
MINNESOTA LAND TRUST



Some things should be forever.

Conservation Easements 101: An Overview

- What is the Minnesota Land Trust?
 - What is a conservation easement?
 - What are the benefits?
 - Who holds them in MN?
 - How might counties interface with them?
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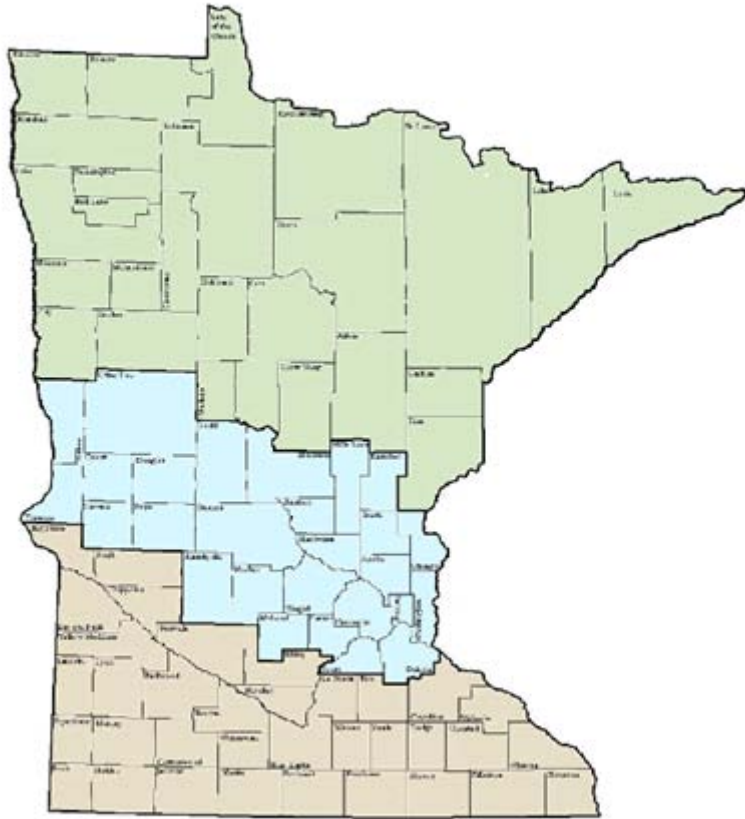
Minnesota Land Trust



- State-wide non-profit conservation organization
- 3 regional offices, with HQ in St. Paul
- 10 staff, 90+ volunteers
- 380+ projects to date
- 33,000+ acres protected
- 130+ miles of shoreline



Our approach in Minnesota:

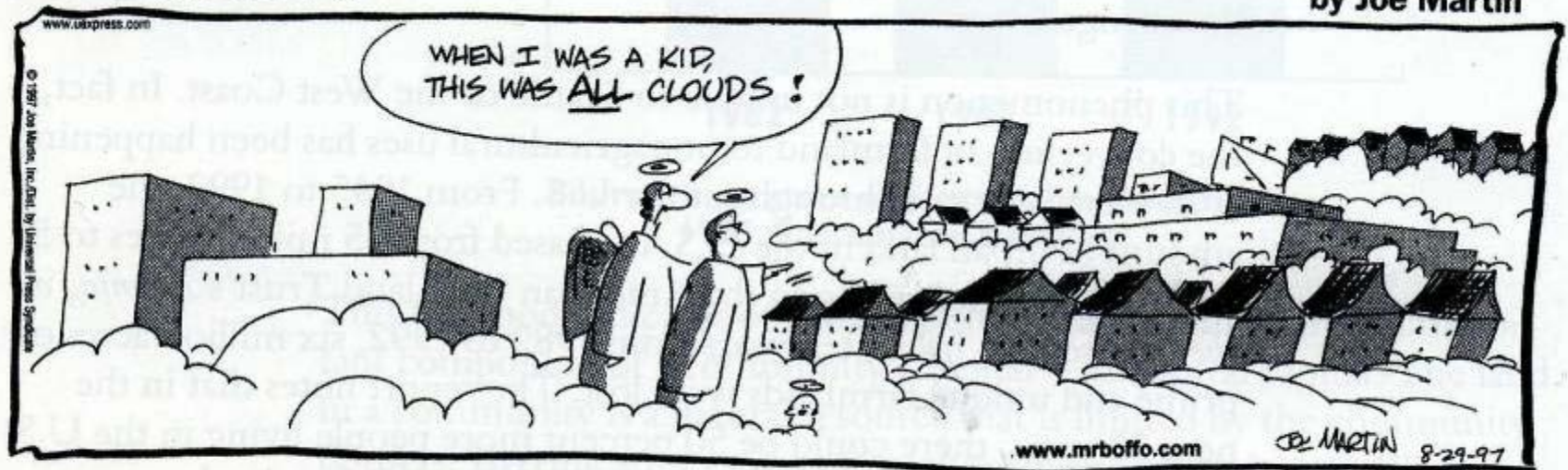


- Statewide conservation with a local impact
- Regional offices provide local connections

Why a Different Approach?

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by Joe Martin



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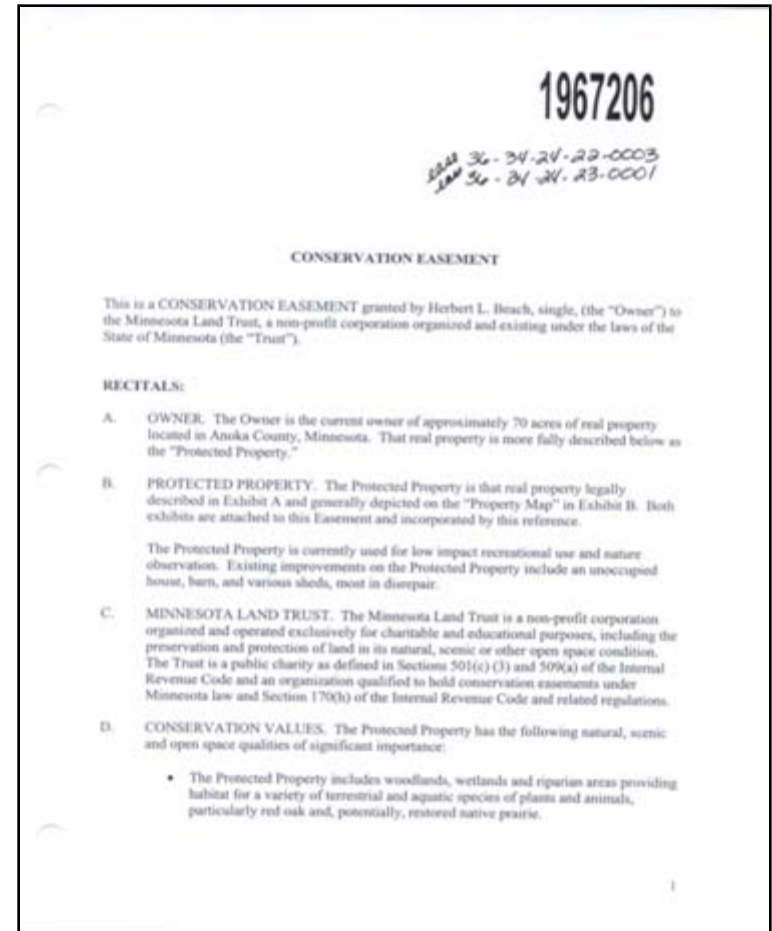
Voluntary Land Protection Options

- Land acquisition by purchase or donation
- Deed restrictions
- Government land retirement programs such as CRP and WRP.
- Conservation easements.



Conservation Easements

An effective
alternative with
enduring
results.



Definition:

Conservation easements
are legally binding land use restrictions
that preserve the *conservation values*
of the land by restricting its
use and development. . .

And considered a partial interest in real-estate

Easements are typically:

- Voluntary
- Perpetual
- Tailored to each property
- Monitored and enforced by a “third party”



What land can be protected with a conservation easement?

IRS 170(h)

- Public outdoor recreation and education
- Significant, relatively natural habitat
- Open space (farms, forests) for scenic enjoyment or by policy
- Historic Preservation

Minnesota Land Trust focus:

- Natural lands for wildlife habitat
- Lakeshore, rivers and streams
- Scenic Lands of Importance

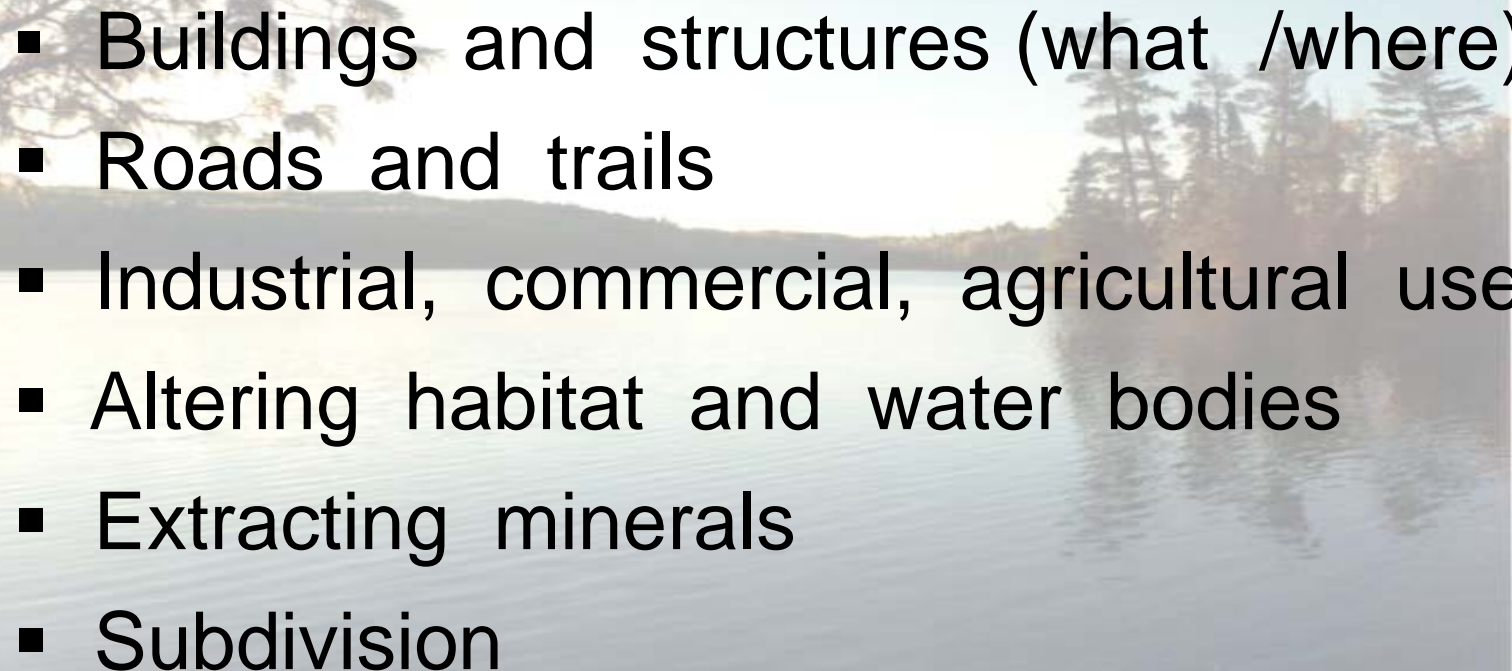


Who can hold a conservation easement?

- Government agency
- Conservation organization



What types of restrictions are typically included in a conservation easement?

- 
- Buildings and structures (what /where)
 - Roads and trails
 - Industrial, commercial, agricultural use
 - Altering habitat and water bodies
 - Extracting minerals
 - Subdivision
-

Landowner responsibilities

- Continue to own and manage the land, consistent with the restrictions.
- Pay property taxes.
- Allow the Land Trust to monitor the easement.
- Notify the Land Trust before transferring the land.



Holder responsibilities

- Monitor the conservation easement in perpetuity - typically annually
- Enforce the easement in the event of a violation its terms



Benefits of a Conservation Easement to the Landowner:

- Keeps private land in private ownership.
- Allows for personal participation in conservation.
- Provides personal peace of mind and leaves a legacy of conservation for family, for community, and for future generations.



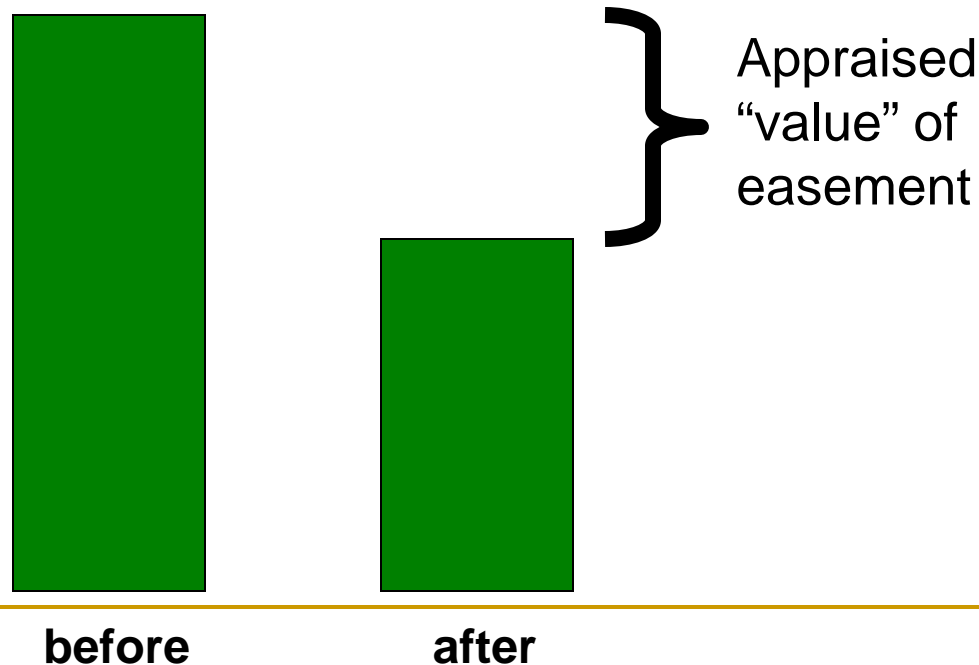
Financial benefits of conservation easement to landowner:

Potentially provides:

- \$
 - Income tax benefits
 - Estate tax benefits
 - Property tax benefits??
-

Income Tax Benefits

- Donation of a qualified conservation easement is considered a charitable gift.
- Qualified appraisal required to claim a deduction.



Estate Tax Benefits

- Possible reduction of estate tax by lowering the value of land thereby lowering the value of the estate.
 - Conservation easements can be donated before or after owners' death.
-

Property Tax Benefits

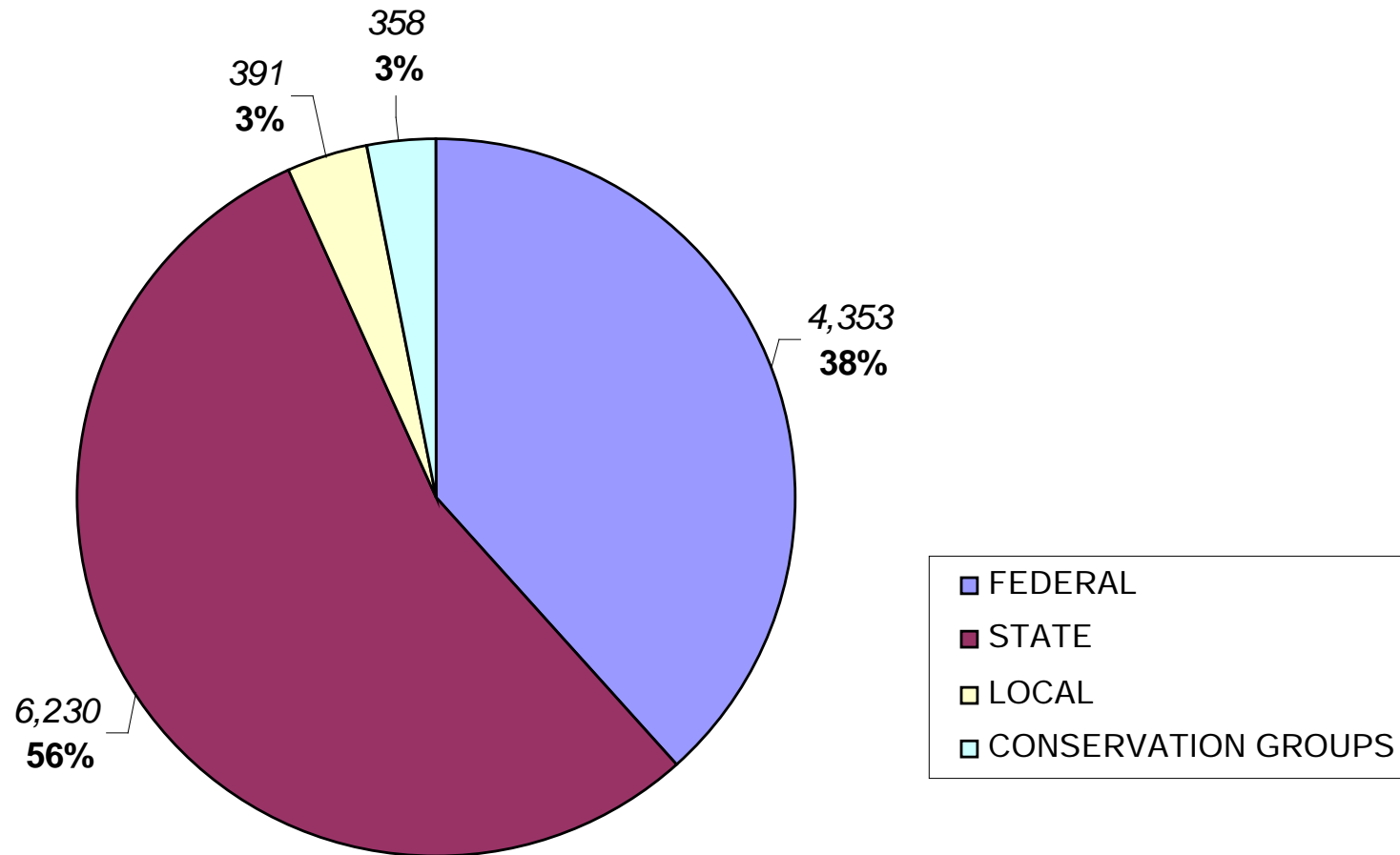


A conservation easement may lower the value of the property for property tax assessment purposes, but depends upon the property, restrictions and location.

Benefits of a Conservation Easement to the Community:

- Protects land and water resources
 - Preserves community character, enhances value of land in the community, and makes communities more attractive to residents and businesses
 - Maximizes use of conservation dollars
 - Keeps land on local tax rolls while requiring fewer services
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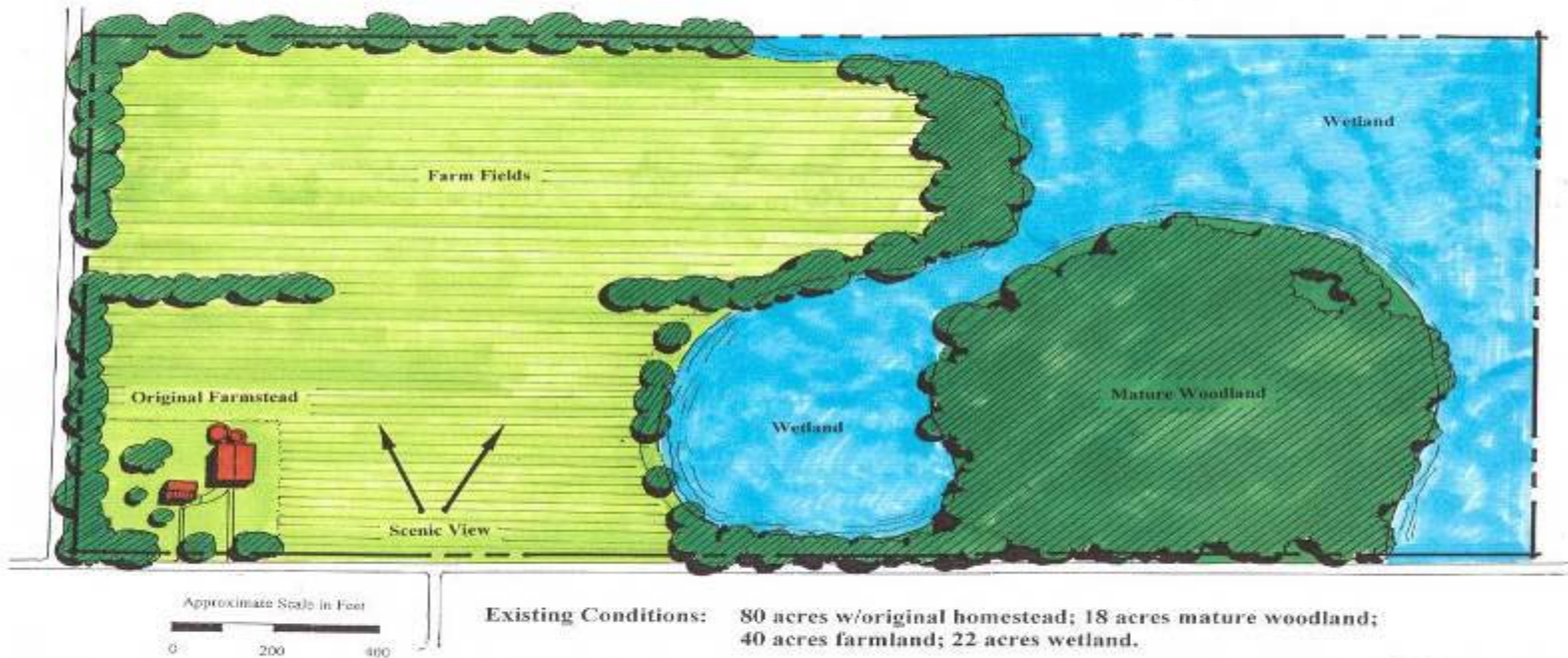
Who Holds Easements in MN?



How are easements used by LGUs?

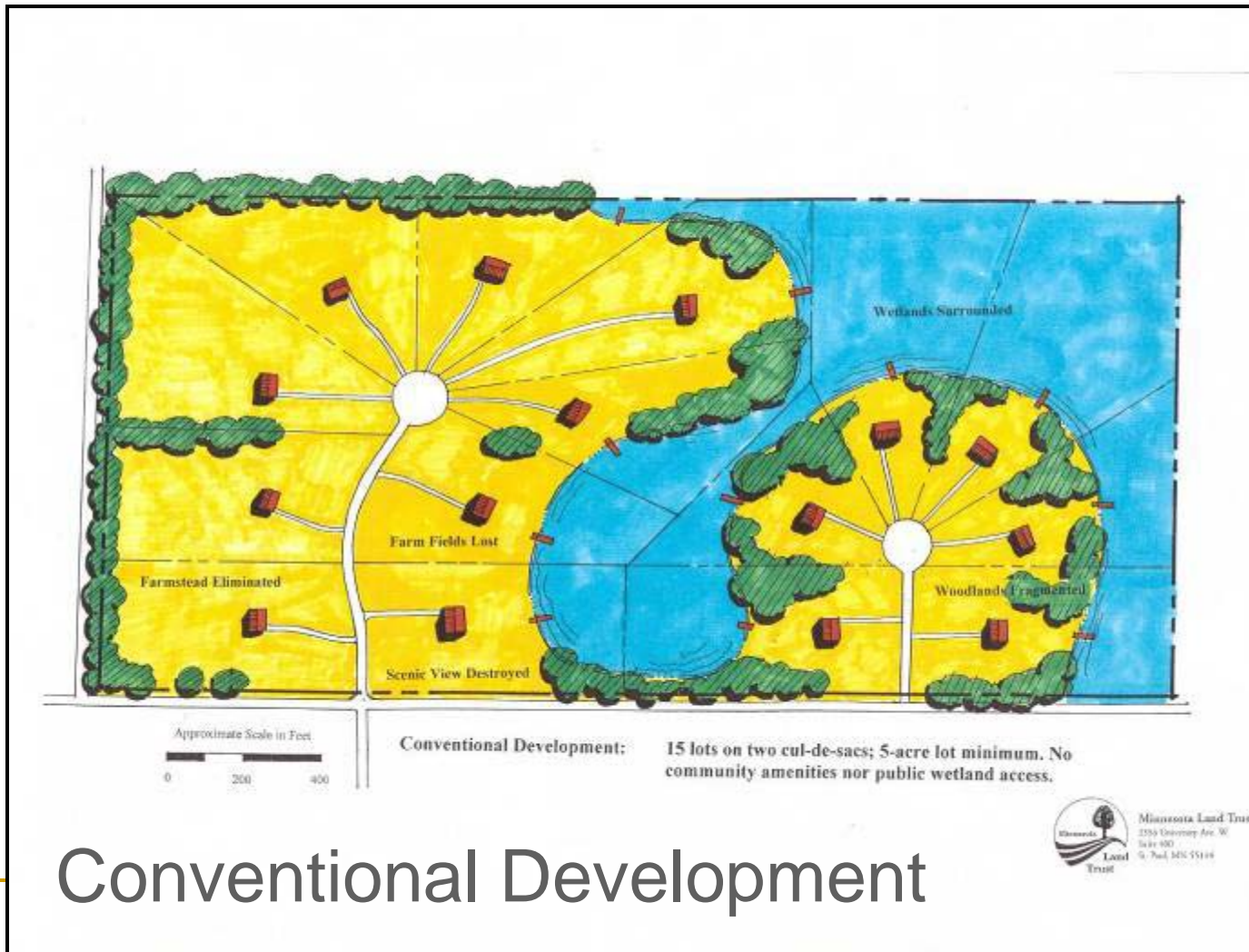
- PDR or protection programs (Dakota, Cass)
 - TDR
 - Conservation developments (Washington)
 - Scenic protection
 - Well-head or watershed protection
 - Historic or archeological purposes
 - Recreation or education (Grand Marais, Red Wing)
 - Other?
-

Conservation Development at Various Densities



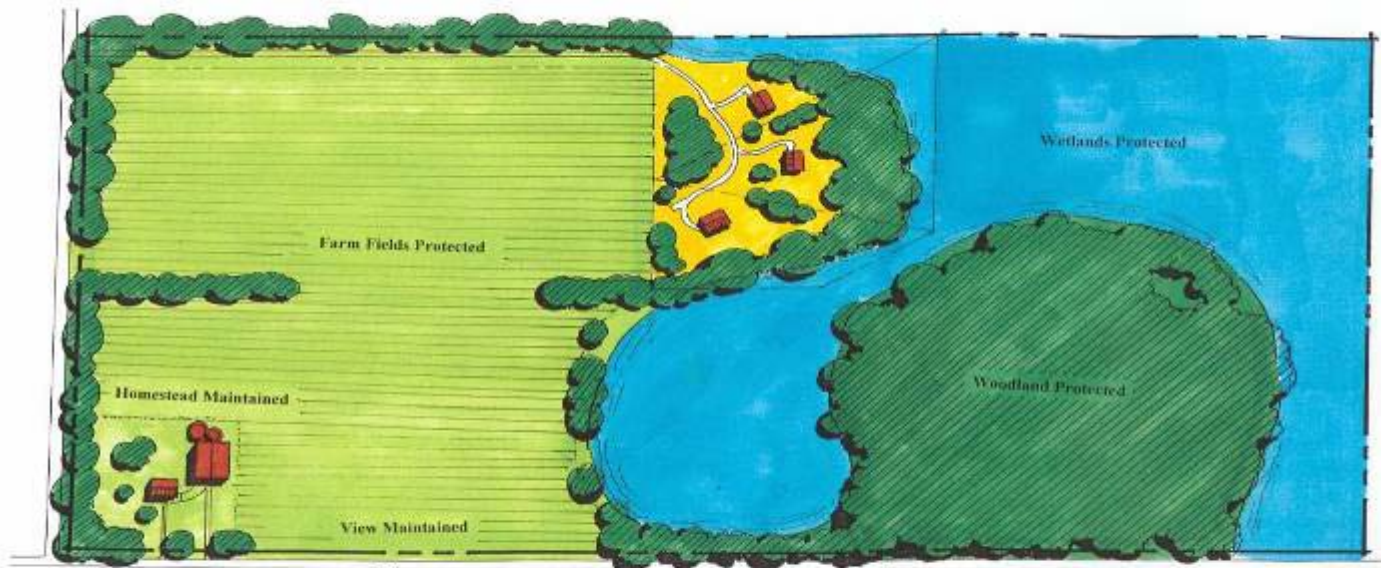
Existing Conditions

Conservation Development at Various Densities



Conventional Development

Conservation Development at Various Densities



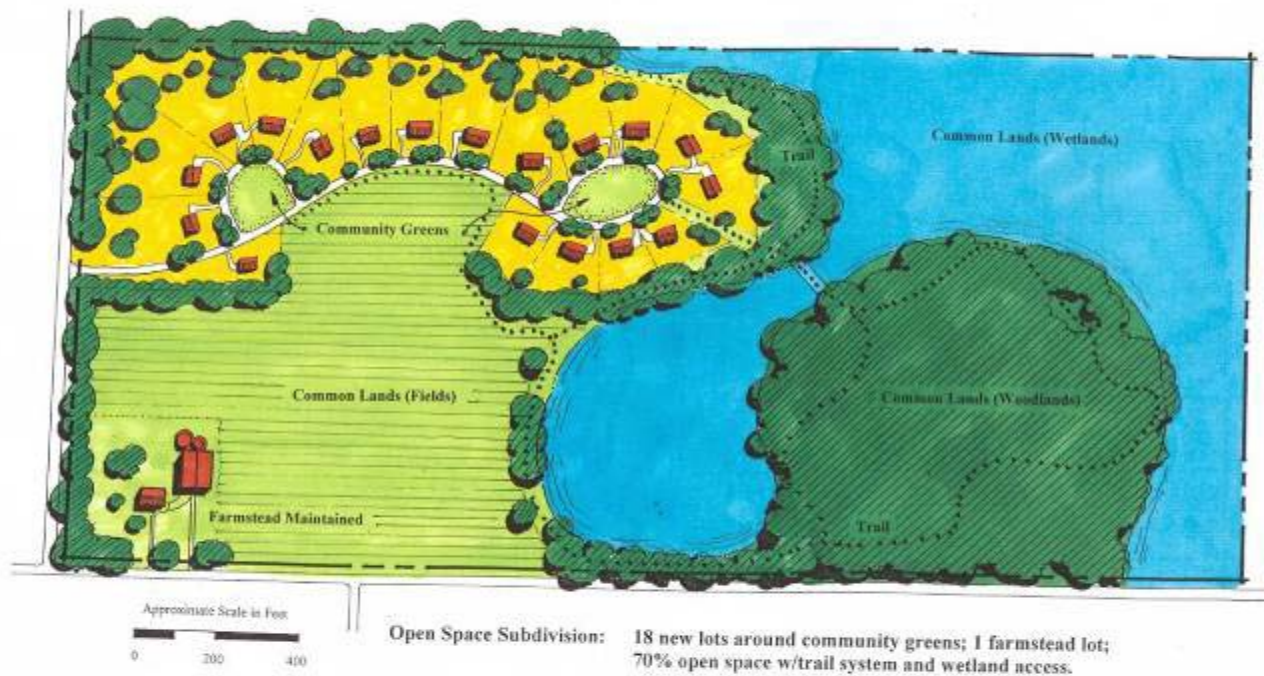
Approximate Scale in Feet
0 200 400

Limited Development:

3 new 2-acre lots; existing farmstead preserved; 72 acres under perpetual conservation easement.

Limited Development

Conservation Development at Various Densities



Conservation Subdivision

Conservation Development at Various Densities



TND/Mixed Use

Holding easements is not easy

- Time consuming
- Expensive
- Significant Expertise
- Enforcement
- Record Keeping
- Standards & Practices
- Accreditation



The trouble with land is . . .



“ . . .they ain’t making any more of the stuff.” -Will Rogers

MINNESOTA LAND TRUST



Your land. Your water. Your future.

Our mission.

Some things should be forever.

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