

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

OMB No. 1545-0056

Note: If exempt status is approved, this application will be open for public inspection.

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.

Complete the Procedural Checklist on page 8 of the instructions.

Part I Identification of Applicant

1a Full name of organization (as shown in organizing document) Manzano Conservation Foundation		2 Employer identification number (EIN) (If none, see page 3 of the Specific Instructions.) 38-3658306
1b c/o Name (if applicable)		3 Name and telephone number of person to be contacted if additional information is needed Robert J. Davey (505) 864-8654 (x125)
1c Address (number and street) 386 West Rio Communities Blvd.	Room/Suite	
1d City, town, or post office, state, and ZIP + 4. If you have a foreign address, see Specific Instructions for Part I, page 3. Belen, New Mexico		4 Month the annual accounting period ends December
1e Web site address		5 Date incorporated or formed June 3, 2002
6 Check here if applying under section: a <input type="checkbox"/> 501(e) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(k) d <input type="checkbox"/> 501(n)		
7 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach an explanation.		
8 Is the organization required to file Form 990 (or Form 990-EZ)? <input type="checkbox"/> N/A <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach an explanation (see page 3 of the Specific Instructions).		
9 Has the organization filed Federal income tax returns or exempt organization information returns? . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.		

10 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING. (See Specific Instructions for Part I, Line 10, on page 3.) See also Pub. 557 for examples of organizational documents.)

- a ☒ **Corporation**—Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also include a copy of the bylaws.
- b ☐ **Trust**— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
- c ☐ **Association**— Attach a copy of the 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 the bylaws.

If the organization is 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


(Signature)

ROBERT J. Davey Secretary
(Type or print name and title or authority of signer)

12/03/02
(Date)

For Paperwork Reduction Act Notice, see page 7 of the instructions.

Cat. No. 17133K

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 the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

SEE ATTACHED

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

- 1. Valley Improvement Association**
- 2. Federal and State grants**
- 3. Grants from foundations and other non-profits**
- 4. Individual and corporate donations**

- 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.

The organization has not yet initiated a fund raising program

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.

Paul Baca, President and Director, 1301 S. Main St., Belen, NM 87002
 Pavlos Panagopoulos, VP and Director, 515 W. Reinken Ave., Belen, NM 87002
 Dale Plpher, Treasurer and Director, 617 Fredrico Blvd., Belen, NM 87002
 Robert J. Davey, Sec. and Director, 386 W. Rio Commun., Belen, NM 87002
 Karen Marcotte, Director, 924 Park Ave., SW, Albuquerque, NM 87104

b Annual compensation

\$1.00 each

- 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 Specific Instructions for Part II, Line 4d, on page 3.) ☐ 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.

The sole member of the organization is Valley Improvement Association, Inc. (VIA), a 501(c)(4) organization. VIA represents some 25,000 members who own lands within Valencia County, NM.

- 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 a 501(c)(3) organization): (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.

The organization will acquire land from VIA, may share facilities with VIA, and enter into cost-sharing activities with VIA.

- 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.

Because VIA is the organization's sole member, the organization is accountable to the directors of VIA.

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."

At this time, the organization has no assets.

- 9 Will the organization be the beneficiary of tax-exempt bond financing within the next 2 years? ☒ Yes ☐ No

- 10a 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.

- 11 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.

The organization's sole member is Valley Improvement Association, a 501(c)(4) organization.

- b Describe the organization's present and proposed efforts to attract members and attach a copy of any descriptive literature or promotional material used for this purpose.
- N/A

- c What benefits do (or will) the members receive in exchange for their payment of dues?
- NONE

- 12a 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 the 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.

- 13 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 that it devotes or plans to devote to this activity.

- 14 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 your organization was created or formed? ☒ Yes ☐ No
If you answer "Yes," do not answer questions on lines 2 through 6 below.

- 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 of local units of a church, a convention or association of churches, or an integrated auxiliary of a church. See **Specific Instructions**, Line 2a, on page 4;
- ☐ 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 the organization does not meet any of the exceptions on line 2 above, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed? ☐ Yes ☐ No

If "Yes," your organization qualifies under Regulation section 301.9100-2, for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 4 through 6.

If "No," answer question 4.

- 4 If you answer "No" to question 3, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-37? ☐ Yes ☐ No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 3. See **Specific Instructions**, Part III, Line 4, before completing this item. Do not answer questions 5 and 6.

If "No," answer questions 5 and 6.

- 5 If you answer "No" to question 4, your organization's qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed. Therefore, do you want us to consider the 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 the organization was created or 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 the organization was formed and ending with the date the Form 1023 application was received (the effective date of the organization's 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, does the organization claim to be a private operating foundation?

☐ Yes (Complete Schedule E.)☐ No

After answering question 8 on this line, go to line 14 on page 7.

9 If you answer "No" to question 7, indicate the public charity classification the organization is 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 (These organizations, except for hospital service
organizations, 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)(iv) |
| e <input checked="" 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 type="checkbox"/> | The organization is a publicly supported organization but is not sure
whether it meets the public support test of h or i. The organization
would like the IRS 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 8, go to question

14. If you checked box g in question 8, go to questions 11 and 12.

If you checked box h, i, or j, in question 8, go to question 10.

Part III Technical Requirements (Continued)

- 10 If you checked box h, i, or j in question 9, has the organization 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 two Forms 872-C completed and signed.)
- ☐ No—You must request an advance ruling by completing and signing two Forms 872-C and attaching them to the Form 1023.
- 11 If the organization received any unusual grants during any of the tax years shown in Part IV-A, Statement of Revenue and Expenses, 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.
- N/A

- 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), Total, 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 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." (For a definition of "disqualified person," see Specific Instructions, Part II, Line 4d, on page 3.)
- 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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	A
Is the organization, or any part of it, a school?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	B
Is the organization, or any part of it, a hospital or medical research organization?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	C
Is the organization a section 509(a)(3) supporting organization?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	D
Is the organization a private operating foundation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	E
Is the organization, or any part of it, a home for the aged or handicapped?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	F
Is the organization, or any part of it, a child care organization?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	G
Does the organization provide or administer any scholarship benefits, student aid, etc.?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution? . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	I

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 2002 to	(b) 2003	(c) 2004	(d)	
Revenue	1 Gifts, grants, and contributions received (not including unusual grants—see page 6 of the instructions).	111,605	397,510	309,955		819,070
	2 Membership fees received	0	0	0		0
	3 Gross investment income (see instructions for definition)	0	0	0		0
	4 Net income from organization's unrelated business activities not included on line 3	0	0	0		0
	5 Tax revenues levied for and either paid to or spent on behalf of the organization	0	0	0		0
	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)	0	0	0		0
	7 Other income (not including gain or loss from sale of capital assets) (attach schedule)	0	0	0		0
	8 Total (add lines 1 through 7)	111,605	397,510	309,955		819,070
	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. Include related cost of sales on line 22	0	0	0		0
	10 Total (add lines 8 and 9)	111,605	397,510	309,955		819,070
	11 Gain or loss from sale of capital assets (attach schedule)	0	0	0		0
	12 Unusual grants	0	0	0		0
	13 Total revenue (add lines 10 through 12)	111,605	397,510	309,955		819,070
Expenses	14 Fundraising expenses	0	10,000	10,000		
	15 Contributions, gifts, grants, and similar amounts paid (attach schedule)	0	0	0		
	16 Disbursements to or for benefit of members (attach schedule)	0	0	0		
	17 Compensation of officers, directors, and trustees (attach schedule)	5	5	5		
	18 Other salaries and wages	42,100	48,500	59,000		
	19 Interest	0	0	0		
	20 Occupancy (rent, utilities, etc.)	0	500	500		
	21 Depreciation and depletion	0	0	0		
	22 Other (attach schedule)	69,500	338,505	240,450		
	23 Total expenses (add lines 14 through 22)	111,605	397,510	309,955		
	24 Excess of revenue over expenses (line 13 minus line 23)	0	0	0		

Manzano Conservation Foundation Expenses (in dollars)

<u>ITEM</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Fees, legal and bookkeeping	5,300	3,000	3,000
Planning	18,900	8,900	3,000
Engineering	14,100	5,000	2,000
Hydrology	29,700	5,000	2,000
Mapping	1,500	5,000	3,000
RDO path	0	110,250	125,000
Greenways	0	80,180	18,000
Archeological Survey, east	0	18,000	0
Humanities	0	10,000	6,000
Water Mgmt.	0	10,000	0
Recharge plan	0	10,000	0
Comanche Springs I&II	0	10,000	10,000
Travel	0	650	1,300
Dues/Sub	0	200	400
Workshops	0	575	850
Events	0	500	1,000
Education/ Training	0	250	200
Operations	0	2,000	4,000
Board	0	500	700
Taxes	0	2,500	5,000
TOTALS	69,500	338,505	240,450

Part IV Financial Data (Continued)

B. Balance Sheet (at the end of the period shown)		Current tax year Date
Assets		
1	Cash	0
2	Accounts receivable, net	0
3	Inventories	0
4	Bonds and notes receivable (attach schedule)	0
5	Corporate stocks (attach schedule)	0
6	Mortgage loans (attach schedule)	0
7	Other investments (attach schedule)	0
8	Depreciable and depletable assets (attach schedule)	0
9	Land	0
10	Other assets (attach schedule)	0
11	Total assets (add lines 1 through 10)	0
Liabilities		
12	Accounts payable	0
13	Contributions, gifts, grants, etc., payable	0
14	Mortgages and notes payable (attach schedule)	0
15	Other liabilities (attach schedule)	0
16	Total liabilities (add lines 12 through 15)	0
Fund Balances or Net Assets		
17	Total fund balances or net assets	0
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	0
If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation <input type="checkbox"/>		

Schedule D. Section 509(a)(3) Supporting Organizations

1a Organizations supported by the applicant organization:	b Has the supported organization received a ruling or determination letter that it is not a private foundation by reason of section 509(a)(1) or (2)?	
Name and address of supported organization	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Valley Improvement Association, Inc.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
386 West Rio Communities Blvd., Belen, NM 87002	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	<input type="checkbox"/> Yes	<input type="checkbox"/> No

c If "No" for any of the organizations listed in 1a, explain.

Valley Improvement Association, Inc. is a 501(c)(4) organization.

2 Does the supported organization have tax-exempt status under section 501(c)(4), 501(c)(5), or 501(c)(6)? ☒ Yes ☐ No
If "Yes," attach: (a) a copy of its ruling or determination letter, and (b) an analysis of its revenue for the current year and the preceding 3 years. (Provide the financial data using the formats in Part IV-A (lines 1-13) and Part III (lines 11, 12, and 13).)

3 Does your organization's governing document indicate that the majority of its governing board is elected or appointed by the supported organizations? ☒ Yes ☐ No
If "Yes," skip to line 9.
If "No," you must answer the questions on lines 4 through 9.

4 Does your organization's governing document indicate the common supervision or control that it and the supported organizations share? ☐ Yes ☐ No
If "Yes," give the article and paragraph numbers. If "No," explain.

5 To what extent do the supported organizations have a significant voice in your organization's investment policies, in the making and timing of grants, and in otherwise directing the use of your organization's income or assets?

6 Does the mentioning of the supported organizations in your organization's governing instrument make it a trust that the supported organizations can enforce under state law and compel to make an accounting? ☐ Yes ☐ No
If "Yes," explain.

7a What percentage of your organization's income does it pay to each supported organization?

b What is the total annual income of each supported organization?

c How much does your organization contribute annually to each supported organization?

For more information, see back of Schedule D.

Schedule D. Section 509(a)(3) Supporting Organizations (Continued)

- 8** To what extent does your organization conduct activities that would otherwise be carried on by the supported organizations? Explain why these activities would otherwise be carried on by the supported organizations.

- 9** Is the applicant organization controlled directly or indirectly by one or more "disqualified persons" (other than one who is a disqualified person solely because he or she is a manager) or by an organization that is not described in section 509(a)(1) or (2)? ☐ Yes ☒ No
If "Yes," explain.

Instructions

For an explanation of the types of organizations defined in section 509(a)(3) as being excluded from the definition of a private foundation, see Pub. 557, Chapter 3.

Line 1

List each organization that is supported by your organization and indicate in item 1b if the supported organization has received a letter recognizing exempt status as a section 501(c)(3) public charity as defined in section 509(a)(1) or 509(a)(2). If you answer "No" in 1b to any of the listed organizations, please explain in 1c.

Line 3

Your organization's governing document may be articles of incorporation, articles of association, constitution, trust indenture, or trust agreement.

Line 9

For a definition of a "disqualified person," see **Specific Instructions**, Part II, Line 4d, on page 3 of the application's instructions.

Attachment

Part II, Question 1.

ACTIVITIES AND OPERATIONAL INFORMATION

Activities will be limited to lands owned by Valley Improvement Association (VIA), Valley Holdings, Inc. or VIA members in eastern Valencia County, New Mexico. The programs defined below will be implemented, in part, through grants, technical assistance, and collaboration with foundations, non-profits, and various governmental entities.

LAND PROTECTION PROGRAM

The Foundation will acquire tracts of land and platted lots from VIA, its subsidiary Valley Holdings, Inc., and its members through donations, trades and acquisition. The foundation will categorize this land according to its best and most appropriate use. Property will be identified as best used to protect the environment, provide recreation and open space, provide aquifer recharge, limit sprawl, protect sites of archeological or cultural significance and enhance the visual characteristics of the area. The foundation will identify environmentally sensitive land and preserve and protect it against development through the application of conservation easements, plat vacations, and land consolidation programs. Where appropriate and necessary, preservation and/or enhancement programs will be developed and administered.

VIA, a section 501(c)(4) organization, has begun this categorization work. VIA has hired consultant planners, engineers, hydrologists, and archeologists to initiate this work. The

foundation will assume this responsibility and will then plan and implement programs for natural resource management, water conservation, biodiversity recovery, ecosystem protection, wildlife habitat enhancement, and multi-disciplinary efforts for interpretation programs and partnerships.

The Foundation will identify and designate property as sensitive based on environmental, topographic, geologic, hydrologic, cultural, and other criteria that are being developed. It will manage these sensitive lands to best deal with such factors as soil limitations, steep slopes, significant archeological sites, and rare species habitat. Some of this land encompasses unique grasslands, rangeland and wilderness interface. The Foundation will place sensitive land under conservation easements, hold it in perpetuity as open public space. Other land will be used for recreation, education, or other foundation programs. Total time is estimated at 35%.

WATERSHED PROTECTION PROGRAM

Programs developed under this activity will manage water resources, increase groundwater recharge, improve water quality, reduce erosion, and develop the drainage system. The Foundation will manage arroyos and wetlands, and protect foundation and periphery lands. The purpose of this program is to protect and enhance the watershed and develop the drainage system. Consultants are identifying drainage and watershed limitations and the advantages and implications for their management. The Foundation will plan and implement programs for watershed protection, resource conservation, drainage improvements, and stabilization. Total time is estimated at 25%.

RECREATION AND OPEN SPACE PROGRAM

The Foundation will develop a multi-year program of public bicycle trails, pedestrian pathways and related recreational facilities. One path will extend 15 miles across foundation lands through community use sites, and the other will circle 11 miles around the developing community. The purpose is to provide a trail system throughout the Rio del Oro subdivision, utilize open space, and provide recreation. VIA secured two bike trail federal grants and initiated construction in 2001. The Foundation will take over these functions. Plans are for the Foundation to provide additional facilities, programs, and events for bicyclists. Total time is estimated at 20%.

ENVIRONMENTAL AND HISTORIC EDUCATION PROGRAM

The Foundation will conduct on-going water conservation programs and a Water Conservation Garden xeriscape model. The Foundation will also provide historic and cultural interpretive programs and an interpretive park. The Foundation will develop partnerships with schools within the Rio del Oro subdivision, such as the University of New Mexico Valencia campus and the elementary, middle school, alternative high school, career academy, and other educational institutions and utilize various environmental components for outdoor, environmental, and related educational programs and facilities. The purpose is to educate the public about water management, decrease water use, provide archeological and cultural programs, develop partnerships with the University's Valencia campus and other educational institutions, and utilize various environmental components for outdoor education and interpretation. Total time is estimated at 20%.