



Conservation Easement

What is a Land Trust?

- ❧ Texas land trusts work to conserve Texas' special lands and waters by permanently protecting them from development for the benefit of the people, economy, and wildlife of our state.
- ❧ There are over 30 land trusts in Texas that have helped to conserve over 1.6 million acres of farms, ranches, wetlands, wildlife habitat, urban parks, forests, watershed, coastlines and river corridors.



Photo by Mark Clune

The Frontera Land Alliance

The Frontera Land Alliance, nationally accredited, protects — forever — natural areas, working farms and ranches, water and wildlife for future generations in the west Texas and southern New Mexico region of the Chihuahuan Desert.

Frontera promotes and facilitates a balance in prudent approaches to ensuring the sustainability of our natural assets. As well as includes: leadership in education, resource management, and stewardship, and engaging in collaborative partnerships.



Photo by: Mark Clune

Focus of work

El Paso, Hudspeth, and Culberson Counties in Texas and Dona Anna & Otero Counties in New Mexico

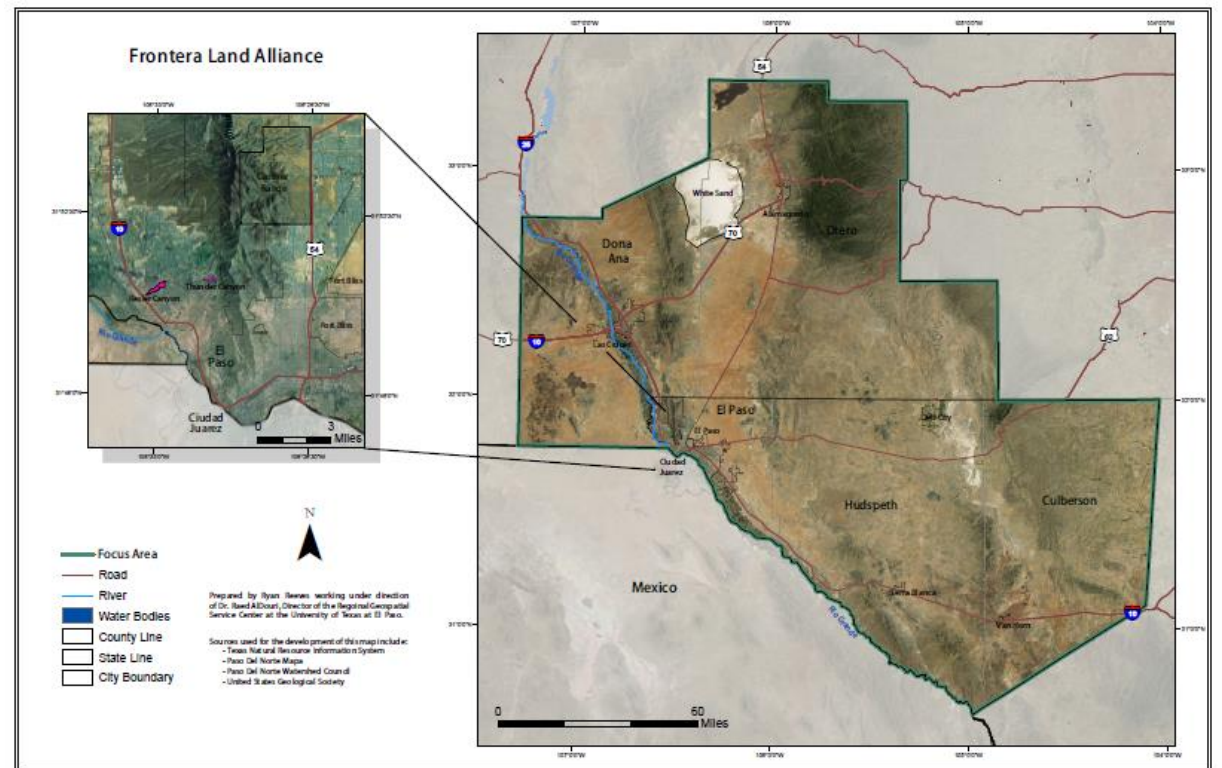


The State of Texas encompasses approximately 176 million acres of land.

El Paso County:
1,015 sq. miles

Hudspeth County:
4,572 sq. miles

Culberson County:
38,000 acers.



Conservation Easement

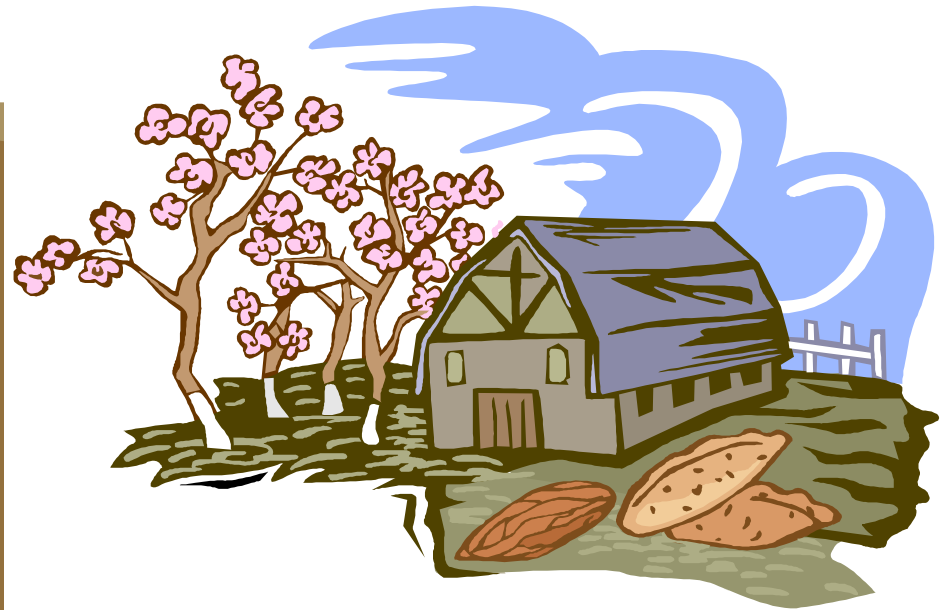
A landowner voluntarily restricts the amount of development and type of uses that will occur on the surface of the property and may also limit subsurface rights.

The purpose of a conservation easement is to protect the natural scenic open space, water, working farms and ranches.



Conservation Easement

Remains as **private property**. You continue to own and manage your own land according to the agreement you created with the land trust.



Conservation Easement

❧ **Bundle of Property Rights:** The rights that follow or run with the land such as easements, deed restrictions, liens, uses, etc.

- Uses: Forest, hunting, ranching, farming, water, etc.
- Development rights
- Liens
- Deed restrictions

❧ **Remove a Right:** Limit rights to the type and amount of development on the surface of the property

❧ Limitations are held in **perpetuity**

❧ Landowner continues to **own and use the land**

❧ Possible federal and property **tax** deduction

❧ The conservation easement is recorded at the **county records office** (Ensures that each new owner is aware of limitations)



Conservation Easement

❧ Key Components of a Conservation Easement

❧ Purpose

~ What is being protected and why?

>Ex: Family land, special features (water, view, land)

❧ Permitted uses

~ Rights retained by landowner

>Ex: Build a home, farm or ranch operations (stock tank, power lines, etc.), road, oil well, hunting, etc.

❧ Prohibited uses

~ Rights prohibited to landowner

> Ex: Don't allow homes, roads, oil wells, wind farm, etc.



Photo by Mark Clune

Conservation Easement

❧ **Process Overview** (a short summary)

- ~ Government agency or landowners are contacted and discuss what they wish to preserve
- ~ Lands Committee and Board review project
- ~ Appraisal completed and reviewed
- ~ Title Review
- ~ Survey and subordination letter, if needed
- ~ Environmental assessment
- ~ Baseline report, tells current condition of the land
- ~ Easement terms are negotiated
- ~ Stewardship Fee – Fee for long-term management



Conservation Easement

❧ What happens after the conservation easement is in place?

- ~ Property is monitored annually
- ~ Enforcement of conservation easement property
- ~ Continue to build relations with holder of a conservation easement and their neighbors if possible



Local Example:

Thunder Canyon Conservation Easement

Thunder canyon: Thunder Canyon is a 24-acre natural arroyo in the western slopes of the Franklin Mountains. The property was formerly owned by a private development company.

For two years 88 neighbors of the canyon worked with the City to purchase the property from the developer by using the: Public Improvement District (PID). Since 2007 the neighbors incurred increased property tax surcharge to reimburse the City for the purchase price; the land now belongs to the citizens of El Paso for all of us to enjoy forever.

Frontera conducts annual site visits to ensure the agreement is in tact.



Local Example:



Conservation Easement Incentives to Landowners

- ❧ **Federal Tax Deduction:** The permanent conservation easement tax incentive is a powerful tool that helps Americans conserve their land voluntarily.
 - ❧ Permanent incentive increases the benefits to landowners by:
 - ❧ Raising the deduction a donor can take for donating a conservation easement to 50 of his or her annual income;
 - ❧ Extending the carry-forward period for a donor to take a tax deduction for a conservation agreement to 15 years; and
 - ❧ Allowing qualifying farmers and ranchers to deduct up to 100% of their income.
- ❧ **Charitable Giving:** Charitable donations are commonly in the form of cash, but can also take the form of real estate, stocks, appreciated securities, and other assets or services.
- ❧ **Estate Planning:** This is another opportunity to make a lasting contribution to the wishes of the owner. Estate planning may also help you to reduce your income tax. It can also help reduce or possibly eliminate capital gain taxes.
- ❧ **Possible Property Tax Reduction:** Check with your local appraisal office.

Seek professional guidance

Why does any one want to restrict their development forever?

1. Land and water conservation are essential to a healthy Texas.
2. Our lands protect our water supply, provide habitat for our fish and wildlife, preserve our agricultural heritage, and improve our quality of life.
3. By protecting these lands, land trusts help ensure that every Texan has access to clean water, the freedom and peace granted by natural areas, and the opportunity to be physically connected to our natural and cultural heritage.
4. Without those wide open spaces to experience and enjoy, Texas just wouldn't be Texas.
5. Family Legacy.
6. Control the land from the grave, don't trust heirs of the land to carry out your wishes.



Financial Impact?

EACH YEAR...

Lands conserved by Texas
land trusts provide over

\$1 Billion

in natural resource and
community benefits.



**Over the next
30 years...**

that's more than
\$30.9 Billion
in flood prevention,
water supply, water
filtration, and
economic productivity.



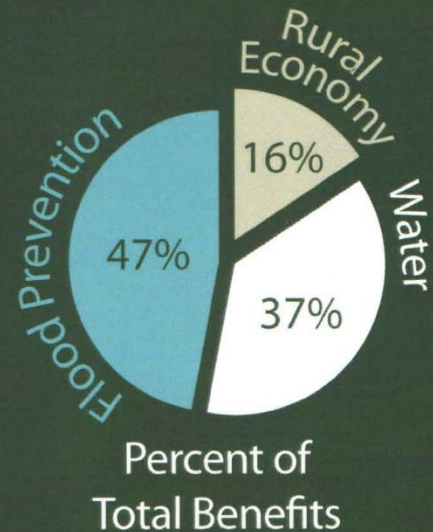
\$11.6 Billion



\$14.5 Billion



\$4.8 Billion



There are over 30 land trusts that have helped to conserve over 1.65 million acres of farms, ranches, waterways, and wildlife habitat.

Conserving Texas Land Saves Taxpayers Money.

Land trusts in Texas protect our water, reduce flooding impacts, and provide economic benefits and recreation opportunities for all Texans.



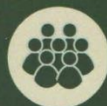
Over
1.65 Million
Acres conserved by Texas Land
Trusts across our state



Yields
\$1 Billion
Estimated annual economic
benefit to Texas taxpayers



Every \$1 invested
in conservation
yields up to \$9
return on
investment.



The Texas Land Trust
Council (TLTC) is a coalition
of non-profit organizations
called "land trusts" whose
mission is land and water
conservation.



Land trusts conserve vital
natural areas, often by
negotiating voluntary
private agreements with
landowners to leave their
land undeveloped.



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have helped to conserve
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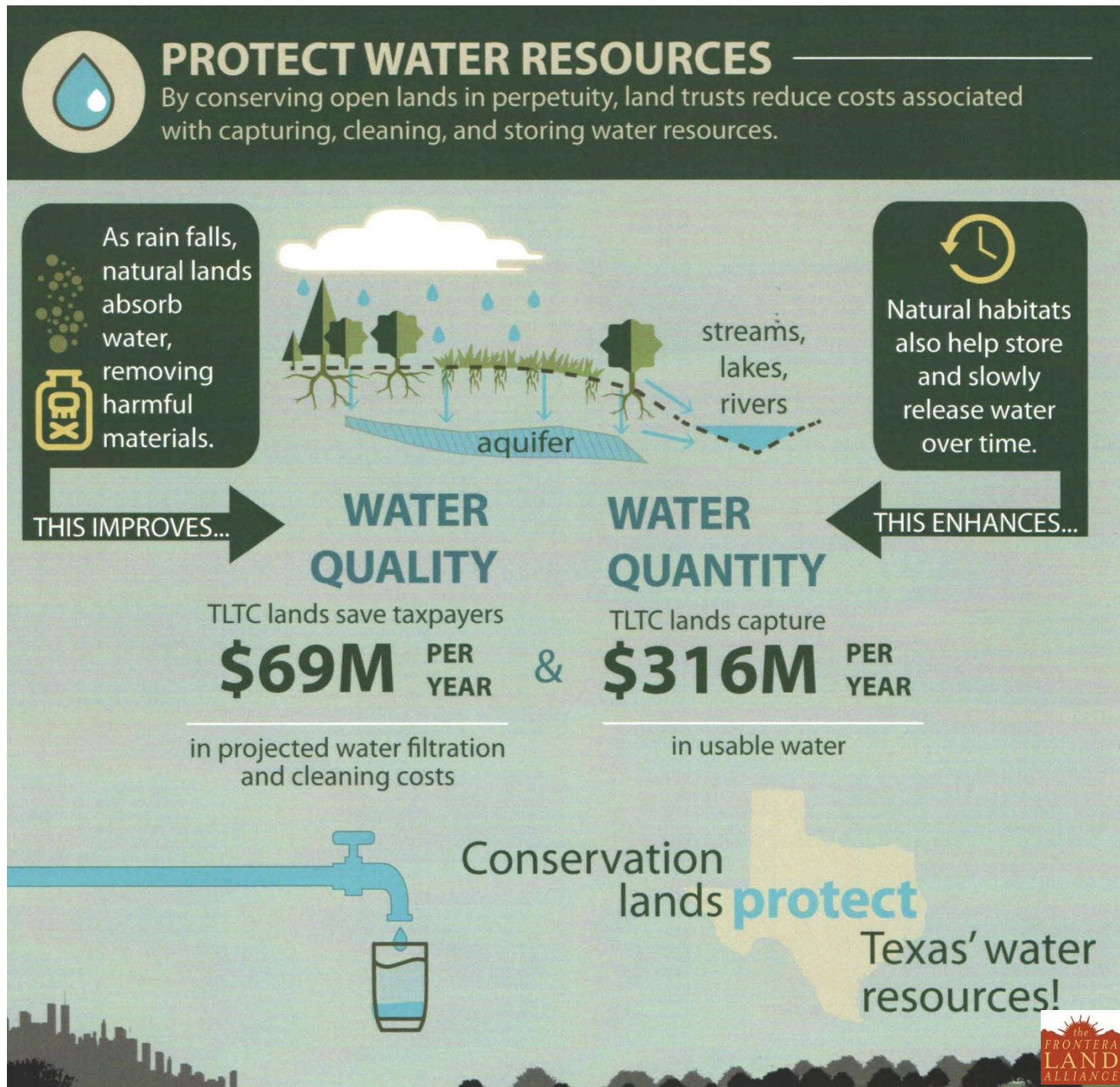


Texas land trusts conserve open space, wildlife
habitat, waterways, and agricultural lands
—working in partnership with private landowners—
to preserve Texas for future generations. Those
conserved lands provide many economic and
natural resource benefits for all Texans.



Conserving land is a cost effective strategy for securing clean water.

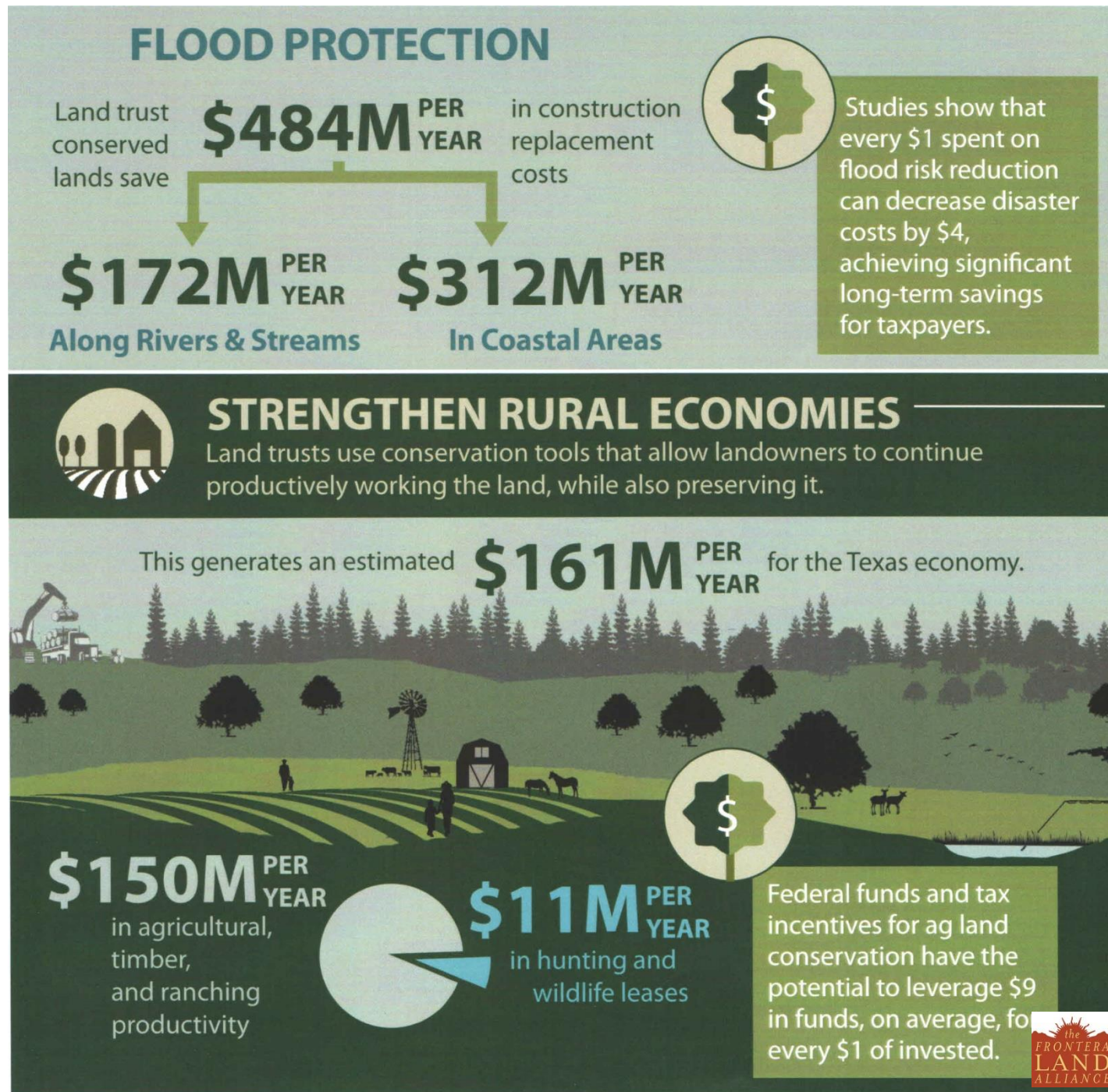
Every \$1 invested in land conservation for water protection can avoid \$6 in water infrastructure costs for Texas taxpayers.



Preserved lands in floodways and floodplains has been shown to be a cost-effective solution for flood damage reduction.

By soaking up flood waters, conserved areas help to:

- capture rainfall
- Slow water movement
- Reduce erosion
- Reduce surge levels
- Decrease flood damage



Conservation Easement



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