Dear Friends of the Foothills,

Foothills Land Conservancy has entered its 26th year of service preserving East Tennessee land. We could not have done it without the support of our Friends. Your contributions of time and resources to Foothills have provided the foundation for moving our land conservation programs into the next 25 years.

Foothills currently has 75 Conservation Easement Partnerships in 13 counties. These agreements, between the landowner and Foothills, ensure that our working farms, scenic views, woodlands and other natural areas will be preserved forever. All Conservation Easements held by Foothills are voluntary, customized, approved by a Board of Directors and monitored once a year.

Recently, Congress renewed a significant tax incentive to assist land owners in making their dream of preserving their land a reality. As a result, Foothills has experienced a significant increase in inquiries about Conservation Easements. While tax issues are important, it’s ultimately about a family or individual deciding to preserve a legacy for future generations. As Foothills continues to work with land owners and raise awareness of our mission we hope that you will encourage friends, family and colleagues to join in support of our efforts.

This year, the Foothills Land Conservancy fund raiser is planned for Saturday, June 18th, 2011. Our host location is the same as last year, Christine Hayworth’s Penrose Farm, a 130 acre west Knoxville equine facility. This Conservation Easement was established in 2007 and enjoys views of the foothills and Great Smokey Mountains.

Inside this newsletter, you will find details about the event as well as a description of our many 2010 and 2011 projects. Thank you again for your continuing support of our programs and we hope to see you at our June fund raiser.

Bob Van Hook, FLC President
2010 Land Projects... A note from Bill Clabough, FLC’s Executive Director

Foothills makes a commitment to our conservation easement partners that we will steward and protect their lands ‘in perpetuity’. We take this pledge very seriously and continue our efforts to ensure all of our easements are preserved, protected and enhanced. Every year, the Foothills team visits all of our conservation easements - sometimes we tour with the landowners or strike out on our own. Regardless, each property is toured, assessed and follow up reports are prepared as part of the agreement. We encourage anyone interested in learning more about this process to contact us and we would be glad to fill you in!

Polk County Easement (648 Acres) FLC celebrated an easement signing in late December on a beautiful parcel, known as Big Lost Creek. Surrounded on all sides by the Cherokee National Forest, this property offers ridge top views of the Southern Appalachian Mountains and the Great Smoky Mountain National Park. There are three cabins currently on the property. Tributaries inside the easement will allow for critical trout spawning for both the Hiwassee and Ocoee River watersheds, including 2.4 miles of trout habitat along Big Lost Creek. The property offers a mixed hardwood forest as well as old-growth white pine and hemlock. Bill Clabough, FLC’s Executive Director, considers this a rare opportunity to preserve land that remains relatively untouched by human hands. “The beauty and environmental values of this property are in keeping with the forest lands surrounding it. What an outstanding opportunity for Foothills to assist in the preservation of this natural area both for our community and wildlife habitat.”

Blount County Easement (11 Acres) FLC also partnered on an 11 acre tract outside of Maryville. Catherine Gilreath (pictured far left), a long-time Blount County resident and outdoors person/volunteer, recently decided to give back to her community in the form of a conservation easement. Her wish to preserve this land stemmed from the experiences she had growing up and a desire to preserve the land for others. Gilreath says, “Sports kept me out of trouble. Growing up in Sevier County (Kodak) across the road from Beech Springs School, my sibling and I along with all the neighborhood kids, enjoyed the nearby outdoor recreational facilities. That’s why I wanted to specify that this property could be used for community soccer fields and for other recreational uses.” The property includes a mix of open space and woodlands as well as a creek – all wonderful attributes for an outdoor sports area.

Knox County Easement (15 Acres) Billy Wallace decided to place a conservation easement on his 15 acre tract in Halls in Knox County. This is truly a unique piece of land that includes a blue hole (or underwater sinkhole) that is part cave and part spring. The property’s spring feeds into Beaver Creek that cuts through the Halls community. Surrounding the blue hole is good quality habitat for a variety of field and wetland birds. Sparrows love the mix of grasses and nearby water source – allowing them a place for nesting and protection. A lone, tall tree trunk along the spring hole (pictured left) is the remnant of an ash tree that likely provides for bird, owl and even raccoon habitat.

Knox County Easement (15 Acres) In early 2010, FLC agreed to hold a conservation easement for the Legacy Parks Foundation on 26 acres in Knox County. The purpose was to enlarge the Seven Islands Wildlife Refuge (SIWR) property. Since that time, Legacy Parks has given this tract, along with the easement, over to Knox County for inclusion in the refuge. SIWR is a wildlife sanctuary that encompasses 360 acres. It’s available for recreational use by the general public. Management of the SIWR refuge is a joint effort between Knox County Parks & Rec. and the Seven Islands Foundation.
Preserving vital waterways… by Meredith Clebsch, FLC’s Land Director

Over the past few months we have been fortunate to work with Greg Babbit of Blue Ridge Waterways & EcoFLOW Consulting in Maryville on a streambank mitigation project on Nails Creek at the Gail Harris farm (Blount County). Plans are nearly complete and will include removing or fencing cattle away from stream access and spring area of the property. Efforts are also focused on restoring the stream bank contours, removing exotic invasives, and planting at a 50 foot buffer along the stream in native trees and shrubs to help hold the soils and create habitat. Native plantings will also be made to restore the spring area where cattle have previously had access. The Harris property already has a conservation easement with FLC but additional conditions will be included that pertain to the restored area so that it remains protected in perpetuity.

That is all great news, but to top it off all of the improvements will be at no cost to FLC or the land owner! The funds originate from mitigation banking and EcoFLOW will manage the entire restoration process and follow up for approximately 5 years until it is established, at which time FLC will then hold the additional easement. We are excited for this opportunity to improve conservation values on the farm and the overall water quality of the Little River watershed. Foothills looks forward to similar projects in the future.

Land Management Plans: A hand’s on approach to conservation and sustainability…

Senior students with the University of Tennessee majoring in Forestry, Wildlife and Fisheries charged every year with developing an integrated land management plan as part of a senior capstone course their last semester. FLC Board Member & UT Instructor, William ‘Billy’ Minser, oversees this project. He wants to provide students opportunities to work with land, either private or public, where the landowner wants guidance in accomplishing their current and future objectives in managing, forests, wildlife and wild land recreation on their property. Two of FLC’s easements are being utilized now by UT students in conjunction with several other nearby properties.

Organizations working together in the name of preservation. Over the past 25 years FLC has assisted, established or donated over 10,000 acres conveyed for public lands that include:

- Great Smoky Mountains National Park
- Wildlife Management Areas such as Foothills Wildlife Management Area (adjacent to the Foothills Parkway in Blount Co.), Kyker Bottoms Wildlife Refuge (Blount Co.), and Yuchi Wildlife Refuge at Smith Bend (Rhea County)
- 50-acre park site for Pittman Center (Sevier County)
- Seven Islands Wildlife Refuge (Knox County)

FLC is working collaboratively with the Legacy Parks Foundation in their efforts to create a 1000 acre Urban Wilderness Corridor along Knoxville’s south waterfront. As part of this effort, Foothills holds a conservation easement on the 70 acre River Bluff property.
Creating a Legacy Through Planned Giving

Scenic views, working farms, natural areas, and wildlife habitat just scratch the service of why our area is worth preserving. Planned gifts provide FLC with a permanent foundation for our East Tennessee land stewardship obligations and future conservation programs.

Marian Oates (pictured above - center) was a much loved and respected teacher, community volunteer and conservationist. Shortly before her passing in July of 2009, Oates placed a conservation easement on the property with the help of the Foothills Land Conservancy and the Legacy Parks Foundation. She also made arrangements to bequeath her property and a portion of the funds to maintain it to Foothills. This property, now known as the ‘Bluff Mountain Ecological Reserve’, will forever remain in it’s natural state - the same way her grandparents experienced it back in the early 1900’s. Marian said it best, “This agreement enables a continuation of the conservation principles my Father, Mother, and I have tried to practice on Bluff Mountain. Hopefully, many others will see fit to do their part to save God’s beautiful Creation.”

East Tennessee’s rural character is diverse, beautiful and worth preserving. For those whose passion lies in passing on their love of the land to future generations, we hope you will consider supporting FLC through these options:

• Naming FLC as a beneficiary in a will, trust, insurance policy or retirement plan
• Providing appreciated assets, securities or land parcels
• Donating land to Foothills for the purpose of retaining it’s agricultural and forestry practices

FLC Applauds the Renewal of the Conservation Easement Tax Incentive

Congress just renewed a tax incentive for private landowners - especially working family farmers and ranchers who want to protect their land with a voluntary conservation agreement. Conservation-minded landowners now have until December 31, 2011 to take advantage of a significant tax deduction for donating a voluntary conservation agreement to permanently protect important natural or historic resources on their land. When landowners donate a conservation easement they maintain ownership and management of their land and can sell or pass the land on to their heirs while foregoing future development rights. They can also decide to bequeath the land to private or public entities. This incentive:

• Raises the deduction a donor can take for donating a voluntary conservation agreement from 30% of their income in any year to 50%
• Allows farmers and ranchers to deduct up to 100% of their income
• Increases the number of years over which a donor can take deductions from 6 to 16 years.

Bill Clabough
FLC Executive Director
Join Foothills Land Conservancy for our:
Annual Celebration
‘Let’s keep East Tennessee looking like East Tennessee’

June 18th, 2011

Host Location – Christine Hayworth’s:
P E N R O S E   F A R M

Contact FLC at 865-861-8326 to become a sponsor or host committee member!

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2011 Spring/Summer Schedule of Events

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
<th>Event Description</th>
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<tbody>
<tr>
<td>March</td>
<td>22</td>
<td>*Presentation - Spring into the Outdoors! Learn about our region’s native trees,</td>
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<td>shrubs, plans and wildlife.</td>
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<td>March</td>
<td>29-31</td>
<td>East TN Quality Growth Control Conference - Knoxville</td>
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<td>Foothills staff will be attending this conference. For more information or to</td>
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<td>register, call (865) 705-9151.</td>
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<tr>
<td>March</td>
<td>30-1</td>
<td>SE Regional Land Trust Alliance Conservation Conference - Chattanooga</td>
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<td>Foothills staff will be attending this year’s conference. For anyone who wishes</td>
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<td>register or learn more, please call (919) 515-0760.</td>
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<td>April</td>
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<td>Community Day at Little River Trading Co. A portion of Little River’s retail</td>
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<td>sales that day will benefit various East TN organizations, including FLC. (9AM-1PM)</td>
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<td>April</td>
<td>26</td>
<td>*Presentation - Get Yourself in Gear! Get the latest advice and your questions</td>
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<td>answered on bicycling.</td>
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<td>May</td>
<td>17</td>
<td>*Presentation - FLC’s Land Conservation Programs</td>
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<td>Join Foothills as they discuss creative, free-market methods for protecting</td>
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<td>and enhancing our natural landscape – including family farms, scenic views,</td>
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<td>woodlands, and public parks.</td>
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<td>June</td>
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<td>Land Trust Day at Mast General Store</td>
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<td>Mast is donating a portion of their sales that day to FLC’s land conservation</td>
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<td>programs! FLC will have a booth at the store that day.</td>
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<td>June</td>
<td>18</td>
<td>Annual Celebration (5:00PM-8:30PM)</td>
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<td>Host Location at Christine Hayworth’s Penrose Farms in Knoxville</td>
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<td>June</td>
<td>28</td>
<td>*Presentation - Hiking 101 Learn about the resources, gear, and etiquette every</td>
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<td>hiker needs to have for a safe and fun journey.</td>
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*Indicates that this event is located at Blount Memorial Wellness Center (220 Associates Blvd. Alcoa, TN) at 6:30PM.
FLC’s Friends of the Foothills Program

Who are our Friends of the Foothills?

Well, they all have one thing in common - their love of East Tennessee’s beautiful mountains, family farms, woodlands and wildlife. Our Friends are comprised of gardeners, bird watchers, hikers, trail volunteers, educators, conservationists and nature lovers. They are also comprised of companies and organizations who support FLC’s mission and want to encourage a healthy environment and vibrant quality of life among our regional community.

FLC is a 501(c)(3) non-profit and does not receive any financial support from federal, state or local governments. We rely solely on the support of individuals and corporate sponsors. Foothills welcomes any and all donations throughout the year. Please visit www.foothillsland.org to make an online donation or to download and print a form for mailing in a check or credit card contribution.

LEVELS OF FRIENDSHIP: __ $25 __ $50 __ $100 __ $250 __ $500 __$1000 __Other

Connect to Foothills! - This year, we continue our efforts to ‘go green by conserving the green’. If you haven’t already, please visit www.foothillsland.org and sign up for our monthly eNews. You’ll receive all of our news and announcements while assisting us in saving your donation dollars for land conservation efforts. Here are some other ways to stay connected:

Facebook - ‘Foothills Land Conservancy’ ● Twitter - EliseatFLC ● FLC Blog - blog.foothillsland.org

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Marty & David Black
Pat & Ernie Blankenship
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Dr. Ben Clark, Jr.
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Kay & The Honorable Douglas Overbey
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Becky & Joe Swann
Nancy & Bob Van Hook
Ruth & Steve West
Wayne Whitehead
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Susan & George Wilson

MANY THANKS TO OUR 2010 CORPORATE SPONSORS & HOST COMMITTEE MEMBERS