

CLIENT'S COPY

EVE ROSE BORENSTEIN
ATTORNEY AT LAW
3957 Drew Avenue South
Minneapolis, MN 55410

(612) 822-2677

January 13, 1992

Internal Revenue Service
EP/EO Division
230 S. Dearborn DPN 20-5
Chicago, IL 60604

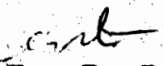
Re: Taxpayer, Washington County Land Trust
E.I.N. applied for

To Whom It May Concern:

Enclosed for your consideration are Forms 8178, 1023, 872-C (in duplicate), and SS-4 (User Fee, Application for Recognition of Exemption under section 501(c)(3), the required Consent to Assessment, and a Request to Issue E.I.N.) for the above-captioned organization. Also enclosed, as supplementary to this application for exemption, is a properly executed Form 2848, Power of Attorney and Declaration of Representative, appointing the undersigned as representative for taxpayer in all matters relating to the exemption application and supporting materials.

I do respectfully request that your offices assign a case number and file folder number to the enclosed application as quickly as possible in order to begin the 100 days to process. Thereafter, I ask for expedited treatment to speed the expected receipt of a determination letter. Same is needed to effectuate the release of grant monies which have been approved but for the contingency of taxpayer supplying proof of 501(c)(3) nonprivate foundation status. Thus, your prompt response to taxpayer's application is necessary in order for taxpayer to continue with its planned 1992 activities. As I personally, as a tax practitioner, have several Form 1023 determination requests currently in process with your office, I assure you that this request for expedited treatment is only made due to the existence of exigent circumstances which warrant same.

Should you have any questions on the materials, please contact the undersigned immediately. Thanking you in advance for your assistance in this matter, I am


Eve R. Borenstein
encls: per text above

Power of Attorney and Declaration of Representative

▶ For Paperwork Reduction and Privacy Act Notice, see the instructions.

Part I Power of Attorney

1 Taxpayer Information

Taxpayer name(s) and address (Please type or print.) WASHINGTON COUNTY LAND TRUST 14758 OSTLUND TRAIL NO. MARINE ON ST. CROIX, MN 55047	Social security number(s) N/A	Employer identification number APPLIED FOR Plan number (if applicable)
		Daytime telephone number ()

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

2 Representative(s) (Please type or print.)

Name and address Eve Borenstein Attorney At Law 3957 Drew Avenue So. Minneapolis, MN 55410	CAF No. 4005-30715R Telephone No. (612) 822-2677 Fax No. (612) 922-4426 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/>
Name and address	CAF No. _____ Telephone No. () _____ Fax No. () _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/>
Name and address	CAF No. _____ Telephone No. () _____ Fax No. () _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/>

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters:

3 Tax Matters

Type of Tax (Income, Employment, Excise, etc.)	Tax Form Number (1040, 941, 720, etc.)	Year(s) or Period(s)
INCOME TAX EXEMPTION DETERMINATION	1023	N/A
INCOME TAX	990/990-T/990 PF/1120	1991-1995

4 Specific Use Not Recorded on Centralized Authorization File (CAF).—If the power of attorney is for a specific use not recorded on CAF, please check this box. (See the instructions for *Specific Use Not Recorded on CAF* on page 4.)

5 Acts Authorized.—The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I can perform with respect to the tax matters described in line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks or the power to sign certain returns. (See instructions.)

List any specific additions or deletions to the acts otherwise authorized in this power of attorney: _____

Note: In general, an unenrolled preparer of tax returns cannot sign any document for a taxpayer. See Revenue Procedure 81-38, printed as Pub. 470, for more information.

Note: The tax matters partner/person of a partnership or S corporation is not permitted to authorize representatives to perform certain acts. See the instructions for more information.

6 Receipt of Refund Checks.—If you want to authorize a representative named in line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here _____ and list the name of that representative below.

Name of representative to receive refund check(s) ▶ _____

- 7 Notices and Communications.**—Notices and other written communications will be sent to the first representative listed in line 2.
- a If you want the second representative listed to receive such notices and communications, check this box
 - b If you do not want any notices or communications sent to your representative, check this box
- 8 Retention/Revocation of Prior Power(s) of Attorney.**—The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you do not want to revoke a prior power of attorney, check here

YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.

- 9 Signature of Taxpayer(s).**—If a tax matter concerns a joint return, both husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner/person, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.

▶ If this power of attorney is not signed, it will be returned.

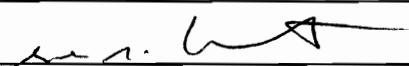
✓ _____ Signature	✓ 1-13-92 _____ Date	_____ Title (if applicable)
_____ Print Name		
_____ Signature	_____ Date	_____ Title (if applicable)
_____ Print Name		

Part II Declaration of Representative

Under penalties of perjury, I declare that:

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
- I am aware of regulations contained in Treasury Department Circular No. 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others;
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there; and
- I am one of the following:
 - a Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
 - b Certified Public Accountant—duly qualified to practice as a certified public accountant in the jurisdiction shown below.
 - c Enrolled Agent—enrolled as an agent under the requirements of Treasury Department Circular No. 230.
 - d Officer—a bona fide officer of the taxpayer organization.
 - e Full-Time Employee—a full-time employee of the taxpayer.
 - f Family Member—a member of the taxpayer's immediate family (i.e., spouse, parent, child, brother, or sister).
 - g Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Service is limited by section 10.3(d)(1) of Treasury Department Circular No. 230).
 - h Unenrolled Return Preparer—an unenrolled return preparer under section 10.7(a)(7) of Treasury Department Circular No. 230.

▶ If this power of attorney is not signed, it will be returned.

Designation —Insert above letter (a–h)	Jurisdiction (state) or Enrollment Card No.	Signature	Date
a	MINN.		1-13-92

**User Fee for Exempt Organization
 Determination Letter Request**
 ▶ Attach this form to determination letter application.
 (Form 8718 is NOT a determination letter application)

For IRS Use Only
 Control number _____
 Amount paid _____
 User fee screener _____

1 Name of organization
 WASHINGTON COUNTY LAND TRUST

- 2 Type of request (check only one box and include a check or money order made payable to Internal Revenue Service for the amount of the indicated fee):
- a Initial request for an exempt organization determination letter (do NOT use for a pension plan determination letter) by an organization whose annual gross receipts have not exceeded (or are not expected to exceed) \$10,000, averaged over the preceding four taxable years, or new organizations which anticipate annual gross receipts averaging not more than \$10,000 during their first four years. If you check this box you must complete the income certification below. \$ 150

Certification

I hereby certify that the annual gross receipts of _____ have not exceeded (or are not expected to exceed) \$10,000, averaged over the preceding four (or the first four) years of operation.
(enter name of organization)

Signature ▶ _____ Title _____

- b Initial request for an exempt organization determination letter (do NOT use for a pension plan determination letter) by an organization whose annual gross receipts have exceeded (or are expected to exceed) \$10,000, averaged over the preceding four taxable years, or a new organization which anticipates annual gross receipts averaging more than \$10,000 during their first four years. \$ 375
- c Private foundation which has completed a section 507 termination and which seeks a determination letter that it is now a public charity. \$ 200
- d Group exemption letters. \$ 500

Instructions

The Omnibus Budget Reconciliation Act of 1990 requires payment of a user fee for determination letter requests submitted to the Internal Revenue Service. The fee must accompany each request submitted to a key district office.

The fee for each type of request for an exempt organization determination letter is listed in item 2 of this form. Check the block that describes the type of request you are submitting, and attach this form to the front of your request form along with a check or money order for the amount indicated. Make the check or money order payable to the Internal Revenue Service.

Determination letter requests received with no payment or with an insufficient payment will be returned to the applicant for submission of the proper fee. To avoid delays in receiving a determination letter,

be sure that your application is sent to the applicable address shown below. These addresses supersede the addresses listed in Publication 557 and all application forms.

If entity is in this IRS District	Send fee and request for determination letter to this address
Albany, Augusta, Boston, Brooklyn, Buffalo, Burlington, Hartford, Manhattan, Portsmouth, Providence	Internal Revenue Service EP/EO Division P. O. Box 1680, GPO Brooklyn, NY 11202
Baltimore, District of Columbia, Pittsburgh, Richmond, Newark, Philadelphia, Wilmington, any U.S. possession or foreign country	Internal Revenue Service EP/EO Division P. O. Box 17010 Baltimore, MD 21203
Cincinnati, Cleveland, Detroit, Indianapolis, Louisville, Parkersburg	Internal Revenue Service EP/EO Division P. O. Box 3159 Cincinnati, OH 45201

Albuquerque, Austin, Cheyenne, Dallas, Denver, Houston, Oklahoma City, Phoenix, Salt Lake City, Wichita
 Internal Revenue Service EP/EO Division Mail Code 4950 DAL 1100 Commerce Street Dallas, TX 75242

Atlanta, Birmingham, Columbia, Ft. Lauderdale, Greensboro, Jackson, Jacksonville, Little Rock, Nashville, New Orleans
 Internal Revenue Service EP/EO Division P.O. Box 941 Atlanta, GA 30370

Anchorage, Boise, Las Vegas, Los Angeles, Honolulu, Portland, Laguna Niguel, San Jose, Seattle
 Internal Revenue Service EO Application Receiving Room 5127, P. O. Box 486 Los Angeles, CA 90053-0486

Sacramento, San Francisco
 Internal Revenue Service EO Application Receiving Stop SF 4446 P. O. Box 36001 San Francisco, CA 94102

Aberdeen, Chicago, Des Moines, Fargo, Helena, Milwaukee, Omaha, St. Louis, St. Paul, Springfield
 Internal Revenue Service EP/EO Division 230 S. Dearborn DPN 20-5 Chicago, IL 60604

Attach Check or Money Order Here

**Application for Recognition of Exemption
 Under Section 501(c)(3) of the Internal Revenue Code**

OMB No. 1545-0066
 If exempt status is approved, this application will be open for public inspection.
CLIENT'S COPY

Read the instructions for each Part carefully.

A User Fee must be attached to this application.

If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to you.

Part I Identification of Applicant

1a Full name of organization (as shown in organizing document) WASHINGTON COUNTY LAND TRUST		2 Employer identification number (If none, see instructions.) SS-4 ATTACHED
1b c/o Name (if applicable)		3 Name and telephone number of person to be contacted if additional information is needed EVE R. BORENSTEIN (612) 822-2677
1c Address (number, street, and room or suite no.) 14758 OSTLUND TRAIL NORTH		
1d City or town, state, and ZIP code MARINE ON ST. CROW, MN 55047		4 Month the annual accounting period ends DECEMBER
5 Date incorporated or formed 10-29-91	6 Activity codes (See instructions.) 350 354	7 Check here if applying under section: a <input type="checkbox"/> 501(e) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(k)
8 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? If "Yes," attach an explanation. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
9 Has the organization filed Federal income tax returns or exempt organization information returns? If "Yes," state the form numbers, years filed, and Internal Revenue office where filed. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

10 Check the box for your type of organization. BE SURE TO ATTACH A COMPLETE COPY OF THE CORRESPONDING DOCUMENTS TO THE APPLICATION BEFORE MAILING.


a Corporation— Attach a copy of your Articles of Incorporation, (including amendments and restatements) showing approval by the appropriate State official; also include a copy of your bylaws.

b Trust— Attach a copy of your Trust Indenture or Agreement, including all appropriate signatures and dates.

c Association— Attach a copy of your Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence the organization was formed by adoption of the document by more than one person; also include a copy of your bylaws.

If you are a corporation or an unincorporated association that has not yet adopted bylaws, check here

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please Sign Here  X DRUTON 1-13-92
 (Signature) (Title or authority of signer) (Date)

For Paperwork Reduction Act Notice, see page 1 of the instructions.

Complete the Procedural Checklist (page 7 of the instructions) prior to filing.

Part II Activities and Operational Information

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in your organizational document. Describe each activity separately in the order of importance. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

SOS ATTACHED NARRATIVE - IMMEDIATELY FOLLOWING THIS PAGE -
NUMBERED i - iv.

- 2 What are or will be the organization's sources of financial support? List in order of size.

DONATIONS
DUSS

- 3 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. Include details of fundraising activities such as selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc. Attach representative copies of solicitations for financial support.

BOARD IS PLANNING FUNDRAISING EFFORTS WHICH WILL LARGELY
BE ACCOMPLISHED, INITIALLY, THROUGH GRANTWRITING. NO PROFESSIONAL
FUNDRAISERS WILL BE EMPLOYED

WASHINGTON COUNTY LAND TRUST NARRATIVE

PROBLEM STATEMENT Quality farmland near the Twin Cities is being paved over at an alarming rate. More than 100,000 acres in the metro area have been paved or sodded since 1982. During that same period, Washington County lost 17,156 acres of farmland to development and Dakota county lost 19,287 acres. When farmland is developed into housing, roads or malls it is difficult, if not impossible, to ever return it to agricultural production. As a result, the remaining farmland must be farmed more intensively.

Not only is the quality of our soil and water resources at stake, but also the quality of life in the outlying metro area. Never before has this issue been more critical. According to the 1990 U.S. Census figures, the 14 counties from St. Cloud to Minneapolis/St. Paul to Rochester make up a "golden triangle" that is the fastest growing metropolitan area between the Great Plains and the Eastern Seaboard.

According to a recent St. Paul Pioneer Press news article, Washington County is among the 50 "hottest" counties in America. The ranking was done by the American Demographers magazine and is based on population increases, density and per capita income. Population in Washington County has increased by 75.9 percent between 1970 and 1990. In just five years between 1982 to 1987, Washington County lost 14 percent of its farmland to development. Demographers project that Washington county in the years ahead will become a suburb for the Twin Cities and a thoroughfare for commuters from Wisconsin to the metro area. This kind of thinking could mean the end of farming in the County.

WASHINGTON COUNTY LAND TRUST The Washington County Land Trust (WCLT) was formed in response to the above mentioned trends. The WCLT is a newly incorporated, community-based organization involved in the protection of open space in Washington County for the benefit of the general public. The Washington County Land Trust is the result of a group of concerned residents who have come together for the purpose of maintaining the quality of life in Washington County by protecting open space. The Trust is governed by a broad and diverse Board of Directors and complies with all local, state and federal policies regarding charitable giving and charitable organizations.

Modeled after more than 900 other land trusts in America, the Washington County Land Trust is a local, soon to be tax-exempt organization directly involved in protecting important land resources. The Trust will be funded largely through membership dues, and donations from individuals, businesses, and foundations. The Washington County Land Trust protects land permanently and directly through voluntary agreements between landowners and the Trust. The Washington County Land Trust can accept donations of properties, buy land, or help to facilitate agreements with landowners to voluntarily establish covenants on their land that limit harmful use and development.

The mission of the Washington County Land Trust is to promote the protection and enhancement of open space such as farmland, wetlands, woodlands, bluff lands, wildlife habitat and scenic areas in Washington County.

The strategies the Washington County Land Trust will use to accomplish its mission will include three components:

- 1) Conducting land stewardship education with the public;
- 2) Employing conservation measures by promoting the use of conservation easements or covenants on privately-held land, by accepting donations of qualified conservation easements, and by accepting donations of properties or buying land in order to effectuate the placement of conservation easements upon same at resale; and
- 3) Cooperating with local governments, citizens and organizations to meet land use needs.

Specific activities in each component area will be as follows:

EDUCATION The Washington County Land Trust will provide on-going education to elected and non-elected officials, county board, assessors and the general public on the importance of protecting local farmland and open space in Washington County, on land conservation practices and on the value of conservation easements and other protection strategies, and the responsibility all people share in the care of the earth.

During the next three years, the Washington County Land Trust will carry out its conservation education through on-going meetings, workshops and outreach activities with local officials and residents in the County. Public forums to educate citizens about the importance of land conservation will also be used to garner support for the Trust through membership and fundraising. To enhance this educational/ awareness raising process, local media strategies will be employed to draw attention to the amount of farmland and open space being lost to development and the need to put in place conservation practices and strategies that will protect Washington County's scenic and rural atmosphere. A brochure describing the WCLT will be developed as well as informational materials on the value of conservation easements and the land protection strategies used by the WCLT.

CONSERVATION MEASURES WCLT will facilitate the use of conservation restrictions via accepting easements and enforcing same, as well as through its commitment to impose covenants and easements on any lands it might itself later acquire (note, however, that although no plans exist at this point in time to engage in land acquisition and resale, the mere program of acquiring real property, the conservation of which would generate a public benefit, in order to impose conservation easements or covenants, with the latter resale of such properties to noncharitable buyers, has been held to serve a charitable purpose sufficient to qualify under Code Section 501(c)(3) in Rev. Rul. 86-49.)

Taxpayer intends to employ easements to ensure both that farmlands will be preserved and maintained in productive agricultural use, and that wetlands, woodlands, bluff lands, wildlife habitats and scenic areas (hereinafter referred to as "open space" lands) will be preserved and maintained in pristine state. WCLT will solicit and accept donated "qualifying conservation interests" pursuant to Code section 170(h), on both farmlands¹ and open space lands, and enforce same thereupon. Such acceptance of donated "qualifying conservation interests" on lands not held by taxpayer but enforced thereupon comports with Code section 501(c)(3)'s definition of "charitable" as witnessed by the provisions of Code Section 170(h) which allows 501(c)(3) entities to accept donations of conservation interests as qualified real property interests to preserve open space. This result is in spite of the earlier holding of Rev. Rul. 78-384 which posited as outside the realm of Code section 501(c)(3) an organization which operated to restrict farmland to uses it deemed ecologically suitable².

¹ Farmland has been included in the arena of "open space" lands which qualify for preservation under Code section 170(h) since 1980.

² Both the facts pertinent to the organization denied charitable status therein, and the laws in effect at the time of Rev. Rul. 78-384's issuance, are distinguishable from WCLT's facts and relevant present law. First, as taxpayer's Articles state (see Section IV), the corporation is organized for conservation purposes, not just restricting lands to certain farming uses. Second, in 1980 (thus subsequent to the issuance of Rev. Rul. 78-384) Congress recognized that the preservation of farmland for the benefit of the public constituted a charitable purpose under Code section 170(h). Public Law 96-541, Section 6(b) added, effective December 18, 1980, Internal Revenue Code section 170(h) as it currently reads (except for minor amendments concerning surface mining and registered historic districts). The thrust of Code section 170(h) is that a charitable deduction is allowed for the donation of a partial interest in property if same is a "qualified conservation contribution", which under 170(h)(4)(A)(iii)(II) includes easements on use donated to 501(c)(3) nonprivate foundations for the purpose of:
the preservation of open space (including farmland . . .) where such preservation is pursuant to a clearly delineated Federal, State, or local governmental conservation policy, and will yield a significant public benefit. emphasis added

Tested under Income Tax regulations section 1.170-14(d)(4), it is clear that given the public policy mandates enacted by the State of Minnesota and by Washington County (which are separately referenced in the exemption applications materials), taxpayer's intended activities in the area of preserving farmland and open

Note that Minnesota Statutes and Washington County policies establish clearly delineated governmental policies (as Income Tax Regulations 1.170-14(d)(4) would require) under which the farmlands that WCLT will seek to conserve have been identified as open space lands in need of protection. First, concerning the priority of maintaining agricultural lands in actual farming use by employing restrictive covenants to such effect, Minnesota Statutes Chapters 473H (enacted in 1980) and 40A (enacted in 1984), gives farmland owners in areas of the Minneapolis/St. Paul Metropolitan Area and in non-metropolitan areas, respectively, property tax credits and other incentives for voluntarily placing covenants restricting their lands to agricultural uses only. Second, the "Green Acres" Preferential Property Tax Law (Minn. Statutes §273.111, enacted in 1967), defers property taxes and special assessments for public improvement projects for qualifying agricultural lands. Also, the State Agricultural Land Preservation and Conservation Policy (Minnesota Statutes §§17.8-17.84, enacted in 1982) sets forth a State policy re agricultural land preservation and conservation. Washington County's Comprehensive Land Use Plan, adopted by the County Board of Commissioners on Jan. 4, 1983, includes the "preserv[ation of] commercial agriculture as a viable, permanent land use" as the County's first overall land use goal; and thereafter enumerates as County policy "preserv[ing] the land that is important to Washington County for agriculture and [its] use for agricultural purposes only".

[Minnesota Statutes Chapter 40A and section 273.111, are attached for relevant reference.]

spaces are, in fact, of charitable benefit to the public.

Part II Activities and Operational Information (Continued)

4 Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.

ATTACHED IMMEDIATELY AFTER THIS PAGE

b Annual Compensation

NONE

c Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? Yes No
If "Yes," name those persons and explain the basis of their selection or appointment.

d Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See the specific instructions for line 4d.) Yes No
If "Yes," explain.

5 Does the organization control or is it controlled by any other organization? Yes No
Is the organization the outgrowth of (or successor to) another organization, or does it have a special relationship with another organization by reason of interlocking directorates or other factors? Yes No
If either of these questions is answered "Yes," explain.

6 Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than 501(c)(3) organizations): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees? Yes No
If "Yes," explain fully and identify the other organizations involved.

7 Is the organization financially accountable to any other organization? Yes No
If "Yes," explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

Dennis G. Atchison

5650 Odell Avenue South
Afton, MN 55001

John Baird, TREAS.

12155 Norell Avenue North
Stillwater, MN 55082

C. Robert Binger

91 Dellwood Avenue
Dellwood, MN 55110

Robert W. Burns

10677 Cedar Heights
Hastings, MN 55033

Steven Delapp

8468 Lake Jane Trail
Lake Elmo, MN 55042

Victoria Flood, Sec'y.

905 Mulberry Street West
Stillwater, MN 55082

Jane Harper

Washington County Government Ctr.
14900 North 61st Street
Stillwater, MN 55082

David Hartwell, PRES.

Bellcomb Technologies, Inc.
70 North 22nd Avenue
Minneapolis, MN 55411

Mark McEathron, Vice-PRES.

12412 McKusick Road
Stillwater, MN 55082

Lee Ronning

Land Stewardship Project
14758 Ostlund Trail North
Marine on St. Croix, MN 55047

Samuel H. Morgan

W-2200 First National Bank Bldg.
St. Paul, MN 55101

Part II Activities and Operational Information (Continued)

8 What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets are not fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. If "None," indicate "N/A."

N/A

9a Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement? Yes No

b Is the organization a party to any leases? Yes No

If either of these questions is answered "Yes," attach a copy of the contracts and explain the relationship between the applicant and the other parties.

10 Is the organization a membership organization? Yes No

If "Yes," complete the following:

a Describe the organization's membership requirements, and attach a schedule of membership fees and dues.

SEE BY-LAWS SECTION 2.01. DUES ARE CURRENTLY \$25⁰⁰ PER YEAR.

b Describe your present and proposed efforts to attract members, and attach a copy of any descriptive literature or promotional material used for this purpose.

SEE FLYER ATTACHED, DIRECTLY FOLLOWING THIS PAGE.

c What benefits do (or will) your members receive in exchange for their payment of dues?

NO TANGIBLE BENEFITS

11a If the organization provides benefits, services or products, are the recipients required, or will they be required, to pay for them? N/A Yes No

If "Yes," explain how the charges are determined, and attach a copy of your current fee schedule.

b Does or will the organization limit its benefits, services or products to specific individuals or classes of individuals? N/A Yes No

If "Yes," explain how the recipients or beneficiaries are or will be selected.

12 Does or will the organization attempt to influence legislation? Yes No

If "Yes," explain. Also, give an estimate of the percentage of the organization's time and funds which it devotes or plans to devote to this activity.

13 Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements? Yes No

If "Yes," explain fully.

Part III Technical Requirements

1 Are you filing Form 1023 within 15 months from the end of the month in which you were created or formed? Yes No
If you answer "Yes," do not answer questions 2 through 6.

2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 7.

Exceptions—You are not required to file an exemption application within 15 months if the organization:

- (a) Is a church, interchurch organization, local unit of a church, a convention or association of churches, or an integrated auxiliary of a church;
- (b) Is not a private foundation and normally has gross receipts of not more than \$5,000 in each tax year; or,
- (c) Is a subordinate organization covered by a group exemption letter, but only if the parent or supervisory organization timely submitted a notice covering the subordinate.

3 If you do not meet any of the exceptions in question 2, do you wish to request relief from the 15-month filing requirement? Yes No

4 If you answer "Yes" to question 3, please give your reasons for not filing this application within 15 months from the end of the month in which your organization was created or formed. (See the Instructions before completing this item.)

5 If you answer "No" to both questions 1 and 3 and do not meet any of the exceptions in question 2, your qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed with your key District Director. Therefore, do you want us to consider your application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date you were formed? Yes No

6 If you answer "Yes" to question 5 above and wish to request recognition of section 501(c)(4) status for the period beginning with the date you were formed and ending with the date your Form 1023 application was received (the effective date of your section 501(c)(3) status), check here and attach a completed page 1 of Form 1024 to this application.

Part III Technical Requirements (Continued)

7 Is the organization a private foundation?

- Yes (Answer question 8.)
 No (Answer question 9 and proceed as instructed.)

8 If you answer "Yes" to question 7, do you claim to be a private operating foundation?

- Yes (Complete Schedule E)
 No

After answering this question, go to Part IV.

9 If you answer "No" to question 7, indicate the public charity classification you are requesting by checking the box below that most appropriately applies:

THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:

- | | | |
|---|--|---|
| (a) <input type="checkbox"/> | As a church or a convention or association of churches
(CHURCHES MUST COMPLETE SCHEDULE A). | Sections 509(a)(1)
and 170(b)(1)(A)(i) |
| (b) <input type="checkbox"/> | As a school (MUST COMPLETE SCHEDULE B). | Sections 509(a)(1)
and 170(b)(1)(A)(ii) |
| (c) <input type="checkbox"/> | As a hospital or a cooperative hospital service organization, or a
medical research organization operated in conjunction with a hospital
(MUST COMPLETE SCHEDULE C). | Sections 509(a)(1)
and 170(b)(1)(A)(iii) |
| (d) <input type="checkbox"/> | As a governmental unit described in section 170(c)(1). | Sections 509(a)(1)
and 170(b)(1)(A)(v) |
| (e) <input type="checkbox"/> | As being operated solely for the benefit of, or in connection with, one
or more of the organizations described in (a) through (d), (g), (h), or (i)
(MUST COMPLETE SCHEDULE D). | Section 509(a)(3) |
| (f) <input type="checkbox"/> | As being organized and operated exclusively for testing for public
safety. | Section 509(a)(4) |
| (g) <input type="checkbox"/> | As being operated for the benefit of a college or university that is
owned or operated by a governmental unit. | Sections 509(a)(1)
and 170(b)(1)(A)(iv) |
| (h) <input type="checkbox"/> | As receiving a substantial part of its support in the form of
contributions from publicly supported organizations, from a
governmental unit, or from the general public. | Sections 509(a)(1)
and 170(b)(1)(A)(vi) |
| (i) <input type="checkbox"/> | As normally receiving not more than one-third of its support from
gross investment income and more than one-third of its support from
contributions, membership fees, and gross receipts from activities
related to its exempt functions (subject to certain exceptions). | Section 509(a)(2) |
| (j) <input checked="" type="checkbox"/> | We are a publicly supported organization but are not sure whether we
meet the public support test of block (h) or block (i). We would like the
Internal Revenue Service to decide the proper classification. | Sections 509(a)(1)
and 170(b)(1)(A)(vi)
or
Section 509(a)(2) |

If you checked one of the boxes (a) through (f) in question 9, go to question 14.
 If you checked box (g) in question 9, go to questions 11 and 12.
 If you checked box (h), (i), or (j), go to question 10.

Part III Technical Requirements (Continued)

- 10** If you checked box (h), (i), or (j) in question 9, have you completed a tax year of at least 8 months?
 Yes—Indicate whether you are requesting:
 A definitive ruling (Answer questions 11 through 14.)
 An advance ruling (Answer questions 11 and 14 and attach 2 Forms 872-C completed and signed.) *(ATTACHED IMMEDIATELY FOLLOWING THIS PAGE)*
 No—You must request an advance ruling by completing and signing 2 Forms 872-C and attaching them to your application.
- 11** If the organization received any unusual grants during any of the tax years shown in Part IV-A, attach a list for each year showing the name of the contributor; the date and the amount of the grant; and a brief description of the nature of the grant.

- 12** If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here and:
 a Enter 2% of line 8, column (e) of Part IV-A _____
 b Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported organization") whose total gifts, grants, contributions, etc., were more than the amount you entered on line 12a above.

- 13** If you are requesting a definitive ruling under section 509(a)(2), check here and:
 a For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each "disqualified person."
 b For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each payer (other than a "disqualified person") whose payments to the organization were more than \$5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.

14 Indicate if your organization is one of the following. If so, complete the required schedule. (Submit only those schedules that apply to your organization. Do not submit blank schedules.)

	Yes	No	If "Yes," complete Schedule:
Is the organization a church?		X	A
Is the organization, or any part of it, a school?		X	B
Is the organization, or any part of it, a hospital or medical research organization?		X	C
Is the organization a section 509(a)(3) supporting organization?		X	D
Is the organization an operating foundation?		X	E
Is the organization, or any part of it, a home for the aged or handicapped?		X	F
Is the organization, or any part of it, a child care organization?		X	G
Does the organization provide or administer any scholarship benefits, student aid, etc.?		X	H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution?		X	I

Form **872-C**

(Revised 9-90)

Department of the Treasury
Internal Revenue Service

Consent Fixing Period of Limitation Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

(See instructions on reverse side.)

OMB No. 1545-0056

To be used with Form
1023. Submit in
duplicate.

Under section 6501(c)(4) of the Internal Revenue Code, and as part of a request filed with Form 1023 that the organization named below be treated as a publicly supported organization under section 170(b)(1)(A)(vi) or section 509(a)(2) during an advance ruling period,

WASHINGTON COUNTY LAND TRUST

(Exact legal name of organization as shown in organizing document)

14758 OSTLUND TRAIL NORTH, MARINE SN

(Number, street, city or town, state, and ZIP code)

ST. CROIX,
55047

and the District Director of
Internal Revenue, or
Assistant Commissioner
(Employee Plans and
Exempt Organizations)

Consent and agree that the period for assessing tax (imposed under section 4940 of the Code) for any of the 5 tax years in the advance ruling period will extend 8 years, 4 months, and 15 days beyond the end of the first tax year.

However, if a notice of deficiency in tax for any of these years is sent to the organization before the period expires, the time for making an assessment will be further extended by the number of days the assessment is prohibited, plus 60 days.

Ending date of first tax year 12-31-95
(Month, day, and year)

Name of organization (as shown in organizing document)

WASHINGTON COUNTY LAND TRUST

Date

1-13-92

Officer or trustee having authority to sign

Signature ▶

For IRS use only

District Director or Assistant Commissioner (Employee Plans and Exempt Organizations)

Date

By ▶

For Paperwork Reduction Act Notice, see page 1 of the Form 1023 instructions.

Part IV Financial Data

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A.—Statement of Revenue and Expenses

	Current tax year	3 prior tax years or proposed budget for 2 years			(e) TOTAL
	(a) From <u>10-29-91</u> to <u>12-31-91</u>	(b) 19 <u>92</u>	(c) 19 <u>93</u>	(d) 19 <u>.....</u>	
Revenue					
1 Gifts, grants, and contributions received (not including unusual grants—see instructions) . . .	0	80,700	89,800		170,500
2 Membership fees received . . .	0	3,000	3,000		6,000
3 Gross investment income (see instructions for definition) . . .					
4 Net income from organization's unrelated business activities not included on line 3					
5 Tax revenues levied for and either paid to or spent on behalf of the organization					
6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge)					
7 Other income (not including gain or loss from sale of capital assets) (attach schedule) . . .					
8 Total (add lines 1 through 7) . . .		83,700	92,800		176,500
9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513					
10 Total (add lines 8 and 9) . . .	0	83,700	92,800		176,500
11 Gain or loss from sale of capital assets (attach schedule) . . .					
12 Unusual grants					
13 Total revenue (add lines 10 through 12)	0	83,700	92,800		176,500
Expenses					
14 Fundraising expenses					
15 Contributions, gifts, grants, and similar amounts paid (attach schedule) . . .					
16 Disbursements to or for benefit of members (attach schedule) . . .					
17 Compensation of officers, directors, and trustees (attach schedule)					
18 Other salaries and wages . . .		50,000	65,000		
19 Interest					
20 Occupancy (rent, utilities, etc.) . . .		INCLUDED IN LINE 22			
21 Depreciation and depletion . . .					
22 Other (attach schedule)		33,700	27,800		
23 Total expenses (add lines 14 through 22)	0	83,700	92,800		
24 Excess of revenue over expenses (line 13 minus line 23)	0	0	0		

PROJECTED THREE BUDGET FOR THE WASHINGTON COUNTY LAND TRUST

	1992	1993	1994
Staff *	\$50,000	\$65,000	\$100,000
Rent	4,000	4,500	5,000
Utilities (includes phone)	200	300	400
Supplies	1,000	1,500	2,000
Postage	1,500	2,000	2,500
Printing	2,000	4,000	8,000
Travel	2,500	3,000	3,500
Legal fees	5,000	7,000	10,000
Program costs	2,500	3,000	3,500
Equipment	15,000	2,500	2,500
TOTAL	\$83,700	\$92,800	\$137,400

PART IV
LINE 22
DETAIL

Staff -- Includes 1.5 employees in 1992, 2 fulltime staff in 1993 and three fulltime staff in 1994. Figures include 25-30 % fringe.

Rent -- Heat is included.

Utilities -- Includes telephone costs. Heat is included in rent.

Supplies -- Stationary, envelopes, copy paper, pecnils, etc.

Postage -- Direct mail efforts to raise funds, awareness and membership.

Travel -- The IRS allowance of \$.26.

Legal fees -- Includes accounting and legal advice.

Program costs -- Rentals for video presentations, refreshments, large tablets, markers, etc.

Equipment -- Purchase of computer, printer, software, phone system and other necessary office and set-up equipment will be secured first year.

Part IV Financial Data (Continued)

B.—Balance Sheet (at the end of the period shown)

Current tax year
Date 12-31-91

Assets		
1	Cash	1
2	Accounts receivable, net	2
3	Inventories	3
4	Bonds and notes receivable (attach schedule)	4
5	Corporate stocks (attach schedule)	5
6	Mortgage loans (attach schedule)	6
7	Other investments (attach schedule)	7
8	Depreciable and depletable assets (attach schedule)	8
9	Land	9
10	Other assets (attach schedule)	10
11	Total assets (add lines 1 through 10)	11 0
Liabilities		
12	Accounts payable	12
13	Contributions, gifts, grants, etc., payable	13
14	Mortgages and notes payable (attach schedule)	14
15	Other liabilities (attach schedule)	15
16	Total liabilities (add lines 12 through 15)	16 0
Fund Balances or Net Assets		
17	Total fund balances or net assets	17
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	18 0

If there has been any substantial change in any aspect of your financial activities since the end of the period shown above, check the box and attach a detailed explanation

ATTACHMENTS[↑]

- 1) CERTIF OF INCORP
- 2) ARTICLES
- 3) BY-LAWS
- 4) MINN. STATS CH. 40A R 273.111
- 5) MAILER PAGES 1-21, 1-23 MOST NOS

* OMITTED FROM CLIENT'S COPY