except as otherwise required by law, by the Articles of Organization, or by these Bylaws, at any meeting of the Board, a majority of the Board Members then in office shall constitute a quorum. Any meeting may be adjourned by a majority of the votes cast upon the question, whether or not a quorum is present, and such meeting may be held as adjourned without further notice.

#### **IV-(E) Decision-making**

All decisions of the Board shall be made by consensus. If consensus cannot be achieved:

1. the Board shall break into small groups to separate out issues and give all members a chance to speak. This method failing:
  23. the Board shall invite one or more outside facilitators to help with the process. This method failing:
  24. the Board shall put the issue aside for two weeks. This method failing:
  25. the Board shall refer the question to the Eligible Members at a Membership Meeting.

#### **IV-(F) Action By Vote**

Except as otherwise required by law, by the Articles of Organization, or by these Bylaws, when a quorum is present at any Board Meeting, a majority of the Board Members present and voting shall decide any question, including election of officers. Board Members or any committee members designated thereby may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can communicate with each other at the same time and participation by such means shall constitute presence in person at a meeting. Voting by proxy shall not be permitted at a meeting of the Board.

#### **IV-(G) Semi-Annual Reports**

The Board shall make at least two comprehensive written reports, one at each Semi-Annual Membership Meeting. Copies shall be circulated in advance to all Eligible Members.

#### **IV-(H) Open Board Meetings and Executive Session**

1. Open Meetings. All meetings of the Board shall be open to Eligible Members and others who are invited by the Board except when the Board decides, during an open meeting, to go into executive session. Non-Board Members must remain silent unless specifically requested to participate by the Chairperson, or until that time on the agenda at every meeting which shall be set aside for non-Board Members' comments.

2. Executive Session. A motion to go into executive session shall state the nature of the business of the executive session, and no other matter may be considered in the executive session. No binding action may be taken in executive session except actions regarding the securing of real estate purchase options or contracts in accordance with paragraph (b) below. Attendance in executive session shall be limited to the Board Members and any persons whose presence is requested by the Board. Minutes of an executive session need not be taken; however, if they are taken, they shall be recorded as a part of the minutes of the meeting in which the Board has decided to go into executive session. The Board shall not hold an executive session except to consider one or more of the following matters.

- a) Contracts, labor relations agreements with employees, arbitration, grievances, or litigation involving the VCLT when premature public knowledge would place the VCLT or person involved at a substantial disadvantage.
- b) Real estate purchase offers and the negotiating or securing of real estate purchase options or contracts.
- c) The appointment or evaluation of an employee, and any disciplinary or dismissal action against an employee (however, nothing in this section shall be construed to impair the right of the employee to a public hearing if action is taken to discipline or dismiss).
- d) The consideration of applications from persons seeking to lease land and/or housing, purchase housing, or arrange financing from the VCLT.
- e) Relationships between the VCLT and any party who might be harmed by public discussion of matters relating to the relationship.

3. Adjournments. Any Board Meeting may be adjourned to any other time and place as a majority of those Board Members present at such meeting and voting shall determine. No notice of any adjourned meeting shall be required if (a) the time and place thereof are announced at the meeting at which the adjournment is taken, and (b) the adjournment is for fewer than fifteen (15) days.

4. Notice. Notice of Board Meetings shall be given to each Eligible Member who submits a written request for such notice to any VCLT officer. Such notice shall state the place, date, and hour of the meeting and shall be given by the Clerk or an Assistant Clerk, at least fifteen (15) days before the meeting or, if the meeting is called less than fifteen (15) days before the meeting, within one (1) day of the meeting being called. Such notice may be given by telecopy or electronic mail or other equivalent electronic media, or by leaving such notice with such Member or at such Member's residence or last known usual place of business, or by mailing it postage prepaid and addressed to such Member at such Member's last known address as it appears upon VCLT records.

#### **IV-(I) Compensation**

Except as otherwise provided by law, the Articles of Organization, or these Bylaws, Board Members shall serve without monetary compensation, except for reasonable expenses incurred by the necessary performance of their duties, such as traveling expenses.

#### **IV-(J) Nominations to Fill Vacancies**

Prior to each Fall Semi-Annual Membership Meeting, in accordance with the notice requirements of Article III-(A), the Board may assemble an initial slate of nominees from among the Eligible Members to fill Board and Standing Committee vacancies.

#### **IV-(K) Vacancies Between Semi-Annual Membership Meetings**

If vacancies occur on the Board or Standing Committees (excluding the Nelson Fund Committee where members are appointed by the Board) between Semi-Annual Membership Meetings, the Board may appoint an Eligible Member or Eligible Members to fill said vacancies until the next Semi-Annual Membership Meeting where the Eligible Members shall either confirm or change the appointment, to complete the vacated term.

#### **IV-(L) Conflict of Interest**

A Board Member shall disclose at their earliest opportunity if they or any parent, spouse, child, partner, employer, or similar related business entity has a substantial interest in any property or business that would be substantially affected by any matter before the Board. Such Board Member(s) shall not participate in decision making in such matters but may participate in discussions prior to any decisions and shall be counted towards the quorum required for any decisions.

Notwithstanding the above, in matters that come before the Board in which all VCLT lessees have a substantial interest, Board members who are also VCLT lessees or whose parent, spouse, child, partner, employer, or similar related business entity is a VCLT lessee, once they have disclosed their individual interests in such matters, may participate in decision making in such matters to further the purposes of the VCLT to the best of their abilities, as long as such lessee Board members have no significant individual interest separate from other VCLT lessees.

#### **IV-(M) Resignation of Board Members**

Any Board Member may resign at any time by giving written notice to the Chairperson. Unless otherwise specified, such resignation shall be effective upon the receipt of notice by the Chairperson.

The Chairperson or Clerk may request the resignation of a Board Member who misses more than three regular Board Meetings in any twelve month period.

#### **ARTICLE V Committees**

##### **V-(A) General**

Nomination. The Board shall present at the Fall Semi-Annual Membership Meeting names from among the Eligible Members to fill all Standing Committee vacancies except for the Nelson Fund Committee. Nomination will also be open from the floor at Membership Meetings.

Terms. Standing Committee members will serve three years. No person shall serve more than two consecutive terms on any one Standing Committee.

Minimum Membership and Quorum. All Standing Committees will have at least three Eligible Members and three Eligible Members shall constitute a quorum for committee meetings.

Ad Hoc Committees. Ad hoc committees may be established through appointment by the Board.

Meeting Frequency. Standing Committees shall determine the frequency of their meetings, but shall meet at least once every six months.

Calling Meetings. Meetings of Standing Committees may be called by the Committee chairperson or by any two other members of the Committee upon notification to the remaining members at least two days in advance of the meeting.

Open Meetings. Standing Committee meetings shall be open to all Members but decision making shall be reserved for Committee members.

Notice. Notice of Standing Committee Meetings shall be given to each Eligible Member who submits a written request for such notice to any member of the committee. Such notice shall state the place, date, and hour of the meeting and shall be given by a committee member, at least fifteen (15) days before the meeting or, if the meeting is called less than fifteen (15) days before the meeting, within one (1) day of the meeting being called. Such notice may be given by telecopy or electronic mail or other equivalent electronic media, or by leaving such notice with such member or at such member's residence or last known usual place of business, or by mailing it postage prepaid and addressed to such member at such member's last known address as it appears upon VCLT records.

Board Review of Decisions. All Standing Committee decisions shall be regularly reviewed and may be modified by the Board.

Minutes. Each Standing Committee will keep minutes of meetings which will be available to the Board and to Members. Committees shall provide copies of such minutes to the Board in a timely manner

Committee Policies. Each Standing Committee shall determine its own policy guidelines for conducting its affairs, provided that they are in writing and in adherence with the purposes and philosophy of the VCLT and these By-Laws. Committees shall provide up-to-date copies of these policy guidelines to the Board in a timely manner.

Number. There shall be five Standing Committees. These are: a) Membership, b) Land Use, c) Lease, d) Nelson Fund, and e) Housing.

Additional Standing Committees . Additional Standing Committees may be formed by the initiative or approval of the Eligible Members at any Membership Meeting.

Conflict of Interest. A member of a Standing Committee shall disclose at their earliest opportunity if they or any parent, spouse, child, partner, employer, or similar related business entity has a substantial interest in any property or business that would be substantially affected by any matter before the Standing Committee. Such member(s) shall not participate in decision making in such matters but may participate in discussions prior to any decisions and shall be counted towards the quorum required for any decisions.

Notwithstanding the above, in matters that come before the Standing Committee in which all VCLT lessees have a substantial interest, Standing Committee members who are also VCLT lessees or whose parent, spouse, child, partner, employer, or similar related business entity is a VCLT lessee, once they have disclosed their individual interests in such matters, may participate in decision making in such matters to further the purposes of the VCLT to the best of their abilities, as long as such lessee Standing Committee members have no significant individual interest separate from other VCLT lessees.

#### **V-(B) Membership Committee**

Membership Committee purposes and functions include:

1. New Members. To find and introduce New Members to the VCLT, performing the public relations aspects of the VCLT, and implementing Article II, Section A, paragraph 2.
26. Mediation. To act as a mediator, upon request, in an attempt to reconcile disputes and grievances of any Members.
27. Determining Eligible Members. To produce a list of the Eligible Members as of the record date prior to each Membership Meeting.
28. Recordkeeping. To maintain records of membership fee payments and to notify Members whose payments are due.
29. Fee Reductions and Waivers. To process requests for membership fee reductions and waivers and to keep written records of such actions to ensure that the list of Eligible Members includes those whose fees have been reduced or waived.

#### **V-(C) Land Use Committee**

Land Use Committee purposes and functions shall include:

1. Advising. To serve in an advisory role to the VCLT and its lessees regarding land use issues.
30. Land Acquisition. To make recommendations on desirability and appropriate use of potential land acquisitions.
31. Land Use Plans. To work with potential lessees on land use plans for potential and newly acquired lands.
32. Lease Language. To work in consultation with the Lease Committee on land use sections of lease agreements.
33. House Siting. To consult with the Housing Committee on land use plans as pertains to siting of houses and associated improvements.
34. Lessee Compliance. To monitor whether lessees' use of the land is in compliance with the lease agreement.
35. Property Boundaries. To maintain knowledge of leasehold and VCLT property boundaries.

#### **V-(D) Lease Committee**

Lease Committee purposes and functions shall include:

1. Lease Language. To negotiate and draft leases, subject to the approval of the Board and in conformance with the purposes of the VCLT.
36. Lessee Compliance. To monitor, in cooperation with the Land Use Committee, lessee compliance with the lease agreements and deal with all lease-related matters.
37. Lease Termination and Reassignment. To carry out all necessary procedures in connection with the Board-approved termination of leases or reassignment of leases to new member/lessees.

#### **V-(E) Nelson Fund Committee**

The Nelson Fund Committee shall be appointed by the Board and include at least one Board Member and other persons, who need not be Members VCLT, who shall be selected on the basis of their financial, legal, fund-raising, or community-related skills.

The Nelson Fund Committee shall elect from among its members a bookkeeper who shall keep accurate records of the financial transactions of the Nelson Fund.

The purpose of the Nelson Fund is to hold assets to be used for (a) new land purchases and (b) the purchase of a lessee's buildings and improvements upon the exercise of the VCLT's repurchase option under the terms of a lease.

The Committee's purposes and functions shall include:

1. Soliciting Funds. To solicit donations and no- or low-interest loans for use by the VCLT.
38. Loan Terms. To advise the Board as to the terms of loans to VCLT, including principal amount borrowed, term of the loan, interest rate accruing on outstanding principal, if required, and guaranty provisions, if required.
39. Asset Use and Reserves. To advise the Board on the use of Nelson Fund assets and on reserving general funds for loan repayment.
40. Policy Recommendations. To recommend to the Board any other policies required to manage the Nelson Fund and its assets.

#### **V-(F) Housing Committee**

Housing Committee purposes and functions shall include:

1. Lease Language. To work in consultation with the Lease Committee on sections of lease agreements concerning housing, construction, and resale value for improvements, and to ensure lease agreements reflect the VCLT's concerns for affordability of homes and buildings.
41. Lessee Compliance. To maintain and facilitate lessee compliance with lease terms that govern improvements.
42. Resale Values. To negotiate all proposed resale values for housing, with consideration given to inflation, improvements, and depreciation.
43. Networking. To engage in active dialogue and cooperation with other housing-oriented groups and organizations to facilitate and initiate local housing development.

#### **ARTICLE VI - Officers**

1. Number and Qualification. The officers of the VCLT shall be a chairperson (the "Chairperson"), treasurer (the "Treasurer"), clerk (the "Clerk"), and such other officers, if any, as the Board may determine, who shall have such duties, powers, and functions as hereinafter provided or as the Board shall determine. Officers shall be elected from the Board. The Clerk shall be a resident of Massachusetts unless the VCLT has a resident agent duly appointed for the purpose of service of process. A person may hold more than one office at the same time.

2. Election. Except as provided in Article IV(I), the Chairperson, the Treasurer, and the Clerk shall be elected annually by the Board immediately following the Fall Semi-Annual Membership Meeting. Other officers, if any, may be elected by the Board at any time.

3. Tenure. Except as otherwise provided by law, by the Articles of Organization, or by these Bylaws, the Chairperson, the Treasurer, the Clerk, and each other officer of the VCLT shall each hold office until the first Board Meeting following the Fall Semi-Annual Membership Meeting and until such officer's successor is chosen and qualified, unless a shorter period shall have been specified by the terms of such officer's election or appointment, or in each case until such officer sooner dies, resigns, is removed, or becomes disqualified. No person shall serve as chairperson for more than two consecutive years.

4. Chairperson. The Chairperson shall preside at every Board Meeting or Emergency Board Meeting, or in the absence of the Chairperson, a substitute chosen by the majority of Board Members present, shall preside; and the Clerk, or in the absence of the Clerk, a person chosen by the Chairperson, shall take minutes of the meeting and assure their availability to the Members. The Chairperson shall have all the duties of a president under Massachusetts General Laws. The Chairperson shall be the chief executive officer of the VCLT and, subject to the direction of the Board, shall have general charge and supervision of the affairs of the VCLT, shall see that orders and resolutions of the Board are carried into effect, and shall make all decisions and perform all acts necessary to the conduct of the VCLT between Board Meetings. The Chairperson shall preside at all Membership Meetings and at all Board Meetings, except as the Members or Board Members otherwise determine.

5. Treasurer. The Treasurer shall be the chief financial officer and the chief accounting officer of the VCLT. The Treasurer, subject to the direction of the Board, shall be in charge of general financial affairs, funds, securities, and valuable papers of the VCLT and shall keep full and accurate records thereof, shall be in charge of the VCLT's books of account and accounting records, and of the VCLT's accounting procedures. The Treasurer shall also have such other duties and powers as designated by the Board.

6. Clerk. The Clerk shall record and maintain records of all proceedings of the Eligible Members and Board Members in a book or series of books kept for that purpose, which book or books shall be available at all reasonable times to the inspection of any Eligible Member or Board Member for any proper purposes, but not to secure a list of Eligible Members or other information for the purpose of selling lists or informational copies thereof or of using the same for a purpose other than in the interest of the applicant, as an Eligible Member or Board Member, relative to the affairs of the VCLT. Such book or books shall also contain

- a) records of all meetings of the incorporators,
- b) copies of the Articles of Organization and Bylaws, and
- c) the names and addresses of all members and Board Members.

If the Clerk is absent from any meeting of Eligible Members or Board Members, a temporary Clerk chosen at the meeting shall exercise the duties of the Clerk at the meeting.

7. Other Officers. The Board may elect other officers, in addition to those named hereinabove, including, without limitation, one or more Vice Chairs, Assistant Treasurers, or Assistant Clerks. Such officers shall have such duties and powers as shall be designated from time to time by the Board and they shall be responsible to and shall report to the Chairperson or to such other officer as the Chairperson or the Board shall designate. In addition, unless otherwise determined by the Board or the Chairperson, all Vice Chairs, Assistant Treasurers, and Assistant Clerks shall have the duties and powers hereinabove set forth and granted to the Chairperson, Treasurer, and Clerk, respectively.

8. Additional Powers and Duties. Each officer shall, subject to these Bylaws and to any applicable provisions of law and the Articles of Organization, have, in addition to the duties specifically set forth in these Bylaws, such duties and powers as are customarily incident to such officer's office and such additional duties and powers as the Board may from time to time designate.

9. Removal. An officer may be removed with or without cause by vote of a majority of Board Members then in office at any Membership Meeting. An officer may be removed with cause only after reasonable notice and opportunity to be heard.

10. Resignation. An officer may resign by delivering such officer's written resignation to the Chairperson, Treasurer, or Clerk of the VCLT, to a Membership or Board Meeting, or to the VCLT at its principal office. Such resignation shall be effective upon receipt (unless specified to be effective at some other time), and acceptance thereof shall not be necessary to make it effective unless it so states.

11. Vacancies. Notwithstanding the provisions of Article IV-(H) 2 above, if the office of any officer becomes vacant, the Board may elect a successor at any Board Meeting. Each such successor shall hold office for the unexpired term, and, in the case of the Chairperson, Treasurer, and Clerk, until such officer's successor is elected and qualified, or in each case until such officer sooner dies, resigns, is removed, or becomes disqualified.



12. Compensation. Officers shall serve without monetary compensation, except for reasonable expenses incurred by the necessary performance of their duties, such as traveling expenses. Officers shall not be precluded from serving the VCLT in any other capacity and receiving reasonable compensation for any such services in such amounts as the Board may from time to time determine.

## **ARTICLE VII Sale or Encumbrance of Land**

Although the sale or encumbrance of land entrusted to the VCLT does not conform to the VCLT's main purposes, in extraordinary circumstances land may be sold or encumbered in the following manner:

### **VII-(A) Extraordinary Circumstances**

If under extraordinary circumstances the Board decides to

- 1) sell land to meet a crisis following objectionable changes and extreme nuisance on bordering parcels, or
- 2) sell or encumber land for the economic survival of the VCLT, the Board shall provide fifteen (15) days notice of such sale or encumbrance to all Eligible Members. The Board may authorize sale or encumbrance of land only with
  - a) unanimous written consent of the Board Members,
  - b) unanimous written consent of the lessee(s) of the particular tract of land involved and
  - c) unanimous written consent of the Eligible Members or by a vote of approval by three-quarters of the full membership.

### **VII-(B) Replacement**

All efforts shall be made to replace land being sold by the purchase of land at least equivalent in terms of the number of leaseholds within a year from the date of such sale, with the long-range view of conserving the total number of leaseholds of the VCLT and even increasing the number of number of leaseholds and acres under its stewardship. Funds acquired through the sale of land shall be used only for land purchases and leasehold development.

## **ARTICLE VIII Amendments**

These By-Laws shall only be repealed, amended or altered in accordance with Chapter 180 of the Massachusetts General Laws as amended, and upon unanimous consent of the Board and the affirmative vote (simple majority) of the full membership, provided that the substance of any such amendment is stated in the notice of the meeting of members.

## **ARTICLE IX Execution of Papers**

### **IX-(A) Financial Authority.**

No officer, agent or employee of the VCLT shall have any power to borrow money on its behalf, to pledge its credit, or mortgage or pledge its real or personal property, except with the scope and to the extent of the authority delegated by resolution of the Board.

### **IX-(B) Disbursements**

Except as provided by law or in the Articles of Organization or as the Board may generally or in particular cases authorize the execution thereof in some other manner, all deeds, leases, transfers, contracts, bonds, notes, releases, checks, drafts, disbursements and other documents or instruments to be executed on behalf of the VCLT may be signed by the Chairperson, the Treasurer or by appropriate persons designated by the Board. Disbursements without prior board approval in excess of one hundred dollars (\$100) shall require the signature of two persons so empowered.

## **ARTICLE X Personal Liability**

It is intended that the incorporators, Members, Board Members, and officers of the VCLT shall not be personally liable for any debt, liability, or obligation of the VCLT and that all persons, corporations, or other entities extending credit to, contracting with, or having any claim against, the VCLT, may look only to the funds and property of the VCLT for the payment of any such contract or claim, or for the payment of any debt, damages, judgment, or decree, or of any money that may otherwise become due or payable to them from the VCLT. Nothing contained in these Bylaws shall amend, alter, or impair any provision contained in the Articles of Organization relating to limitations of liability of Board Members or officers of the VCLT to the VCLT or to its Members.

## **ARTICLE XI Indemnification and Insurance**

Any person (and the heirs, executors and administrators of such person) made or threatened to be made a party to any action, suit or proceeding by reason of the fact that he or she is or was a Board Member or officer of the VCLT shall be indemnified by the VCLT against any and all liability and the reasonable expenses, including attorneys' fees and disbursements, incurred by him or her (or his or her heirs, executors, or administrators) in connection with the defense or settlement of such action, suit, or proceeding, or in connection with any appearance therein, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Board Member or Officer is liable for negligence or misconduct in the performance of his or her duties.

The VCLT shall have power to purchase and maintain insurance on behalf of any person who shall be, or who shall at any time have been, a Board Member, officer, employee, or other agent of the VCLT, or who, at the request of the VCLT shall serve, or who shall at any time have served, as an incorporator, Board Member, trustee, officer, employee, agent, or member of another corporation, trust, association, firm or other organization, or as a plan official, against any liability incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the VCLT would have the power to indemnify him or her against such liability.

## **ARTICLE XII Provisions of Law**

These Bylaws shall be subject to such provisions of the statutory and common law of the Commonwealth of Massachusetts as may be applicable to corporations organized under Chapter 180 of the General Laws of the Commonwealth of Massachusetts. References herein to provisions of law shall be deemed to be references to the aforesaid provisions of law. All references in these Bylaws to such provisions of law shall be construed to refer to such provisions as from time to time amended.

## **ARTICLE XIII Articles of Organization**

These Bylaws shall be subject to the Articles of Organization of the VCLT. All references in these Bylaws to the Articles of Organization shall be construed to mean the Articles of Organization of the VCLT as from time to time amended or restated.

## **ARTICLE XIV Miscellaneous**

### **XIV-(A) Transaction with the VCLT**

No contract or transaction between the VCLT and one or more of its Board Members, officers, or Members, or between the VCLT and any other corporation, partnership, association, trust, or other organization in which one or more of its Board Members, officers, or members are Board Members, officers, stockholders, trustees, or members, or have a financial interest, shall be void or voidable solely for this reason, or solely because the Board Member, officer, or Member is present at or participates in the meeting of the Board or committee thereof which authorizes the contract or transaction, or solely because his or her votes are counted for such purposes, if:

The material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the Board or the committee, and the Board or committee in good faith authorizes the contract or transaction by the affirmative vote of a majority of a disinterested Board Members, even though the disinterested Board Members be less than a quorum; or

The material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the Eligible Members entitled to vote thereon or the contract or transaction is specifically approved in good faith by vote of the Eligible Members; or

The contract or transaction is fair as to the VCLT as of the time it is authorized, approved or ratified by the Board, or a committee thereof or the Members.

#### **XIV-(B) Ratification**

Any transaction questioned on the ground of lack of authority, defective or irregular execution, adverse interest of a Board Member, officer, or Member, non-disclosure, miscomputation, or the application of improper principles or practices of accounting, or on any other grounds, may be ratified before or after judgment by the Board or by the members entitled to vote; and, if so ratified, shall have the same force and effect as if the questioned transaction had been originally duly authorized, and such ratification shall be binding upon the VCLT and shall constitute a bar to any claim or execution of any judgment in respect of such questioned transaction.

#### **XIV-(C) Reliance on Records**

In performing his or her duties, a Board Member, officer, or incorporator of the VCLT shall be entitled to rely on information, opinions, reports, or records, including financial statements, books of account, and other financial records, in each case presented by or prepared by or under the supervision of (1) one or more officers or employees of the VCLT whom the Board Member, officer or incorporator reasonably believes to be reliable and competent in the matters presented, (2) counsel, public accountants, or other persons as to matters which the Board Member, officer, or incorporator reasonably believes to be within such person's professional or expert competence, or (3) in the case of a Board Member, a duly constituted committee of the Board upon which he or she has not served, as to matters within its delegated authority, which committee the Board Member reasonably believes to merit confidence, but he or she shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause such reliance to be unwarranted. The fact that a Board Member, officer, or incorporator so performed his or her duties shall be a complete defense to any claim asserted against him or her under any provision of law or otherwise, except as expressly provided by statute, by reason of his or her being or having been a Board Member, officer, or incorporator of the VCLT.

#### **XIV-(D) Corporate Records**

The original or attested copies of the Articles of Organization, these Bylaws and records of all meetings maintained by the Clerk of the VCLT, shall be kept in Massachusetts at the principal office of the VCLT or at the office of the Clerk or the resident agent of the VCLT or other location approved by the Board. Such copies and records need not all be kept in the same office.

## Appendix III. Consensus Tools<sup>4</sup>

### A. Reaching Consensus

First, review the meaning of consensus and the process of achieving consensus. Then agree on a targeted time period to reach consensus.

1. Identify Areas of Agreement
2. Clearly State Differences
  - State positions and perspectives as neutrally as possible.
  - Do not associate positions with people. The differences are between alternative valid solutions or ideas, not between people.
  - Summarize concerns and list them.
3. Fully Explore Differences
  - Explore each perspective and clarify.
  - Involve everyone in the discussion - avoid a one-on-one debate.
  - Look for the "third way": make suggestions or modifications, or create a new solution.
4. Reach Closure
5. Articulate the Decision.
  - Ask people if they feel they have had the opportunity to fully express their opinions.

- Obtain a sense of the group. (Possible approaches include "go rounds" and "straw polls," or the Consensus Indicator tool. When using the Consensus Indicator, if people respond with two or less, then repeat steps one through three until you can take another poll.)
- At this point, poll each person, asking, "Do you agree with and will you support this decision?"

#### Tips for consensus building

##### *Do's*

- Try to get underlying assumptions regarding the situation out into the open where they can be discussed.
- Listen and pay attention to what others have to say. This is the most distinguishing characteristic of successful teams.
- Encourage others, particularly the quieter ones, to offer their ideas. Remember, the team needs all the information it can get.
- Take the time needed to reach the point where everyone can agree to support the group's decision.

##### *Don'ts*

- Do not vote. Voting will split the team into "winners and losers" and encourage "either-or" thinking when there may be other ways. Voting will foster argument rather than rational discussion and consequently harm the team process.

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<sup>4</sup> Thanks to the Ball Foundation, see <http://www.ballfoundation.org/>

### Appendix III. Consensus Tools

- Do not make agreements too quickly or compromise too early in the process. Easy agreements are often based on erroneous assumptions that need to be challenged.
- Do not compete internally; either the team wins or no one wins.

## Appendix III. Consensus Tools

### **B. Consensus Indicator**

Ask individuals to react to the proposal by raising the number of fingers that correspond to their position:

**FIVE:** I'm all for the idea. I can be a leader.

**FOUR:** I'm for the idea. I can provide support.

**THREE:** I'm not sure but I am willing to trust the group's opinion and will not sabotage its efforts.

**TWO:** I'm not sure. I need more discussion.

**ONE:** I can't support it at this time. I need more information.

**ZERO (FIST):** No. I need an alternative I can support.

## **Appendix IV. Common Document Templates**

This appendix contains templates for documents used in the normal operation of the organization.

### **A. Membership Fee Notice**

### **B. Membership Fee Waiver**

### **C. Late Lease Fee Payment Schedule**

### **D. Lease Fee Waiver**

### **E. Board Member Agreement**

### **F. New Lease Fee Checklist**

## Appendix IV. Common Document Templates

### New Lease Checklist

<b>Lessee Name:</b>
<b>Leasehold Address:</b>

- Step 1 – Lessee & Land Trust agree to sign new lease
  - Get most up to date copy of the lease
    - Available to VCLT members at [vclt.org](http://vclt.org)
  
- Step 2 – New Leasehold:
  - Get VCLT approval for permitted mortgage (if applicable)
  - Define leasehold area – write premises description for Exhibit PREMISES and Exhibit LMP
  
- Step 3 - The VCLT board needs to calculate the ground lease fee
  - Fill in ground lease fee in Article 5
  
- Step 4 - Gather Information for and create attachments
  - Exhibit PREMISES -
    - Get description from previous lease, deed or a board approved description if this is a new leasehold
  - Exhibit FIRST REFUSAL -
    - This is the same for every lease, and is already attached – make sure it stays attached.
  - Exhibit PERMITTED MORTGAGES -
    - Only if lessee is requesting that a mortgage be permitted. Will need prior VCLT approval
  - Exhibit ADJUSTER'S STATEMENT -
    - This empty form is the same for every lease, and is already attached – make sure it stays attached .
  - Exhibit APPRAISER'S STATEMENT -
    - This empty form is the same for every lease, and is already attached – make sure it stays attached .
  - Exhibit DEED -
    - Deed for lessee's improvements
  - Exhibit RESTRICTIONS -
    - Only applicable if additional use-restrictions are added to the lease
  - Exhibit LETTERS OF STIPULATION AND ACKNOWLEDGMENT -



## Appendix IV. Common Document Templates

- See step 5

Step 5 - Legal Review with lessee and their lawyer. Two original signed copies should be executed and included with the lease document of:

- Letter of Stipulation (signed by lessee after legal review) -
- Letter of Acknowledgement (signed by lessee's lawyer after legal review) -

Step 6 – Closing

- Fill in dates in the preamble and Article 3
- Fill in names in preamble
- Fill in addresses in section 14.2 Notices
- Fill in names in section 14.3 No Brokerage or write n/a
- Ensure all attachments/exhibits are included
  - Exhibit PREMISES
  - Exhibit FIRST REFUSAL
  - Exhibit PERMITTED MORTGAGES [optional]
  - Exhibit ADJUSTER'S STATEMENT
  - Exhibit APPRAISER'S STATEMENT
  - Exhibit DEED
  - Exhibit RESTRICTIONS
  - Exhibit LETTER OF STIPULATION
  - Exhibit LETTER OF ACKNOWLEDGMENT
- Lessee presents VCLT with proof of insurance naming VCLT as co-insured
- Execute two copies of the lease

Step 7 – Recording

- Record copy with registry of deeds
- VCLT original should be stored in VCLT safe deposit box
- Copy in leasehold binder

Step 8 - Land Management Planning

- A land management plan should be created as soon as possible after the signing of the new lease (or before if possible) This plan shall include:
  - a drawn-to-scale map of the leasehold identifying

## Appendix IV. Common Document Templates

- general land use for unimproved areas and
  - showing current land features (including topology, vegetation, wetlands and other fragile or important natural features),
  - current and planned building locations,
  - vehicle accesses,
  - well or water system and pipelines,
  - septic installations,
  - drainage systems,
  - and major plantings.
- The plan shall divide the leasehold into Land Use Areas including:
    - a house lot as required for town zoning purposes,
    - cleared land for agricultural uses,
    - wetlands,
    - wood-lots,
    - and any other major uses.

Notes:
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