



STATE PROPERTIES COMMISSION

47 Trinity Avenue, S.W., Suite G02 Atlanta, Georgia 30334

POLICY

TITLE: SPC 12 - Land Management: Qualified Donation Appraisal Reviews

ADOPTED: June 11, 2014 (Effective: July 1, 2014)

REVISED: December 16, 2014

(Replaces Policy SPC-05 Conservation Easement Appraisal Reviews)

1. References

O.C.G.A. § 48-7-29.12

2. Definitions

- (a) Appraisal: The opinion of value determined by the Appraiser that, for the purposes of this policy, shall meet the requirements as outlined under O.C.G.A. § 48-7-29.12(c.1).
- (b) Appraisal Review: The act or process of conducting an independent, impartial and objective review of an Appraisal and communicating an opinion about the quality and accuracy of the Appraisal.
- (c) Appraiser: A qualified, licensed Georgia Certified General Property Appraiser who is expected to perform valuation services competently and in a manner that is independent, impartial, and objective and in accordance with Uniform Standards of Professional Appraisal Practice (USPAP) Ethics Rule. For purposes of this policy, the Appraiser is not an advocate for the Donor.
- (d) Commission: The State Properties Commission (SPC).
- (e) Donor: Means any landowner who makes a Qualified Donation and seeks a state income tax credit from the Georgia Department of Revenue, as defined in O.C.G.A. § 48-7-29.12.
- (f) Qualified Donation: Means a conservation easement or a fee simple donation of property given to an eligible government entity or non-profit organization for conservation purposes, as further defined by O.G.C.A. § 48-7-29.12(a)(6).
- (g) Review Appraiser: An Appraiser who performs an Appraisal Review on behalf of the SPC. The Review Appraiser is not an advocate for the SPC.

- (h) Unique Situation Appraisal Review: An Appraisal that raises the need for a different approach to valuation as determined by SPC staff to be in the best interest of the State.

3. Purpose

Establish the process for SPC Appraisal Review, as required by O.C.G.A. § 48-7-29.12(c.1).

4. Policy Statements/Procedure

- (a) Department of Natural Resources (DNR) receives the Donor's application, Appraisal, and non-refundable fee for certification of suitability for conservation purposes by DNR and approval of Appraisal by SPC.
- (b) Pursuant to SPC Review of Qualified Donations - Required Items (as found on the SPC web page at www.spc.georgia.gov), DNR will forward the following information for SPC review:
 - The signed Appraiser Affidavit.
 - The Donor's statement of tax credit dollar amount being applied for and the legal entity applying for.
 - The necessary documents including; the Appraisal or revised Appraisal, the recorded CE and plat, and CE baseline report.
- (c) The SPC will review the Appraisal submitted by the Donor, determine whether a Unique Situation Appraisal Review is appropriate, and have a Review Appraiser conduct an Appraisal Review. SPC staff shall consider the appraised value as submitted by the Donor related to the State Tax Credit limits in O.C.G.A. § 48-7-29.12 to determine whether a Unique Situation Appraisal Review is appropriate.
- (d) A blind copy (not on letterhead) of Review Appraiser's comments will be sent by SPC to DNR so the Donor's Appraiser can revise the Appraisal if needed based on the requirements as outlined under O.C.G.A. § 48-7-29.12. SPC will provide a method of anonymous communication for a reasonable number of questions between the Donor's Appraiser and the Review Appraiser.
- (e) If a revised Appraisal from the Donor is necessary, the following steps shall apply:
 - i. Donor submits the revised Appraisal (as one print and one electronic version of the report) to DNR to be forwarded to the SPC; each page shall contain the notation "Revised Appraisal of ___ (Date)".
 - ii. SPC's Review Appraiser shall review the revised Appraisal.
- (f) If the Review Appraiser determines the revised Appraisal is supported, the Review Appraiser will send a letter to that effect to SPC, with any blind copy of the re-review.
- (g) If the Review Appraiser determines that the revised Appraisal, is not supported, SPC may continue the application process by having an Appraiser

provide an opinion of value based on a separate Appraisal. The SPC will make a determination of value based on one of the following:

- i. The value may be estimated by the Review Appraiser based on data in the revised Appraisal, if adequate. The Review Appraiser may accept a portion of the Donor's Appraisal, and supplemental data and analysis to provide an Appraisal. Alternatively, the Review Appraiser may elect to perform his/her own market research to form the opinion of value; or
 - ii. The SPC may select another Appraiser to perform an Appraisal of the property.
- (h) Based on the results, the SPC will send a letter to DNR either approving the Donor's Appraisal value, or recommending a lower amount based on the Review Appraiser's findings in a subsequent Appraisal.

5. Attachments

- Attachment 1: O.C.G.A. § 48-7-29.12
- Attachment 2: SPC Review of Conservation Easement Appraisals – Required Items
- Attachment 3: Qualified Conservation Easement Appraisal Conformity Checklist
- Attachment 4: SPC Review of Qualified Fee Simple Donation Appraisals - Required Items
- Attachment 5: Qualified Fee Simple Donation Appraisal Conformity Checklist