

Land Trust Merger Fund Guidelines

Maine Coast Heritage Trust (MCHT) has established a fund to assist land trusts seeking stronger organizational health and effectiveness through advanced collaboration, structural realignment, or merger with other organizations. Maximum grant size is \$10,000.

Purpose. Organizations can collaborate to operate more effectively in many ways, up to and including merger. This grant assists organizations determining if a higher level of collaboration is in their best interest, including nuts and bolts costs for organizations pursuing a merger. These needs may include, but are not limited to:

- Consultant/facilitator time to guide discussions within and between organizations.
- Legal costs associated with all aspects of establishing a formal relationship.
- Due diligence costs associated with the transfer of assets, including fee lands and conservation easements, (e.g., title work and insurance, hazardous waste inspections).
- Stewardship costs such as the creation of baseline data, boundary work, management plans and other costs associated with bringing preserves up to the standards of the new/remaining organization.
- Initial marketing costs that result from a merger (e.g., new logo, website changes, signage).

The MCHT Land Trust Merger Fund provides support for these and other needs. Because every situation is unique, interested groups are encouraged to contact Warren Whitney (whitney@mcht.org, 207-729-7366) before submitting a proposal.

Grant Types. This fund support two types of grants:

- 1) *Feasibility Grants.* Organizations that are exploring advanced collaboration may need a consultant/facilitator to bring them together and determine if and how they can achieve greater effectiveness through a new relationship or structure.
- 2) *Merger Implementation Grants.* Organizations that have committed to merging, and need funds to implement some component/s of the merger process.

Eligibility Requirements:

- Applicants must be a nonprofit organization in good standing with the IRS.
- At least one of the organizations must be a current member of the Maine Land Trust Network.

Submission Requirements for Feasibility Grants:

- Cover letter, signed by the Board Chairs of both/all organizations, providing the background and circumstances behind their interest in pursuing this grant.
- Maine Secretary of State Certificate of Good Standing for each organization.
- IRS determination letter for each organization involved.
- Narrative (one page maximum)
 - Description of the proposed feasibility study.
 - Description of the decision process (if these are known at this point) that will be used to determine if the organizations should move beyond a feasibility study.
 - Amount requested from MCHT Merger Fund and proposed use of these funds.

Submission Requirements for Merger Implementation Grants:

- Cover letter, signed by the Board Chairs of both/all organizations, which provides the background behind the proposed merger and needs for these funds.
- Maine Secretary of State Certificate of Good Standing for each organization
- IRS determination letter for each organization involved with the merger.
- Clerk certified copy of the minutes of the Board meeting, of each organization, where a vote to pursue the merger was taken.
- Merger timeline with major milestones, (e.g., consultant hired, property holdings reviewed, etc.)
- Merger Budget, including proposed use of MCHT Land Trust Merger funds. This can include initial expenses (e.g. consultants or others hired to assist with the merger, due diligence costs) and long term expenses (e.g., appropriate stewardship and legal defense funds)
- Narrative that provides the following information, (two pages maximum):
 1. Description of the proposed merger. How many organizations are involved? Is this a merger of organizations that will result in a “new” organization, is one organization assuming the assets, liabilities and responsibilities of another organization, or some other arrangement?
 2. What are the financial implications, including current operating and long term stewardship costs, for the merger? Where are there financial shortcomings, and how will those shortcomings be addressed?
 3. What impact will the merger have on staffing, if either/any of the organizations are staffed?
 4. How will Board members of the merging organizations be combined, if at all?
 5. How are the fee/easement holdings, and any associated stewardship funds to be redistributed through this merger?*

6. How are fee/easement holdings being reviewed to identify legal, stewardship and other risks?*
7. Amount requested from MCHT Merger Fund and proposed use of these funds.

*Organizations included in this proposal are not required to be accredited through the Land Trust Accreditation Commission. If any of the organizations, however, are accredited or plan to apply for accreditation, they should review the LTAC documents found [here](#) and [here](#) to understand the LTAC's requirements.

Applications should be submitted to:

Warren Whitney
Land Trust Program Director
Maine Coast Heritage Trust
1 Bowdoin Mill Island, Suite 201
Topsham, ME 04086,

or

wwhitney@mcht.org

Applications will be accepted and awards made on a rolling basis.