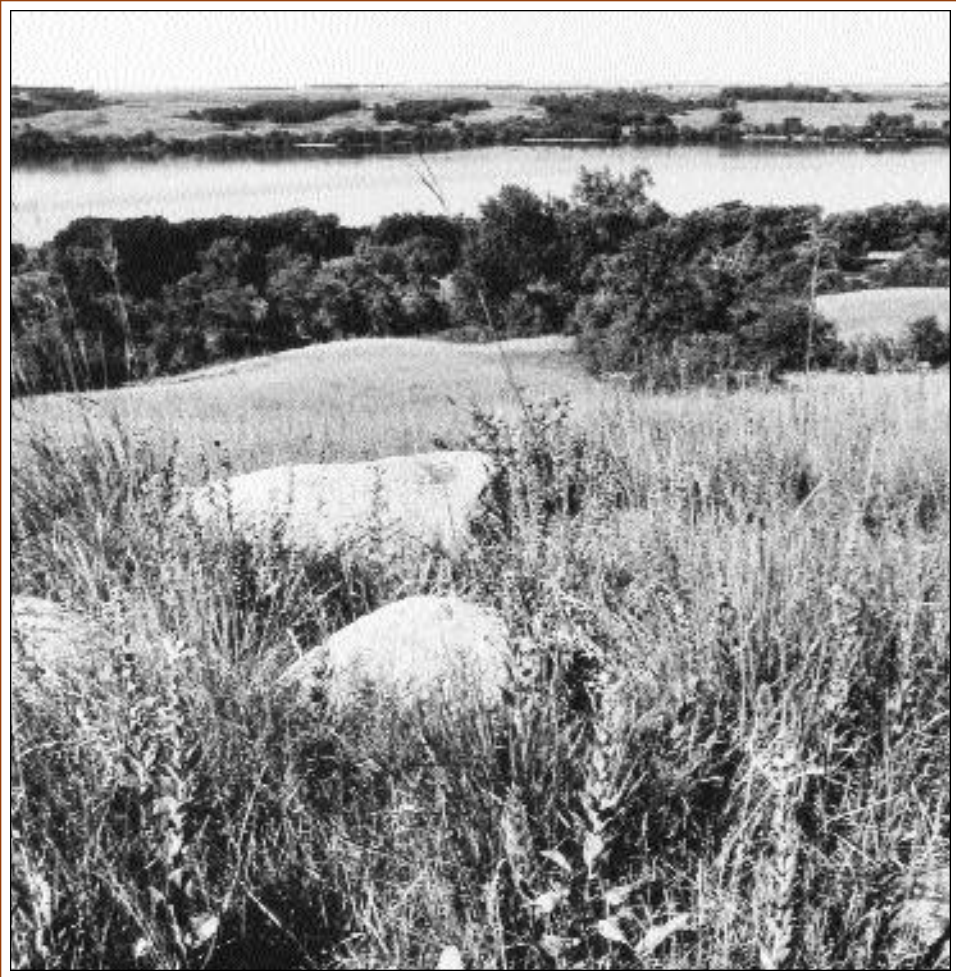


Land Protection Options



A Handbook for Minnesota Landowners

*Published by The Nature Conservancy, the
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The Trust for Public Land, & the Minnesota Land Trust*

REVISED SECOND EDITION



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Attention: LPO book
Minnesota DNR
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St. Paul, MN 55155

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Land Protection Options:
A Handbook for Minnesota
Landowners

WRITTEN AND DESIGNED BY LAURIE ALLMANN

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We are heirs of the grace of wildness.

Paul Gruchow



Preface

The options highlighted in this handbook focus on protection of “open space,” a term meant here to include the following types of land:

- natural area lands (lands that may be subjected to some management, may be publicly or privately owned, but are in their natural state and serve the primary purpose of preserving intact whole ecological communities, undisturbed habitats of a diverse array of wildlife and plant species, and the functioning of natural systems)
- parks (lands managed for environmentally sensitive public outdoor recreation)
- agricultural lands (working farms and ranches)
- selectively managed natural lands (lands managed for production of game species, timber, or other renewable natural resources, provided that such management is sensitive to the long-term health and functioning of the natural system as a whole, and does not degrade other existing conservation values of the land)
- scenic lands and community green space (lands that may lack distinctive ecological significance, but nevertheless make an important contribution to quality of life for a community’s residents)

Open space lands affirm life. In the best sense of the word, these are *productive* lands; they promote air and water quality, build soils, reduce flooding, foster genetic diversity that gives our environment resiliency in the face of drought and disease, provide opportunity for recreation, offer scenic beauty to be enjoyed by a community’s residents and visitors, and enrich our lives in countless other ways. They merit our protection because of their intrinsic worth, and because—plain and simple—they are necessary to human health, our long-term economic vitality, and the quality of life in our communities.

Some things we discard. Others, if we are wise, we keep. These lands are keepers.

Chapter 1

Beginning to Begin

People have many reasons for putting off planning for the preservation of their land. They may be unsure of what options are available or may be confused by what seem to be too many options. They may be hesitant to contact an organization for information, because they consider land to be too private a matter to discuss with others; or maybe they just don't know who to contact for help. They may be concerned that any options that would involve preserving their land would involve financial hardships they can't afford. Or perhaps they just haven't felt they've had the time they thought they needed to deal thoughtfully with such an important issue.

Sound familiar? First, relax. While planning for the preservation of your land is indeed important and can be complex, there are many people and organizations that can aid you in navigating through the options to develop a plan that suits your needs. All of the options described in this handbook are voluntary; you can freely contact the organizations listed in these pages without feeling that you're giving up any control over what happens to your land. In the end, it will always be your decision whether or not you wish to follow through on the available options.

Most landowners who contact conservation organizations for help are motivated by a desire to preserve the features they value about their land, whether it's the pond where a pair of ducks nest each summer, or the family farm, or a block of forest that surrounds a northern home or cabin. To these people, their land's value is as much a matter of the heart as a matter of dollars. Yet, out of necessity, financial considerations are often a determining factor in decisions regarding land. The good news is that there are many options available that can help a landowner to address their financial needs while at the same time accomplishing their land protection goals.

Whoever you are, whatever your age or circumstances, it's good that you're starting now. As you read over the options in this book, keep in mind that you can tailor a plan to your needs. You may be served by a combination of options. You're encouraged to read over even those sec-

tions that you think do not apply to you; you may be surprised at the strategies that can help to get you where you want to go.

Remember that you're not alone. You can benefit from the knowledge and skills of your fellow Minnesotans who staff the state's public and private conservation organizations. You can talk with landowners who have already made the choices that you're considering and find out how they feel about the outcome. Of course, for any action that has the potential to affect the value of your land or your estate, you'll want to consult family members and your own attorney, accountant, estate or financial planner. One thing is certain: You'll be leaving a legacy on this earth, and you have the opportunity to decide what that legacy will be. Let's get started.



Chapter 2

Defining Your Goals

If you were asked to describe your goals for your land, what would you say? Begin by preparing a list of any known goals regarding your land's use and future. If you own the property with a spouse or other partners, you may wish to sit down together to prepare your list. Don't worry if there are goals that seem to be conflicting.

The following checklist can help to get you started. Check all that you think might apply to you and your situation. Then, make note of the suggested land protection options and page references listed beneath those that you've checked; you'll want to pay particular attention to these options in your reading.

I want to keep my farm (or natural lands) intact for my heirs, but my phone is ringing off the hook with interested buyers making offers that are getting harder to refuse, especially since my property taxes are skyrocketing. I need some creative financial help if I'm going to be successful at keeping it in one piece.

sale or donation of conservation easement, p.13
land retirement programs, p.20
property tax relief programs, p.23

A group of neighbors and I share common goals for protecting the natural and/or rural features of our adjacent lands. We realize that each of us benefits from the open space values of the lands surrounding ours. We'd like to somehow formalize our shared goals and make them binding.

conservation easements, p.13
mutual covenants, p.34

My mother has some land she would like to donate (or sell) to a conservation organization, but she wants to be able to live out her lifetime on the land.

donation of land by bequest, p.41
donation of land with a reservation of life estate, p.41
sale of land with a reservation of life estate, p.41

❑ I would like to find a way to provide permanent protection for the open space, natural environments, and/or agricultural values of my property, even after I no longer own the land.

conservation easements, p.13

❑ I would like to donate (or sell) my land to a conservation organization that would manage it as a nature preserve or park.

donating land, p.37

selling land to conservation buyers, p.46

❑ I'd like to make a contribution to the protection of open space and natural lands in the state. I have some land I could donate, but it's not the kind of land that would be useful as a park, farm, or natural area.

donating land, see trade lands, p.39

❑ I own a large piece of property. I'd like to subdivide one area and sell the lots for housing development, while protecting the remaining land as permanent open space.

conservation easements, see "limited development plans," p.14

❑ I'd like to restore the somewhat degraded natural areas on my land, try to recreate those that were here historically, or at least enhance the integrity of those that still exist. I could use help in identifying and learning how to manage and protect the natural communities on my land, and I may need some financial assistance to accomplish these goals.

land retirement programs, p.20

restoration cost-share programs, p.28

registry programs, p.30

management agreements, p.35

living with natural lands, p.57

Chapter 3

Land Protection Options: An Introduction

Land protection options may be viewed as tools available to the landowner. Any given tool can be used creatively to serve a variety of purposes; and while one landowner may be able to accomplish his or her objectives using a single tool, another landowner may require a variety of tools, used at different times. Some determining factors in choosing appropriate tools will be:

- the characteristics of your land: its size and conservation values
- the desired use of your land both now and in the future: whether working lands (such as farms, ranches, woodlands), undeveloped lands to serve as habitat for wildlife and native plant communities, recreational lands, or perhaps a combination of residential and wild lands
- the level of protection that you seek for your land's conservation values
- how binding or permanent you want that protection to be
- desired ownership of the land: you, your heirs, or a third party of your choice
- your preferred time frame: whether you wish to put protective measures into effect now, over a period of years, at some point in your later years, prior to the land's sale or donation, or perhaps upon execution of your will.
- your financial interests, needs, and limitations

Figure (1) on the following page depicts a basic decision-making model that demonstrates how such factors may be used to guide a landowner's selection of land protection options. These options fall into two main categories: options that guide the use of land, and options that result in transfer of land to conservation buyers. As you might expect, these two general categories are not mutually exclusive.

DO YOU WANT TO RETAIN TITLE TO THE LAND?

YES*

Donation/Sale of Conservation Easement
Management Agreement
Mutual Covenant
Deed Restriction
Leases
Registry Programs
Stewardship
Land Retirement Programs
Restoration Cost-share Programs
Property Tax Relief Programs

NO



DO YOU WANT TO RECEIVE COMPENSATION?

YES

Fair Market Value Sale
Bargain Sale
Installment Sale
Life Income Gifts
Sale with Reservation of
Life Estate

NO

Outright Donation
Donation with
Reservation of
Life Estate
Donation by Bequest
(Will)

* Note that easements, mutual covenants, and deed restrictions may also be established on property that you intend to sell or donate.

Figure (1)

Chapter 4

Options that Guide the Use of Land

A. CONSERVATION EASEMENTS

(Note to Readers: Although described here as perpetual (lasting forever), it should be noted that conservation easements of limited duration are available in some circumstances. From a conservation perspective, such “term” easements are less desirable, since they provide a lesser degree of protection. For the purposes of this section, discussion has therefore been limited to perpetual easements.)

What is a conservation easement?

A conservation easement is a voluntary and permanent agreement between a landowner and qualifying private or governmental organization that sets forth specific restrictions on development and land use. The right to enforce the restrictions is conveyed to the organization. In Minnesota, the legal basis of easements as a conservation tool is provided for in Chapter 84C of the Minnesota Statutes, which states that a conservation easement may be established on land in order to “assure its availability for agricultural, forest, recreational or open space use, protecting natural resources, maintaining or enhancing air or water quality, or preserving the historical, architectural, archaeological, or cultural aspects.” To be eligible for an easement, land must be evaluated by a conservation organization and determined to have qualities that serve these purposes.

An easement takes the form of a binding contract that is filed in the public records of the county in which the land is located. Terms are negotiated between the landowner and the conservation organization that will “hold” (monitor and enforce) the easement. The landowner who establishes the easement and all future owners of the property are legally obligated to abide by its terms. The organization serves as permanent guardian for the land’s conservation values, monitoring the property annually to assure that the terms are upheld. If it should become necessary, the organization is empowered to enforce the easement in court.

The mutually agreed-upon restrictions that are placed on the land’s development and use will vary with the features that an easement is intended

to protect. If an easement were established in order to protect a piece of native prairie, for example, gravel mining would likely be a restricted activity, since gravel mining is a land use that is incompatible with prairies. If an easement were established to protect a property's open space values and rural character, however, an activity such as farming would be allowed (not restricted), since farming is a land use that is perfectly compatible with those values. For lands of outstanding ecological value, especially large tracts of undisturbed natural lands, a landowner and conservation organization may work together to design a highly restrictive easement that provides the land with an appropriate level of protection. In general, the terms of an easement are designed to reflect the wishes of the landowner to the extent possible while protecting the significant features of the land, in accord with the conservation priorities of the organization that will hold the easement.

Conservation easement provisions may limit:

- structure construction, location, renovation
- utility expansion
- agricultural use (grazing, haying, tilling) of specified areas, while allowing such uses in other areas covered by the easement
- alteration of water bodies and courses
- removal or alteration of vegetation, except for specified purposes
- extent of recreational use
- extent of motorized vehicle use in specified areas

Easements are sometimes used as part of a so-called "limited development plan," in which an easement is structured so that it allows development on one part of a property while restricting development on another part of the same property. While generally not a viable option for small parcels of land, limited development plans can be a useful tool for conservation-minded real estate developers and local communities who wish to provide permanent protection to natural and open space areas within major subdivisions and other areas planned for residential or commercial development.

A landowner may sell or donate an easement. Some conservation organizations have funds available to compensate a landowner for establishing an easement on property of significant conservation value for protection of natural features such as forests, wetlands, riverways, and native prairie. Donation of conservation easements is a popular option for landowners who are interested in the associated potential for income tax deductions,

are supportive of conservation, and feel positively about making a donation if it is within their financial means to do so.

Since it restricts a property's development potential, an easement may dramatically reduce its resale value. Although this loss in resale value may be offset to a degree by tax savings, it is nonetheless a very important consideration for landowners.

Key aspects of perpetual conservation easements:

- Landowner retains title to the property and all associated rights and obligations of ownership aside from those that are restricted and transferred to the organization in the easement
- Property retains its private status; an easement does not require that land be open to the public unless access has been agreed to by the landowner
- May be donated or sold to a qualifying organization
- Runs with the title to land; all future owners are bound by its terms
- May dramatically reduce property's resale value
- Does not freeze a property's value; values may still be expected to rise over time, although not at the rate of unrestricted properties

Why choose a perpetual conservation easement?

Permanent Protection

A conservation easement provides the benefit of assuring perpetual preservation of invaluable natural, rural, or scenic features of your property, enhancing the quality of life for present and future landowners and their surrounding communities as well as supporting the continued integrity of any existing native plant communities. Placing an easement on property prior to donating or selling the land or bequeathing it to your heirs will legally obligate all future owners to care for the land according to your wishes as expressed in the terms of the easement.

Financial Benefits

A landowner who donates a conservation easement to a qualified organization may be entitled to a significant charitable contribution deduction on his or her income taxes, equal to the amount of any appraised loss of property value that can be attributed to the easement (see Figure 2, page 16). A landowner who sells an easement derives income from the sale, but is not eligible for any related income tax benefits unless the easement is sold to a qualifying charitable organization at less than fair market value.

Any easement, whether donated or sold, has the potential to result in property and estate tax savings for the landowner if it reduces the appraised property value.

	Appraised value of property before easement	Appraised value of property after easement	Potential income tax deduction for donor
A	\$60,000	\$12,000	\$48,000
B	\$348,000	\$206,000	\$142,000
C	\$21,000	\$13,500	\$7,500
D	\$955,000	\$486,000	\$469,000

Figure (2)

Figures represent actual appraisals of four properties before and after donations of conservation easements to the Minnesota Land Trust in the years 1994-1996.

An easement can also serve as a strategy to help a landowner's heirs keep family lands rather than being forced to sell all or a portion of their inheritance in order to cover estate taxes. In Minnesota, estate taxes can be as high as 55% on any estate valued at more than \$675,000 (2000 rules); this amount will increase to \$1,000,000 in 2006 and thereafter. When an easement reduces the appraised value of land in an estate, it accordingly reduces the estate taxes owed, and may bring the taxes into a range that heirs can more reasonably pay. When an easement brings the value of the total estate below the tax threshold level, no estate taxes will be owed. These benefits are realized regardless of whether the easement is established during the donor's lifetime or by bequest (in his or her will). As of 1998, donations of easements can generate a separate exclusion

from federal estate taxes, up to 40% of the value of the encumbered land. A tax advisor can explain the special benefits and conditions on this exclusion. See Chapter Six, Tax Matters, for a more detailed discussion of tax implications associated with donations of conservation easements.

Easements by Bequest

An easement may be donated to an organization by means of the donor's will (referred to as a donation by bequest or by devise). In this instance, the easement is generally signed during the lifetime of the donor but does not come into effect until his or her death. Upon the donor's death, provided that the conservation values of the land have not been compromised in the interim, the organization will execute the easement as instructed in the donor's will.

Endowing your Easement

The organization that accepts your perpetual easement accepts a great responsibility: that of annual monitoring and enforcement of the easement to assure that its terms are honored by all present and future owners of the land. In acknowledgement of this responsibility and the associated costs, many landowners choose to make a contribution to the organization that is over and above the donation of the easement. By making this contribution, a landowner is said to endow the easement.

Some organizations require that their easements be endowed. Others encourage but do not require endowments. The amount of an endowment generally takes into consideration such factors as size of the property and any particular challenges it presents to effective monitoring. Subject to tax law, a landowner may claim an endowment in regard to an easement as a fully deductible charitable contribution.



A mile long and just under a quarter-mile wide, the rabbit's foot-shaped peninsula known as Pine Point juts out into the currents of the Mississippi River in Stearns County, Minnesota.

The Point has been in the news on and off since the 1930s, when a feature story about Pine Point conservation efforts could be found sharing the pages of the local newspaper with a story about the latest exploits of mobster Al Capone. Early efforts to prevent logging of the Point's trademark white pine forest failed. W.C. Croxton, a local resident and university professor who had led efforts to preserve the area's native plant community, could only watch as, one by one, the great pines were downed. Left behind was a scattering of young trees too small to be of interest to the loggers.



Pine Point is now dotted with homes. Concentrated along its less developed southern shores and at its tip, some of the young white pines from Croxton's era have survived and grown to maturity. They stand in what has become a mixed forest of red pines and balsam fir, black walnut and butternut, where the ground in spring is covered in wildflowers and where eagles, osprey, pileated woodpeckers, gray foxes, mink, and whitetailed deer find habitat.

Croxton is gone, but his ideals could be said to live on in the people of Pine Point who have stepped forward as advocates of the peninsula's namesake forest. It began when Jack and Gene Happe, brothers and real estate developers, decided to sell their two forested lots on the south side



of the peninsula's tip. Neighboring landowner Douglas Wood, hearing of the impending sale, contacted other residents to see if there was any interest in trying to find some solution that could keep the lots undeveloped. More than thirty neighbors, many of whom had never before met, got together to talk about what they might do. First, they considered whether they might be able to pool enough funds to purchase the lots, but the price was beyond what they could collectively contribute.

The group then looked to the private nonprofit Minnesota Land Trust (MLT) for help, inquiring whether conservation easements might be a viable option. After a site visit by MLT Director Renay Leone, they learned that the Minnesota Land Trust would indeed be willing to hold easements on the parcels. Easements, however, would require the consent of the land's owners.

Like many land negotiations, the process was complicated. It required countless hours of discussion and exchanges of correspondence between representatives of the neighborhood group and the two Happe brothers. As talks progressed, Jack Happe came to be among those most active in the effort to find a way to preserve the forest. When the dust finally settled, a total of 20.5 acres of land were slated for protection via five separate conservation easements donated to the Minnesota Land Trust. The land remains in private ownership, albeit with permanent restrictions placed on its future development. The protected parcels include the two original Happe lots as well as the lots of three adjacent landowners. Jack Happe retains ownership of his lot (having been able to take an income tax deduction for his easement donation) while Gene sold his lot to Pine Point resident Jim Waggoner, who was aided in his purchase by contributions from the neighborhood group. It was truly a community effort.

The work is not over. For the Minnesota Land Trust, the establishment of an easement is just the beginning of a long-term commitment to serve as guardian of the values it protects. For the many families of Pine Point who supported the project with funds, time, or both, the effort also marks a beginning of sorts. "Neighbors have offered to form work parties to provide for any maintenance that the land requires," says Jim Waggoner. Even the pines are not without important work to do: there are annual rings to be added, nests to be held, winds to be hushed, shade to be made. Fortunately, it looks as though there will be time to do them all.

B. LAND RETIREMENT PROGRAMS

What is a land retirement program?

A land retirement program provides financial incentives for a landowner to retire land from agricultural production and/or to leave natural lands undeveloped. Although these programs employ some of the strategies already discussed—such as purchase of conservation easements—the term is used here to refer exclusively to those programs administered by governmental agencies at the federal, state, and county levels. Some such programs restrict land uses permanently. Others restrict uses for a specified term, such as a ten-year period, after which the landowner may choose to re-enroll in the program or convert the land to alternate uses. Enrolled land must meet eligibility requirements that vary with the focus of each program.

Since many of these programs are legislatively funded, their status relies on the political process. On an ongoing basis, new programs come into existence while others are discontinued, and available funding may vary from year to year.

Key aspects of land retirement programs:

- May provide significant income to the landowner
- The vast majority of these programs focus on highly erodible agricultural lands, wetlands, and other lands that safeguard water quality, and lands that promote habitat for wildlife species
- Public access to land generally is not a requirement of enrollment

The following list offers a sampling of land retirement programs in existence at the time of this handbook's publication.

Debt Cancellation Conservation Easements

Through this federal program, landowners who have Farmers Home Administration (FmHA) loans secured by real estate may qualify for cancellation of a portion of their debt in exchange for a conservation easement that protects wildlife habitat, wetlands, and other conservation values. The amount of the loan forgiven is proportional to the amount of the farm that will be covered by the easement. Permanent easements are the general rule, although in some cases easements will be allowed of no less than fifty years in duration. For information, contact your local Farmers Home Administration office, a division of the U.S. Department of Agriculture.

Reinvest in Minnesota (RIM) Reserve Program

RIM is a state program that uses a combination of state tax dollars and private donations to fund natural resource protection on both public and private lands. The private lands program of RIM, known as RIM-Reserve, pays landowners for conservation easements that retire fragile and environmentally sensitive lands from agricultural production. RIM-Reserve is administered through the Board of Water and Soil Resources. Interested landowners should apply directly to their local Soil and Water Conservation District office (SWCD).

Conservation provisions under the Federal Farm Bill

The federally funded Conservation Reserve Program (CRP) offers incentives (long-term rental payments and cost-sharing of up to 50%) to landowners who retire cropland from production and establish permanent grass or forest cover on the land. Enrolled land must have a minimum Environmental Benefits Index (EBI) score, which is based on a combination of wildlife habitat, water quality and soil erodibility indices. Duration of the agreements ranges from 10-15 years, and there is a limit to the number of acres admitted to the program each year. In addition to the CRP program, there are several other conservation programs under the Federal Farm Bill: The Wetlands Reserve Program (WRP), the Environmental Quality Incentives Program (EQIP), and the Wildlife Habitat Improvement Program (WHIP) each have their respective targeted lands and enrollment requirements. Contact your local Natural Resources Conservation Service office for details.

Native Prairie Bank Program

The Native Prairie Bank Program authorizes the Department of Natural Resources to protect native prairie by purchasing permanent or limited duration conservation easements from private landowners. Easements may allow selected agricultural practices such as mowing for wild hay. Eligible lands have at least five acres of native prairie that have never been plowed and have less than 10% tree cover. While payments vary, for a permanent easement the landowner will generally receive 58.5% of the average assessed value of cropland in the township. For information, contact the DNR Prairie Biologist at (218) 739-7576.

Permanent Wetland Preserves Program

Through this program, the Board of Water and Soil Resources can purchase conservation easements on lands containing eligible wetlands. These include seasonally flooded basins, wet meadows, shallow marshes,

and shrub swamps. Up to four acres of adjacent upland may also be included for each acre of wetland. Landowners retain control over public access, must agree to assist in carrying out a conservation plan developed for the area, and must control noxious weeds. For information, contact your local Soil and Water Conservation District office (SWCD).

Wetlands Reserve Program

The Wetlands Reserve Program offers landowners the opportunity to protect existing high quality wetlands and to restore/enhance previously altered wetlands on their property. Conservation easements are available for lands that historically contained wetlands that were cleared and/or drained prior to 1985 for farming, pasture, or timber production, as well as for lands adjacent to existing or restorable wetlands. Landowners retain control over public access and must agree to follow the guidelines of a conservation plan developed for the site. For information, contact your local Natural Resource Conservation Service office (NRCS).

Why choose a land retirement program?

A Sound Business Decision for Agricultural Lands

Land retirement programs can be an important part of an overall land use plan for those engaged in crop farming and livestock enterprises. Periodic retirement from grazing and crop farming can benefit long-term soil productivity in instances where the landowner intends to return the land to active use upon completion of its enrollment term. Such programs can also provide a farmer with an alternative means of deriving income from marginal agricultural lands—lands that require excessive labor for little return. Land retirement programs also provide a landowner with a certain amount of reliable income that is not subject to weather and market conditions. While it may not equal the income that might have been generated from working the land in a good year, it may prove to be an important source of income during unfavorable years. In this way, such programs offer a hedge against the risks commonly associated with farming.

Environmental Benefits

Land retirement programs make an important contribution to the state's water quality by reducing the influx of chemicals and sediment into waterways. They also benefit wildlife, particularly waterfowl and nesting grassland birds. Greatest environmental benefits are derived from those land retirement programs that permanently restrict land use.

Note to Readers: A good source for information on land retirement, restoration cost-share, and property tax relief programs is “Financial Aid to Private Landowners,” free from the MN Extension Service. Call (612) 625-8173, and specify item BU-5946-Z.

C. PROPERTY TAX RELIEF PROGRAMS

What is a property tax relief program?

Property tax relief programs reduce, defer (delay), or exempt (eliminate) property tax assessments on eligible lands. Participating landowners are obligated to maintain the property in the condition stipulated by the program in which they are enrolled. Existing programs offer property tax relief to eligible agricultural lands, forests, wetlands, and native prairie lands, all of which are considered to benefit the public good through protection of the state’s natural environment and agricultural heritage.

Key aspects of property tax relief programs:

- Program availability subject to changing tax law
- Some programs require an agreement of specified duration, after which renewal is required; other programs provide benefits for as long as the land continues to meet program criteria
- Programs are administered through government agencies

The following is a sampling of property tax relief programs in existence at the time of this handbook’s publication.

Native Prairie Tax Exemption Program

Under this program, approved native prairie lands can be exempted from property taxes. Landowners may continue to hay—although not to graze livestock—on prairie lands enrolled in the exemption program. To be eligible, the prairie must be a minimum of five acres in size in most counties. Some counties are restricted. For information, contact your county assessor’s office or DNR Area Wildlife Manager.

Wetland Tax Exemption Program

This program exempts qualifying wetland properties from annual property tax for as long as the enrolled property continues to meet the program criteria. County assessors commonly initiate enrollment of properties in the program, but landowners are also free to contact their county assessor if they believe they may have eligible wetlands.

Wetland Preservation Areas Program

Under this program, enrolled wetlands and adjacent uplands are exempt from property taxes. Restricted covenants are placed on lands enrolled as Wetland Preservation Areas. Contact your local Soil and Water Conservation District Office (SWCD) to find out whether your county is included and to get information about enrollment.

Minnesota Agricultural Land Preservation Program

The Minnesota Agricultural Land Preservation Program offers a \$1.50 per acre property tax credit annually for enrolled land. Additional benefits of enrollment include a degree of protection from eminent domain and annexation proceedings, prohibition of public utilities development on enrolled land unless desired by the landowner, and relief from most assessments for public works projects built in the vicinity of the enrolled land, unless the landowner chooses to use and benefit from such projects. (Note: Some assessments are not eliminated entirely but rather are subject to deferred payment, in which case the landowner will be obligated to pay the assessments if and when their land is withdrawn from enrollment in the program.)

To be eligible, land must be located in a county that has provided the Commissioner of Agriculture with an agricultural land preservation plan with official controls to implement the plan, and be located in a part of that county zoned for long-term agricultural use. Both agricultural and forest lands may be enrolled.

Participation requires that a restrictive covenant be placed on the title to the property. Termination of the agreement may be initiated by either the landowner or the county. Land remains enrolled for eight years following the notification by either party of desired termination, during which time the land must be maintained in agriculture or forestry use as specified in the terms of the covenant. After termination, conversion of property to non-agricultural use would also require a change in zoning regulations. For information, contact your county assessor or the Agricultural Land Preservation Program of the MN Dept. of Agriculture.

Note to Readers: Interested in conservation opportunities in agriculture? For a free copy of the Sustainable Agriculture Resources and Information Directory call (651) 296-7673.

Green Acres Program

Available state-wide, the primary benefit of the Green Acres Program is that property taxes for enrolled land are based on agricultural use value rather than the typically higher market value. Under the program, assessments for public projects are deferred. While enrollment is renewed annually, benefits are structured to encourage long-term participation in the program. When a term expires without renewal, the landowner must pay the property taxes based on a market value assessment for the current year as well as the two preceding years, adjusted for that portion of the property taxes already paid. Upon withdrawal from the program, the landowner must also pay any deferred assessments for public works projects—plus interest on the assessments—for the entire period enrolled.

Enrolled properties must be a minimum of ten acres, and must meet a definition for “primary agricultural use,” generating agriculture-related income of \$300 plus \$10 per tillable acre per year. For information, contact your county or city assessor.

Metropolitan Agricultural Preserves Program

This program has a similar structure to that of the Minnesota Agricultural Land Preservation Program, but is limited in scope to properties located within the seven-county Twin Cities metropolitan area. Contact your local city or county government for details.

Why participate in a property tax relief program?

Coping with Rising Property Taxes in Rapidly Developing Areas

While beneficial to all participants, property tax relief programs are particularly important for landowners in regions experiencing high rates of residential and commercial growth. In these regions, market pressures can cause dramatic increases in a landowner’s property taxes as well as special assessments related to utility and road expansions. These programs help to level the playing field by acknowledging the land’s actual use rather than a market value based on uses to which the landowner has no intention of putting the land.

Potential for Land Protection

These programs are effective in long-term land protection only when landowners are financially able (and willing) to continually renew their participation.



Mac and Margaret McCutchan's yard light burned out more than twenty years ago, and they haven't gotten around to replacing it. "We'd rather see the stars," says Mac, a retired school teacher in his seventies. The McCutchans' 240-acre parcel of property in Goodhue county is a mosaic of pasture lands, tillable cropland, and deciduous forest. There is a patch of native prairie, and even an example of that uncommon spring-fed jewel of wetland communities, the calcareous fen. For half a mile of its run, the Little Cannon River meanders through McCutchan land. If a river could be said to choose its course, the Little Cannon has chosen well.

The McCutchans have implemented a variety of voluntary conservation practices to protect and enhance the natural features of their land. While cattle continue to graze in rotation on their pasture lands, and their fields continue to produce alternating crops of corn and soybeans each growing season, Mac and Margaret have put 23 acres of highly erodible land into the Conservation Reserve Program (CRP). In accord with the CRP guidelines, they've taken the enrolled land out of production and planted it to switchgrass, big bluestem, and Indian grass. The Minnesota Department of Natural Resources (DNR) provided help to invigorate the prairie grasses by conducting a prescribed burn on the land.

As an added measure to prevent erosion into the river, the McCutchans have also participated in a streambank management program. Working in cooperation with Larry Gates, Watershed Coordinator at the Rochester office of the DNR, they have used willow plantings, staked cedar branches, and seeding of vegetative cover in order to stabilize selected sections of riverbank. A fence excludes livestock from the treated areas.



When Mac read in the local paper that the Minnesota County Biological Survey (MCBS) was in the process of conducting a biological inventory of rare species and high quality natural habitats in Goodhue County, he dropped a postcard to MCBS ecologist Hannah Dunevitz, inviting her to walk the property. Hannah was pleased to take Mac up on his invitation. Aerial photographs had already indicated to the MCBS that the McCutchan property may be host to potentially significant natural areas.

Together, Mac and Hannah explored the land, including the fen community in all its subtle beauty, finding plants such as lesser fringed gentian, turtlehead, monkey flower, and grass of Parnassus: all characteristic plants that thrive in the vicinity of seepage springs where limestone bedrock makes the emerging waters rich in calcium. Among them was a particularly exciting find: *Carex sterilis*, or sterile sedge, a plant on the state's threatened species list.

The McCutchans have since assured permanent protection for the fen by choosing to place 11 acres into RIM-Reserve, a state program with funds available to purchase conservation easements on lands held in private ownership. Although funding for RIM-Reserve is limited and not all applications are accepted, the McCutchans were able to effectively demonstrate the significance of their site using the information they had gained from Hannah and her colleagues at the Minnesota County Biological Survey.

Mac and Margaret's efforts have been possible in part because both CRP and RIM-Reserve offer financial compensation that helps to offset a landowner's loss of potential income due to restricted land use. But ask Margaret McCutchan why she and Mac have undertaken so many conservation projects on their land, and she needs neither time to compose her thoughts nor many words to express them. She answers without hesitation, "We love it."



Margaret and Mac McCutchan

D. RESTORATION COST-SHARE PROGRAMS

What is a restoration cost-share program?

A restoration cost-share program compensates a landowner for a percentage of the cost involved in projects undertaken to restore and protect natural areas on private lands. The majority of such programs focus on protection of wetlands and their associated upland communities, habitat enhancement for wildlife species, management of forest lands, and selected conservation practices on lands enrolled in land retirement programs. Cost-sharing is provided for a variety of activities, including establishment of vegetative ground cover for erosion control, restoration of drained and degraded wetlands, and planting of native trees and shrubs. As is the case with land retirement programs, restoration cost-share programs are typically offered through government agencies and therefore are subject to similar limitations as to funding and availability. Note that there are also numerous fisheries and wildlife oriented private organizations (such as Trout Unlimited and the MN Waterfowl Association) that make cost-share funds available to landowners for conservation projects in their special areas of interest.

Key aspects of restoration cost-share programs:

- Compensate landowners for a percentage of labor and materials costs associated with specified restoration efforts
- Administered through government agencies, sometimes in cooperation with private conservation organizations
- Programs and availability of funding subject to frequent change, depending upon legislative appropriations and the political process
- Landowners commonly piggy-back cost-share funds from different sources, e.g. obtaining a 50% cost-share from a federal program, and financing the remaining 50% through state or local sources

The following represents a sampling of restoration cost-share programs in existence at the time of this handbook's publication.

Partners for Wildlife

Administered by the U.S. Fish and Wildlife Service, this federal program offers many restoration-related services to private landowners, specializing in restoration efforts on wetlands and adjacent natural communities such as bottomland hardwood forests, native grasslands, and oak savanna. A highlight of Partners for Wildlife is its wetland restoration program that will cover 50% or more of the costs of restoring a previously drained wetland. Services vary from technical assistance to actual restoration

(excavation, installation, landscaping, planting of upland vegetation). For information about Partners for Wildlife, contact: Branch of Private Lands, U.S. Fish and Wildlife Service, at (320) 253-4682.

Pheasant Habitat Improvement Program

Funded through Minnesota pheasant stamp hunting fees, this program offers cost-sharing of up to 75% for management that improves habitat for pheasant populations, including such activities as plantings for food, nesting cover, and woody cover. Plantings of native vegetation (such as prairie grasses) may in some cases qualify for funding through this program. For information, contact the Minnesota DNR Division of Wildlife, central office phone: (651) 296-3344, or your local DNR Wildlife Manager.

Forest and Prairie Stewardship of Private Lands Program

Formerly known as the Stewardship Incentives Program (SIP), this program offers aid to private landowners interested in caring for their land's prairie and non-industrial forested areas.

For properties with 20 or more acres of forested land, the program offers free technical assistance and cost-share of up to 65% for conservation projects. Landowners become eligible to set up a comprehensive stewardship plan (also described on page 73) for their land. The plan identifies broad management objectives that encompass the landowner's interests and foster the health of the property's native plant communities, with a primary—although not exclusive—focus on forested lands.

For properties with five or more acres of land in native prairie, the program offers free technical assistance in the development of a comprehensive stewardship plan. This plan highlights enhancement of the site's native prairie areas, while offering guidelines for other native plant communities present on the property. Referrals to appropriate cost-share funding sources for conservation projects are made available.

To receive information on the program's services for forested lands, contact the Minnesota DNR Division of Forestry in St. Paul, MN at (651) 297-7298, or your local DNR Forester. (See also, Forest Stewardship Program, Chapter 8, p.73). For information on the program's services for prairie lands, contact the Minnesota DNR Prairie Biologist at (218) 739-7497.

Why choose a restoration cost-share program?

Access to Funds and Technical Expertise

Restoration cost-share programs allow you to improve the conservation value of your property with minimal out-of-pocket expense. The specialists who administer these programs can also offer important technical advice regarding proper engineering, construction methods, and site preparation practices that will help to assure the success and long-term stability of restoration projects.

Projects with Narrow Purposes may have Broad Benefits

It's important to note that a given project can serve more than one purpose. Establishment of grassland nesting cover for pheasants, for example, benefits not only pheasants but many other species of ground-nesting wildlife as well. Accordingly, a landowner interested generally in improving native grassland habitats may find his or her goals met by participating in a cost-share program such as the Pheasant Habitat Improvement Program. The same is true of many restoration cost-share programs: wetland-oriented programs often fund upland projects, forestry programs may fund activities that promote wildlife diversity, and erosion-control programs may be used to fund restoration of a prairie. The upshot is this: look beyond the name of a cost-share program to see what specific restoration practices it funds.



E. REGISTRY PROGRAMS

What is a Registry Program?

Registry programs are a means by which conservation organizations honor and encourage private citizens who have served as good stewards of the natural features on their properties. Landowners who wish to participate

in these informal, non-binding programs can “register” their property with a conservation organization, thus making an informal, non-binding pledge to continue in their efforts to safeguard the integrity of the natural environments on their land. In turn, the organization may provide the landowner with a certificate or plaque of appreciation, and educational literature that profiles the natural features of the landowner’s property and how they might be protected or enhanced.

Key aspects of registry programs:

- Informal, non-binding
- Provides support and information to the landowner
- Some registry programs are limited to particular geographic regions or to lands with natural features.

Enrolling in a Registry Program

In many cases, conservation organizations will initiate contact, extending an invitation for a landowner to participate in a registry program. Of course, as a landowner, you may also take the initiative to contact a conservation organization and express your interest. Private organizations that administer registry programs in the state include: The Nature Conservancy at (612) 331-0750, Friends of the Minnesota Valley at (612) 858-0720, and Friends of the Mississippi River at (651) 222-2193.

Why choose a registry program?

Support, Management Advice, and Good Will

Registry programs offer landowners an opportunity to talk with others who share their appreciation for their land’s natural features. The professionals who administer registry programs are generally ecologists and biologists who can offer interesting insights into the landowner’s property and tips on how to manage it. By enrolling in a registry program, a landowner can also enjoy the experience of being part of the community of Minnesota citizens who have similarly pledged their concern for and commitment to the preservation of natural lands.

Communication that Benefits Land Protection

Registry programs can establish a tradition of protection of private lands. Registrants commonly notify the conservation organization if and when they plan to sell their land. This provides the conservation organization an opportunity to acquire the land if appropriate, or to establish contact with subsequent owners to invite their participation in the registry.

When Lisa Mueller knocked at the door of Bob and Emily Nesvold's Rice County home and said she had information to share about their land, they invited her in for a cup of coffee. Lisa was a representative of the Minnesota Chapter of The Nature Conservancy (TNC). The three settled around the Nesvolds' dining room table to talk. It was December of 1989.

Bob and Emily already knew that their forested land was special; it was what had enticed them to move to the area twenty years earlier. They knew that the forest offered a cool retreat on the hottest of summer days, a place for refreshment and solitude. But as Lisa spoke, they came to appreciate the value of their land in a new and broader perspective. Their forest was part of an ecosystem, she explained, known as the Big Woods.

The Nesvolds' fifty wooded acres, together with that of some three dozen neighboring landowners, constituted one of the last viable remnants of a great legendary woodland of maples, basswoods, elms, and oaks that had once sprawled across more than 300 square miles in central Minnesota. Deep and dark, cool and moist, the remnant forests of the Big Woods ecosystem were known to harbor a whole array of plants and animals that were now rare: wood turtles, red shouldered hawks, even a rare plant species called the dwarf trout lily, found nowhere else in the world.

Lisa asked whether Bob and Emily might like to enroll in TNC's Registry Program, a voluntary and non-binding program by which they would pledge a commitment to serve as good stewards of their part of the Big Woods. They readily agreed.

Since that time, the Nesvolds have harvested some downed timber from their woodland for firewood, and occasionally they've given permission to someone who wants to harvest sap from their maples in early spring to make maple syrup. Otherwise, the forest has been largely left in its natural state, offering habitat for nesting migratory songbirds and other wildlife, and protecting the water quality of nearby Prairie Creek. Bob has become an active participant in the Big Woods Project, a group comprised of local residents and representatives of private organizations and government agencies who are working together to maintain a portion of the Big Woods ecosystem within the Cannon River watershed. He and his neighbors have formed a Seven Mile Woods Association, meeting periodically to enjoy guest speakers on topics related to forest ecology,

Landowner Profile



and participating in projects such as clean-up days along local roadways and streams. Bob and Emily have also been among the landowners in the region to consult with a DNR forester to create a Forest Stewardship Plan for their woodland.

Bob traces their interest back to having first learned about the Big Woods through the visit from Lisa and their subsequent involvement in TNC's Registry Program. "It was a nice way to find out about the value of what we have," he says. "Since it's not binding it didn't feel threatening to us to enroll, but still it works to protect the land. It would make you think twice before doing something that would cause damage. And once you understand the value of the forest community, you want to take good care of it."

As part of their participation in TNC's Registry Program, the Nesvolds continue to receive a quarterly newsletter that offers information about stewardship activities in the Big Woods and other Nature Conservancy activities throughout the state. When they enrolled, they also received a plaque of appreciation from TNC. Where is the plaque now? It's been in a box in the attic, Bob admits, since they began a remodeling project in the room where it is usually displayed. He came across it just the other day and smiled to recall that Emily had asked TNC to register them in their dog's name: the engraving reads "Caesar's Palace." It's a nice plaque, Bob acknowledges, but when he thinks of TNC's Registry Program, the plaque is not what comes to mind.



*Back: The Nesvold family, (L to R) Scott, Todd, Emily & Bob.
Front: Emily's parents, Bob and Thelma Calkins*

F. DEED RESTRICTIONS

What is a deed restriction?

A deed restriction defines specific limits regarding allowable uses and development of a property. It is established by a landowner on a property's title, typically when the landowner is selling the land and wishes to exert some influence over its use, usually to benefit adjacent lands to which he or she intends to retain title. State law presently limits enforceability of deed restrictions to 30 years (with exceptions defined in MN Title Standard No. 91A). They are subject to interpretation and nullification by the courts, and are most practical in situations where the original landowner or the landowner's heirs own adjacent land and are in a position to observe and enforce any violation. There are generally no tax benefits.

Why choose a deed restriction?

An Alternative when an Easement is not an Option

For properties that do not qualify for a conservation easement, a deed restriction can provide land with a degree of protection.

G. MUTUAL COVENANTS

What is a mutual covenant?

A mutual covenant is a type of deed restriction involving a legal agreement between two or more landowners in which the same set of restrictions govern the development and use of all involved properties. Also subject to the 30-year rule, it must be periodically renewed by agreement of all parties. There are generally no tax benefits.

Why choose a mutual covenant?

Peace in the Neighborhood & Profitability for Developers

Mutual covenants may be initiated by neighbors who have a common goal of protecting a shared landscape feature or the open space values of their neighborhood. More commonly, they are inserted in the title to a parcel of land by a subdivision developer, who makes participation in the mutual covenant a condition of sale in order to protect attributes (e.g., scenic beauty) that promote high land values and marketability.

H. LEASES

What is a lease?

In this context, a lease is the rental of a given parcel of land to a conservation organization for its exclusive use. The lease is generally for a specified term, and for a rental fee that may be at or below the market rate. The landowner and organization sign a written agreement that specifies the term, payment schedule, any stipulations regarding use of the land, and guidelines regarding cancellation by either party.

Why choose a lease?

An Opportunity to Promote Conservation while Receiving Income

While not common, long-term leases can be a tool for landowners who need income from their land, are interested in protecting its natural features, and yet wish to retain title to the land. Such leases are of interest to conservation organizations when the land is of significance for rare species or is critical to efforts underway by the organization on adjacent lands.

I. MANAGEMENT AGREEMENTS

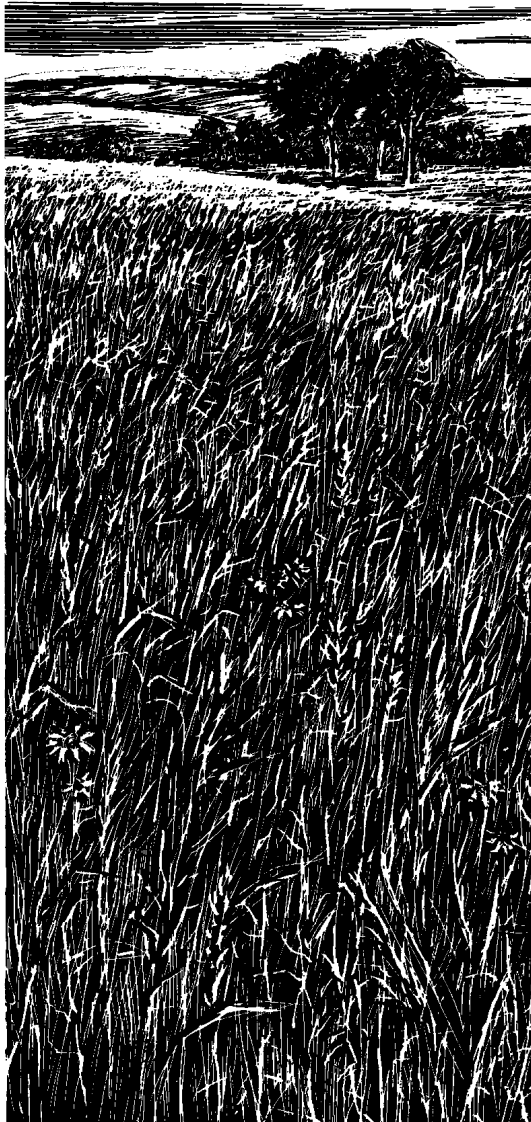
What is a management agreement?

A management agreement is a legal contract between a landowner and a conservation organization, in which landowners agree to follow specified land management practices for the benefit of their land's natural features. The organization provides technical expertise and, in some cases, assistance with carrying out the recommended practices. Contracts are typically for a specified term, but may be cancelled by either party with proper notice. It may or may not involve income for the landowner.

Why choose a management agreement?

Contributing to Large-Scale Protection Efforts

These agreements are often used in efforts to protect large-scale natural features such as the watersheds of rivers. Landowners who participate make an important contribution to the health of the environment and thus, to their communities.



Chapter 5

Options that Result in Transfer of Land

Just as each parcel of land is unique, each landowner has a unique story to tell regarding his or her relationship with that land and hopes for its future. What is your story? What are your hopes for your land? Perhaps your dream is that the land be designated a public park and dedicated in your family name; or instead that it be managed as a sanctuary for wildlife. Maybe you plan to sell your land, and you'd like to find a buyer who will continue your tradition of protecting the land's conservation values.

Keep your ideal outcome in mind as you review the options listed in this section. Then, since all these options involve transfer of title, you'll need to find an individual or organization that is interested in accepting title on your preferred terms, or as close as you can get to your ideal. Each will have its own limitations and ideal outcomes, so you may need to be open to some creative solutions in order to make it work.

A. DONATING LAND

Selecting an Appropriate Recipient

Your first step in the process of making a land donation is to select an appropriate recipient for the property. When you contact a conservation organization, it's important that you ask certain questions:

- Would the organization retain title to the land or transfer it to another party?
- Would the land be granted any protected status?
- What goals would guide their management of the land?

The answers that you receive to your questions will help you to determine whether you'd be happy with what the organization would do with the land you donate. In turn, the organization will ask questions of you regarding the property's size, location, market value, and features. The answers that you provide will help the organization to determine whether it is interested, willing, and able to accept title to the land.

Since ownership of land is attended by many financial, legal, and management obligations, an organization must be selective about the extent and kinds of land to which it will hold title. Accordingly, each conservation organization has its own set of criteria by which it evaluates properties. This prioritization of land types reflects the organization's particular mission as well as the approach it takes to management of lands it owns.

Lands with rare natural elements or with outstanding ecological value may be appropriate for donation to organizations such as The Nature Conservancy for dedication as a TNC preserve, or to the DNR for dedication as a state Scientific and Natural Area (SNA). In some instances, with the knowledge and approval of the donor, private organizations will accept a donation of title to land, then transfer the title to an appropriate local, state, or federal agency for protection.

"Partners in Your Efforts," see Chapter 8, profiles some of the state's conservation organizations that would welcome inquiries from private citizens seeking to donate land. Fortunately, you need not become an expert on the acquisition policies of the various organizations. You need only contact an organization of your choice, describe your land, and your ideal outcome. If the organization is not able to accept the donation of your land, chances are its staff will be able to refer you to someone who will.

You can structure your donation to meet your particular objectives, whether your intent is to maximize tax benefits, protect the land's conservation values, and/or simply to boost the assets of an organization whose work you'd like to support. Some ways that you can structure a land donation include:

Donation of Unrestricted Title to Land

Basically a "no strings attached" transfer of ownership, the donation of property with an unrestricted title leaves the future use of the property to the discretion of the recipient. Because the title is unrestricted by an easement or other legal device, landowners who make such a donation to a qualified charitable organization may be eligible for a deduction on their income taxes equal to the full fair market value of the property, provided the property has been held for more than one year and is not considered property held by a "dealer." The recipient organization may be able to give you an indication of what it intends to do with the land upon receiving title. Keep in mind that donation of an unrestricted title

implies that you are granting the organization the right to make whatever decisions it considers appropriate regarding the future of the land.

Donation of Trade Lands

Donations of unrestricted title to land are sometimes made as part of so-called trade lands transactions with conservation organizations, involving properties that do not necessarily warrant protection for conservation purposes. Highly developed commercial properties and suburban residential lots, for example, may have high market value but little or no conservation value. Such properties can still, however, serve conservation purposes when donated as trade lands, with the understanding that the organization will sell the land in order to fund protection efforts on other lands of higher conservation value.

Donation of Restricted Title to Land

If you'd like the recipient of your donated land to be legally obligated to abide by your wishes regarding the land's future use and management, you can restrict the title through a perpetual conservation easement or deed restriction. In the case of an easement, this may be accomplished in one of two ways. A landowner may first donate an easement to one conservation organization, then donate the restricted land to another. Subject to tax law, both donations may qualify the donor for a charitable contribution deduction on his or her income tax. Alternatively, as is commonly practiced in donations of land for designation as a unit of the state outdoor recreation system (such as a Scientific and Natural Area), the land may be donated with the understanding that the state, upon receipt of the land, will immediately protect it with a perpetual conservation easement. In this case, the higher, unrestricted value of the property may be used for both the donor's charitable contribution deduction on income tax, and for matching by the Critical Habitat Match Fund (see page 40). Alternatively, a landowner may elect to protect the land prior to donation by placing a deed restriction on its title. Such deed restrictions, if you recall from our earlier discussion, do not qualify as a charitable deduction for income tax purposes, nor do they designate a guardian to monitor and enforce the restrictions, as is provided for in a conservation easement. Placing a deed restriction on a property's title prior to donating the land may also reduce the value of the donation.

The Critical Habitat Match Fund is a part of the Reinvest in Minnesota (RIM) Public Lands Program. Here's how it works:

- A private landowner makes a donation of land, interest in land (such as a conservation easement), or cash to the Minnesota Department of Natural Resources (DNR). Donated land must be appropriate for designation as one of the units of the state outdoor recreation system, such as a Scientific and Natural Area, Wildlife Management Area, State Park, or State Forest.
- The value of the contribution is matched dollar for dollar by funds legislatively appropriated to the Critical Habitat Match Fund. The match money goes to a special account administered by the DNR Division of Wildlife and used exclusively to acquire land or improve existing state land for the purpose of critical habitat. Donors thus double the conservation value of their donation.
- Private citizens, businesses, and organizations may make donations to qualify for the match funds. Since the program's inception in 1984, The Nature Conservancy has been its largest contributor, donating 8,089 acres worth over \$6 million, with the resulting match funds allowing the DNR to purchase over 8,000 additional acres. In most cases, the DNR consults with the donor on how the match funds are spent, wherever possible applying the funds to a qualifying project of interest to the donor. For details about the Critical Habitat Match Fund, call (651) 297-2823.



Donation by Bequest (also referred to as “by devise”)

One way to plan for your land’s future protection is to donate land to a conservation organization in your will. It is important that you first contact the intended recipient of the land to be sure that they are able to accept the donation. This is also an opportunity to discuss any wishes you have regarding the land’s future use. Of course, added protection is given to the land if you establish a conservation easement on the title prior to or concurrent with the execution of your will.

Donation of land by bequest will not enable you to make use of an income tax deduction for the donation, nor will it release you from any other obligations of ownership during your lifetime. It will, however, reduce the assessed value of your estate for estate tax purposes.

Donation of Land with Reservation of Life Estate

When donating land to a conservation organization, you may opt to reserve what is called a life estate. This entitles the person or persons named as life estate holders (perhaps you, or your aging parents) to live out their lifetimes on the property, even though the land is held by the conservation organization.

Structuring your donation in this manner is different from a donation by bequest, in that you may claim the donation as a charitable contribution deduction on your income taxes during your lifetime. To calculate the value of such a donation, the IRS subtracts the value of the retained life estates (using actuarial tables to estimate the life expectancies of those named) from the land’s current market value. Accordingly, the greater the age of the people named in the life estate, the higher will be the value of the donation, and therefore the greater the amount that the donor may claim as a charitable contribution deduction on his or her income tax. (Note: Landowners may also reserve a life estate when selling land to a conservation organization, in which case there would be no potential tax benefits unless the land were sold at less than fair market value.)

Life Income Gifts: Donations of Land that Establish Life Income

The general term “life income gifts” is used to describe a variety of strategies by which an individual may receive regular income as a result of a donation of land or other assets to a nonprofit conservation organization or other charitable organization. Through such options as charitable gift annuities and charitable remainder unitrusts, the donated land is typically sold and the proceeds invested to generate funds from which

payments may then be made to you (the donor) and/or to other beneficiaries named by you. Payments may be made for a specified period of years or for life.

Not a land protection option per se, life income gifts are perhaps best viewed as a means by which a donor of land may receive income (a portion of which may be tax-free) as well as potential estate tax and income tax benefits, while at the same time providing important financial support to a conservation organization.

Life income gifts function best when the donated land is of highly appreciated market value. Highly appreciated commercial or residential properties that may be sold with an unrestricted title (see Trade Lands, page 39) are therefore very appropriate for donation as a life income gift. Land of significant conservation value may also be donated as a life income gift, although in some instances it may be less suitable for this particular type of donation, since any actions to protect the land (such as a conservation easement) would likely reduce its market value, and thus, its capacity to generate funds from which the payments to beneficiaries are made. A conservation organization will evaluate potential land donations for income gifts on a case by case basis. If the land is of outstanding conservation value such that it warrants designation as a natural area or preserve, an organization may accept the donation as a life income gift, retain title, and identify alternative funding sources to cover the payments to the beneficiaries.

To establish a life income gift through a donation of land or other assets, you may wish to contact a conservation organization directly. Many conservation organizations offer their own suite of life income gifts, with established criteria and policies for each. Alternatively, you may also choose to establish a life income gift, such as a charitable remainder unitrust, with a bank or other financial institution, in which case you could designate a conservation organization to be the recipient of all or a portion of the assets that remain in the fund after all life income beneficiary payments have been made.



Ask Lloyd Scherer if he spends much time in the woods, and you'll get a laugh. "It's my life," he says. Posing the question to Lloyd is not unlike asking Magic Johnson if he's ever spent time on a basketball court. Lloyd knows the wild country of the Lake Superior highlands in Cook County as well as anyone. For many years he operated a landscaping and nursery business that kept him busy during the growing season, so that his exploring was largely limited to the months between the fall freeze and the spring thaw. He'd roam for days at a time, backpack slung over his shoulders, often traveling by snowshoe. Now 77 years of age, he has turned his hand to art—wilderness scenes and trees depicted on birch bark. But still it's a rare day that doesn't find him in the woods, ever curious, watchful for such sights as ravens in courtship and the spill of wildflowers on the forest floor before the leaves block the sun in spring. "Even the same place," he says, "is different every day."

In 1991, Lloyd made an important contribution to the future of the highland forests by donating a 240-acre parcel of land to the Scientific and Natural Areas (SNA) Program of the Minnesota DNR. It was land that he'd purchased in three separate parcels, the first in 1968, and the others following in the 1970s. He had known then that it was valuable land: valuable for its remarkable undisturbed old-growth communities of northern hardwood, northern hardwood-conifer, and upland white cedar forests, for the home that it offered to wildlife, and for its beautiful Sawtooth Mountains setting. He had purchased the land to protect it from development, hoping one day to pass it along intact to his children.

For more than twenty years, the land remained in its natural state while elsewhere in the region, residential and commercial development were bringing dramatic changes to the face of the landscape. These changes had an indirect—but no less dramatic—effect on the Scherer land. As land values in the area began to rise, property tax assessments rose right along with them. It didn't matter that Lloyd had no intention of selling the land for development; the taxes increased regardless.

When Lloyd came to believe that inheritance of the land would represent a financial burden to his children, he began to look into other options. After consulting with a number of conservation organizations, he invited SNA Program Supervisor Bob Djupstrom to join him on a walk to view the property. Bob was impressed by the land's old growth forest and value as habitat for rare plants; the land was clearly a good



candidate for designation as a state Scientific and Natural Area. For his part, Lloyd appreciated the high level of protection that SNA status would offer to the land. He liked the idea that such areas served to provide baseline scientific information that would be used to increase understanding about managing other natural areas in the state. He had found the right recipient for the donation of the land he treasured.

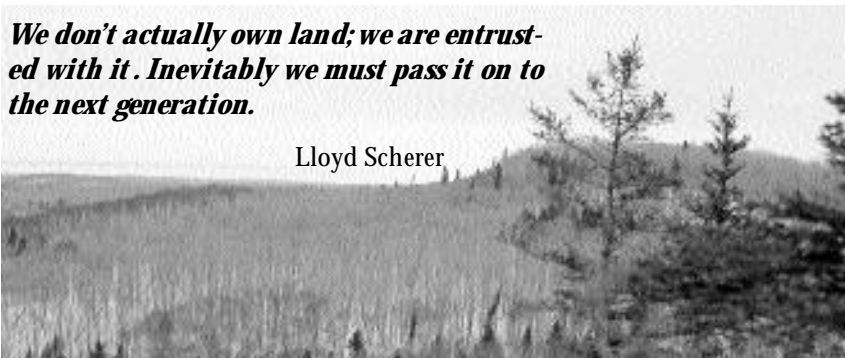
The SNA program has done well by Lloyd's gift. The donated 240 acres were used to create the Lutsen Scientific and Natural Area, which less than two years later was tripled in size by acquisition of adjacent land. The additional acreage had been owned by the nonprofit Trust For Public Land (TPL), which sold the land to the DNR at half its value, donating the remainder. Both the Scherer donation and the TPL donation qualified for matching funds through the RIM Critical Habitat Match Fund Program (see page 40).

With its ridges rising a thousand feet above Lake Superior, its forest floor scattered with great logs that contribute to a diversity of plant and animal life, and its assortment of large diameter sugar maples, yellow birch, and white cedars—some of which are believed to be as many as 300 years old—the Lutsen SNA protects a priceless piece of the north shore's natural heritage.

Lloyd Scherer is a man of modest means who could have realized significant income had he sold the land. But for Lloyd, this land was not about money. He puts it this way: "We don't actually own land; we are entrusted with it. Inevitably, we must pass it on to the next generation. We should be ever thankful for it and the water and air that sustain our physical lives and use them only with care and respect, never arrogance. All life shares this earth with us. We should love this whole great gift from God."

We don't actually own land; we are entrusted with it. Inevitably we must pass it on to the next generation.

Lloyd Scherer



B. SELLING LAND TO CONSERVATION BUYERS

Suppose that you want or need to sell your land. You hope to get at least fair market value for the property, but at the same time you're concerned about the capital gains tax you'd need to pay on the income. If you could, you'd like to see the land go to someone who will protect its conservation values. Maybe a conservation organization has already expressed some interest in purchasing the property, or you're thinking of contacting a few to see if any might be interested. Can you find a solution that will accommodate your financial needs and protect the land?

There are a number of ways that you can increase your chances of selling your land to a conservation buyer (a private individual, a nonprofit organization, or public agency that intends to manage the land for continued protection of its natural and/or open space values). You can:

1. Investigate potential interest by conservation organizations

Do you think the land is of conservation interest because of its natural character or known rare or significant natural elements? If so, there may be federal or state funds available for its purchase. A good place to start is the DNR's Scientific and Natural Areas Program (see *Partners in Your Efforts*, page 67). If the land borders or is located within an existing designated natural area such as a preserve owned by The Nature Conservancy, a state park, Scientific and Natural Area, or a national park, forest, or wildlife refuge, be sure to contact the managing agency or organization. They may have funds allocated for purchase of lands that enhance and expand their own sites.

2. Inform neighboring landowners

Neighbors will often work in cooperation for the purpose of protecting neighborhood open space, either by making personal contributions to a fund to purchase the land or, in some cases, to purchase a perpetual conservation easement on the land.

3. Participate in a Conservation Buyer Program

If you're selling property that carries a conservation easement or other deed restriction, you may be able to get some help finding a buyer. In the case of property with an easement, begin by contacting the conservation organization that holds the easement.

4. Consider your community's park and open space needs

If the land you wish to sell has potential value as a public park or community open space, contact your local and county parks departments to assess their interest in acquiring the land.

5. Making it work for a conservation buyer

Using the following strategies, you can structure a sale to help make it possible for a conservation buyer to purchase your land.

Grant of Rights of First Refusal

If you'd like a conservation buyer to have “first dibs” at buying your land, you can grant the individual, organization, or agency a right of first refusal. The conservation buyer would then be informed of any bona fide offer by another interested party to buy the property, and would have the right—generally within a short time period—to buy the property at whatever price was offered by the other party.

Option to Buy

If a conservation buyer is interested in purchasing your land but needs some time to muster the funding, you can offer the individual, organization, or agency a long-term option on the land. In exchange for a generally minimal fee (the amount of which is negotiated), the conservation buyer is extended the right to buy the property for a given price within a specified period of time. No other buyer will be able to purchase the land during this period. The option fee is nonrefundable, and is generally applied to the purchase price if the option is exercised.

Installment Sales

With an installment sale, you allow a conservation buyer to purchase your land by making a series of payments over time. This gives the buyer time to arrange for financing. There may also be tax advantages to you, as the seller, to receiving the income over time rather than in a lump sum.

Bargain Sales

In a bargain sale, you sell your property to a charity or government unit at less than fair market value. This is beneficial to the buyer for obvious reasons, but it can also be beneficial for the seller. If the bargain sale is offered to a qualified nonprofit organization, the difference between the fair market value and the bargain sale price may qualify as a charitable donation to the organization, and thus a tax deduction for the donor. Since the seller receives reduced proceeds from the sale, he or she is subject

to less capital gains tax; this, along with the charitable contribution deduction (if the seller's tax situation allows them to fully utilize such deductions), may actually result in greater financial benefit to the seller from a bargain sale than would have been received from a fair market value sale—with the added benefit of the land going to a conservation buyer.

	Appraised Value	Sale Price to Conservation Buyer	Potential Tax Deduction for Seller
A	\$460,000	\$400,000	\$60,000
B	\$578,000	\$462,400	\$115,600
C	\$1,700,000	\$1,530,000	\$170,000
D	\$580,000	\$500,000	\$80,000

Figure (3)

Figures represent actual bargain sales completed by The Trust for Public Land in the years 1996-1999.

Resolving Timing and Financing Issues

If you want to sell your land to a public conservation agency at the city, county, state, or federal level, your first step will be to contact that agency directly. If the agency is interested in the land but is not able to attain authorization or financing for the purchase within a time frame that meets your needs, you may wish to enlist the aid of the Trust for Public Land (TPL). This nonprofit organization specializes in the acquisition of land for resale to public agencies, focusing on those land opportunities that public agencies cannot promptly act upon. Other nonprofit conservation organizations, such as the Minnesota Land Trust and The Nature Conservancy, may also be helpful in devising interim strategies to meet a landowner's immediate financial requirements while a public agency is making the necessary arrangements for purchase (See *Partners in Your Efforts*, page 67).

C. LAND EXCHANGES

A land exchange is just what the name implies; you receive title to another piece of property in exchange for title to a parcel that you own. A conservation organization that seeks to acquire your property for protection may propose such an exchange as an alternative to an easement or sale. The property that you receive in exchange may have equal—or greater—value for your intended use, since many valuable natural lands are located on marginal soils and highly erodible sites not well suited for farming or other production-oriented uses. An exchange may further benefit the landowner by serving to defer capital gains taxes that would have been incurred by sale of appreciated property. Land exchanges may therefore be viewed as a creative option that accomplishes conservation objectives while at the same time serving to benefit the interests of landowners.



Klaas and Mary Van Zee knew, as they considered what they might do with their 211-acre parcel of land in Scott County, that they would need to make accommodations for the protection of the stream that cut through the property. Eagle Creek is one of the last remaining trout streams in the Twin Cities area, and is host to a natural artesian spring, Boiling Springs, that is of spiritual significance to the Shakopee Mdewakanton Sioux community.

Having purchased the land as an investment, the Van Zees were looking into the possibility of subdividing and selling lots for residential housing. Klaas first sought the advice of the Department of Natural Resources' Division of Fisheries and Wildlife, and Division of Waters. "From the beginning," says Klaas, "we intended to protect some of the land along Eagle Creek." Recommendations from the DNR were incorporated into a plan for possible development of the site. But when the Van Zees brought their preliminary plan to the cities of Savage and Shakopee, it quickly became clear that the plan would require revision. The people of the Mdewakanton Sioux community wanted to assure their continued access to the site. Trout fishing enthusiasts, represented by Trout Unlimited, were concerned that the plan did not adequately protect the complex hydrology of the creek's watershed. Some city officials thought that the land should be granted to the city as a park and that paved trails should be installed. Public hearings regarding the proposed development became increasingly heated. Local residents, more than fifty conservation groups, and elected city officials were split in their opinions as to whether the plan represented a threat to an area of natural and cultural significance, or an opportunity to build the community's tax base. The Van Zees, of course, were at the center of the debate, amenable to providing the site with some protection but also keeping a watchful eye on their financial interests. "At a certain point everyone digs their heels in," says Klaas.

It was at such a point in the long-running Eagle Creek debate that the Trust for Public Land (TPL) was invited to lend a hand in the effort to find a workable solution. TPL is a nonprofit conservation organization that works to save threatened open space in both rural and urban areas for use and enjoyment by the public.

A coalition of organizations and community groups, spearheaded by Trout Unlimited, had already been working hard—and with some success—to generate support and funds for purchase of land and ease-



ments around Eagle Creek. By building on the foundation of their efforts, TPL was able to facilitate transactions to create a 52.5-acre protected corridor of land, including Boiling Springs, along roughly a mile of the west branch of Eagle Creek. TPL coordinated funding from the many public and private partners, negotiated option agreements with the Van Zees, served as interim title holder, facilitated establishment of trail and conservation easements, and ultimately conveyed the land and easements by sale to the DNR. The DNR and the Lower Minnesota River Valley Watershed District will cooperatively manage the site to protect the creek's water quality and the habitat it provides for trout and other wildlife. Restoration of prairie vegetation is planned for selected upland sites, and a small trail will be maintained to provide for low-impact public access to the site.

Klaas and Mary Van Zee contributed to the conservation effort with a financial contribution to the TPL in conjunction with the land sale, making the transaction a bargain sale. They also made a donation of 14 acres to the DNR as part of the Reinvest in Minnesota Critical Habitat Matching Fund Program. Both contributions are potentially deductible from the Van Zees' income taxes.

The outcome has meant compromise for all concerned. Only time will tell whether the buffer corridor of protected land is sufficient to maintain the qualities that make Eagle Creek a good trout stream: swift currents, cold temperatures, high oxygen levels, and low levels of pollutants. Klaas Van Zee hopes it is enough. "I didn't want to be known as the person who destroyed the creek," he says. To other would-be developers of land, he offers a word of advice; "I think that it is always wise, when you develop a piece of land, to look at all the assets of the land, including its environmental assets. You need to consider the environmental assets at the onset, and take proper steps to resolve any issues before you develop."





Chapter 6

Tax Matters

Throughout this publication, the word “potential” has attended any mention of tax advantages related to the various land protection options. What will determine the extent to which you will be able to realize these potential benefits?

Dynamic status of tax law

First and foremost, it is essential to recognize the changing nature of tax law in regard to income, property, and estate taxes. What is standard accepted procedure today may be amended or abolished tomorrow. If tax implications are an important consideration to you in making a decision regarding donation of an easement or other interests in land, you must consult your own tax advisor to see how current law will apply to your situation. A conservation organization cannot properly advise you in these matters.

Your annual income

Your ability to deduct the full value of a charitable donation from your federal income taxes will depend on your annual adjusted gross income, since the IRS bases the amount you may deduct on this figure (currently for appreciated real property, this percentage is 30% for individuals and 10% for corporate donors). Fortunately, current law allows a taxpayer up to six consecutive tax years in which to deduct the value of a charitable donation, taking the maximum allowable deduction each year and carrying over the unused portion as needed. But when a donor with modest annual income makes a donation of high value, even six years may not be enough to accommodate deductions equal to the full value of the donation.

You can compensate for this by timing your donation to coincide with a period of years when you expect higher than average income, such as a spike in income related to the sale of property or other assets. Similarly, you may wish to make such a donation prior to an anticipated drop in your annual income, such as impending retirement.

Donors are not similarly limited in regard to estate taxes. The full value of donated land or interest in land may be used to reduce the value of

the donor's estate, and therefore the amount of the estate tax owed. In addition, a separate exclusion is available for donations of easements.

Working with qualified organizations

To be eligible for consideration as a charitable deduction on your income tax, your donation of funds, assets, land, or interest in land must be made to a qualifying charitable organization or a unit of government. The organization should be able to provide you with appropriate documentation (typically an IRS letter of determination or listing in the Cumulative Bulletin of Exempt Organizations, maintained by the IRS) that confirms its status to the satisfaction of your tax advisor.

Qualified appraisals

If you intend to claim an income tax deduction for a charitable donation of land or interest in land valued at or above \$5,000, you are obligated to have an appraisal completed on the property by a qualified independent appraiser. This appraisal may be completed any time during the period 60 days prior to the contribution up to the donor's deadline for filing his or her federal tax return on the year of contribution. A summary of the appraisal must be attached to the donor's tax return and the nonprofit must acknowledge that it received the property. As noted earlier, the state will obtain appraisals free of charge for landowners who donate property to the Scientific and Natural Area Program or other DNR program. Note: donors must provide their own appraisal to be eligible for a charitable deduction under IRS rules.

It's in your best interest to get a qualified appraiser who is experienced in appraising charitable gifts of land and partial interests in land, so that your gift is neither undervalued nor overvalued. As you might expect, overvaluation of any such donation for tax purposes is illegal and can result in serious penalties to the donor.

Valuation of your donation

Tax benefits are based on the value of your gift. When title to land is donated outright, this is a fairly straightforward process; the value of your gift is then the fair market value of the land, which is the income that an appraiser estimates the property would bring to the landowner if it were sold (at the time of appraisal) on the open market. This will be the amount that you can claim as a charitable contribution deduction on your income tax. In addition, having donated the property, it will not be part of your estate, and thus will lower estate taxes.

The deductible element of a bargain sale is also straightforward. The value of your donation is equal to the difference between the fair market value of the property and the price that the conservation organization paid you for it. You will be subject to capital gains taxation on the sale part of the transaction.

Valuing the donation of land subject to a life estate gets a bit more interesting. We have already discussed, in general terms, how such donations are treated by the Internal Revenue Service. Full ownership of the land typically does not vest in the recipient charitable organization until years after the donation was made, because of use of the land by the life estate holder(s). This delay lowers the value of the donation for tax purposes, but does not mean that the donor must wait to claim the associated deduction on his or her income taxes. Deductions may be taken for the year in which the donation was granted, with the donation's value approximated using a combination of actuarial (life expectancy) tables, the ages of the life estate holders, and the market value of the land at the time of the donation.

Valuing the donation of a conservation easement is perhaps the most complex of all. Fortunately, this is the responsibility of an appraiser, not the donor. An appraiser will generally follow a valuation method known as "Before and After." First, he or she will calculate the present fair market value of your land before the establishment of an easement. Then, the appraiser will make an estimation of what the fair market value will be after the imposition of the easement restrictions. The difference between the two is the value of your gift. As a general rule it is safe to say that values of easement donations are highest when the terms of an easement severely limit development on properties considered by the appraiser to have very high development potential.

Discretion of county assessors

Will your property taxes drop as a result of an easement? It depends in part on your county assessor and how he or she views the effect of such restrictions on the value of your property as compared to the rate at which it is presently assessed. While assessors have been directed by state law to take conservation easements into account when determining the value of land for property tax purposes, there is nevertheless a degree of variation in how assessors interpret this directive. If you're considering an easement and property taxes are an important issue for you, you can investigate the effects that easements and deed restrictions have had

on the property taxes of other landowners in your county (a matter of public record, available at the county courthouse). For more precise information on how the particular restrictions of your easement would affect your property tax status, you will need to talk directly with your county assessor.

As a landowner, you do of course have the right to contest the rate at which your property is taxed if you consider it to be inappropriately high. The appraisal performed in order to take advantage of the charitable contribution deduction for income tax purposes could be very helpful in contesting the amount of your property tax on easement properties. But since the outcome is uncertain, property tax relief should not be your primary reason for establishing an easement or other deed restriction.

Actions that impact a donation's deductibility

As long as you make your donation to a qualified charitable organization, the value of your gift should be fully deductible for income tax purposes, subject to tax law. Noteworthy exceptions include the following: 1) donations made by bequest (to be granted upon execution of the donor's will) do not entitle the donor to an income tax deduction, but they do reduce the value of the estate for estate tax purposes; 2) donations of land and interest in land must be permanent to qualify as income tax deductions; this rules out term (nonperpetual) easements, mutual covenants, deed restrictions, and any donations of land subject to a reverter clause (conditional transfer), in which title may revert back to the donor if specified deed restrictions are not honored; 3) donations must be accompanied by "donative intent;" 4) if the donor receives something of value in exchange for the donation, the deduction is lowered; 5) contributions of land held for less than one year or "dealer" property are deductible to the extent of "basis" (your cost), not current fair market value. Special state laws also govern charitable deductions for corporations; consult you tax advisor for details.

Note to Readers: Looking for an easy to understand guide to tax and financial strategies that can help you to keep your family lands? Obtain a copy of "Preserving Family Lands: Book 1; Essential Tax Strategies for the Landowner," 3rd edition, by Stephen J. Small. Available from Preserving Family Lands, Boston, MA, phone (617) 357-1644, or available online at www.stevesmall.com.

Chapter 7

Living with Natural Lands: Stewardship Considerations for Private Landowners

“So what’s it going to be, people or the environment?”

A person interested in stewardship might respond, “It’s going to be people *and* the environment.” Stewardship describes the desire of people to care for and live compatibly with the natural environment. It is not some lofty ideal that views people as isolated from the land. Instead, it is a practical approach to everyday life, whereby people consider the natural environment in their decision-making and, at every opportunity, make an effort to accommodate, enhance, and protect their land.

Stewardship invites a broad perspective. It asks a landowner to step back and view the natural areas on his or her property as an assembly of communities that take their strength from relationships. It considers the role of the property in the context of neighboring lands and the larger, regional landscape. It looks into the history of the land, not to recreate the past, but in the way that one might look into an engine: to try to understand how it works, and to identify the elements and conditions necessary to sustain it. It acknowledges that those things which we see—trees, geese, deer, songbirds—rely on many things which we cannot see and may not even know exist.

To look at land in this way is both thrilling and humbling. Notions like creating a wetland, forest, or prairie come to seem nigh impossible; how can we possibly hope to replicate the intricate relationships found in native communities that took thousands, even millions of years to develop? The truth is, we can’t, which is why preserving the integrity of an existing natural area is always preferable to trying to restore or create one. But many lands have already undergone dramatic change, and can surely benefit from our efforts to replace what has been lost and create at least the opportunity for the natural relationships to begin establishing anew.

Do you own a working farm with some wild lands still found along a creek, or along a gravel ridge too steep to plow? Have you recently purchased an undeveloped lot with the intention of building a new home? Consider creating a stewardship plan to guide your management and use of the property. If you have the interest and energy, there are many things that you can do on your own. Many landowners find it fun and satisfying to learn more about their land's natural features. You may also enlist the aid of ecologists and other natural resource professionals to supplement your independent efforts.

Stewardship goals

Successful stewardship maintains the naturally occurring mosaic of native plant communities across a landscape, and sustains each community's diversity of species and ability to function. It reduces negative human disturbance and allows natural processes to continue their work of shaping and reshaping the land. When a landscape has been greatly altered or when surrounding land use has interfered with its characteristic natural processes, stewardship may require a landowner to take an active role, participating in activities such as prescribed (controlled) burning, planting of selected native species, or restoration of a site's hydrology.

By focusing on maintaining or restoring the integrity of the native plant communities present (such as oak savanna, wet meadow, and tallgrass prairie), you can trust that you are also working for the benefit of native wildlife populations. There are many intricate and elegant relationships that exist between wildlife and native plant communities. These relationships between living things, together with the influence of such factors as soils, topography, climate, and hydrology, define the unique character of a landscape. The aim of stewardship is to do what is necessary to enable these relationships to flourish by protecting the entire system that makes them possible.

A guide for land use decisions

Whatever your land's level of development and use, you can approach its management from a stewardship perspective. A farmer can engage in practices such as contour plowing to reduce soil erosion, or integrated pest management to minimize chemical use. A lakeshore property owner can choose to keep his or her land in native vegetation rather than planting Kentucky bluegrass. The owner of a timbering operation can engage in forestry practices such as long rotation cuttings, and maintain stands with mixed ages and species of trees. A person constructing a house, road,

or trail can be selective about the placement of such development. Of course, many properties have not one but a mosaic of land uses: a property may include a home and yard, farm fields, and natural lands. Each land use will lend itself to different stewardship practices. To determine what stewardship practices might be appropriate for your land will involve a bit of detective work.

Consider the context: tailoring your plan

With enough time, money, expertise, and effort, it would probably be possible to turn a dry prairie into something that resembles a wetland, or a wetland into something that resembles an upland forest. Stewardship, however, is guided by a respect for a landscape's natural inclinations. Accordingly, your first step will be to increase your understanding of the present and past natural features of your property, as well as the relationship between your property and the larger, regional landscape. Your investigation will address four key questions:

- To what native plant communities is your property best suited?
- Is your property host to natural features of local, regional, national, or even global significance?
- Through the management of your property, can you support the integrity of natural elements that extend beyond your property boundaries?
- How healthy are the native plant communities on your land? Do they retain their characteristic composition, structure, and function? Are they in need of restoration?

To help answer these questions and lay the groundwork for your stewardship efforts, you can gather information from a variety of sources. Some possible sources include:

MAPS & PHOTOS

Topographic map

A topographic map of your land can be purchased at minimal cost from the Minnesota Geologic Survey (MGS). It will be helpful if you have available your property's legal description (section, township, and range). Ask for a map with scale of 1:24,000, also called a 7.5 minute map (One inch on a map of this scale is equivalent to 2000 feet on the ground, therefore offering a reasonable level of detail). Stop by the MGS map store at 2642 University Avenue, St. Paul, or call (612) 627-4782, or email: mgs@tc.umn.edu.

Soil map

A map of your property's soils can be obtained from your county Soil and Water Conservation District office, located at your county seat.

Minnesota County Biological Survey (MCBS) Map

If the MCBS has completed its survey of remaining natural areas and rare species in the county in which your property is located, you may be able to obtain a map that will indicate whether any rare or significant natural features have been found on or near your property. For information about availability of MCBS maps, contact the Division of Ecological Services, MN Dept. of Natural Resources, 500 Lafayette Road, St. Paul, MN, 55155, phone (651) 296-2835; or call toll free (800) 766-6000 and specify the Division of Ecological Services.

Minnesota Presettlement Vegetation Map

When the public lands survey was undertaken in Minnesota in the latter half of the 19th century, the surveyors' notes included a wealth of information about the trees and vegetation they observed as they placed their section and quarter section markers. These notes were a primary source of information used by Francis J. Marschner when, in 1930, he created a map of the state's presettlement vegetation. The map offers an interesting perspective on the historic diversity and distribution of major plant communities in the state. Although out of print in its original large format, it may be viewed at the John R. Borchert Map Library at the University of Minnesota, phone (612) 624-4549. A booklet featuring the Marschner map, entitled *Natural Vegetation of Minnesota at the Time of the Public Land Survey: 1847-1907*, is available from the Minnesota DNR Division of Ecological Services. For a free copy of this booklet, phone (651) 296-2835; or call toll free (800) 766-6000 and specify the Division of Ecological Services.

Aerial photograph

An aerial photograph of your land can provide you with a good perspective for stewardship planning purposes. Photos are generally available for free or at a nominal fee from the Consolidated Farm Services Agency (CFSA) located at the county seat of the county in which your property is located. (Note: This agency has recently undergone a name change; it was formerly known as the Agricultural Stabilization and Conservation Service, or ASCS).

PEOPLE

College and university professors in natural resource departments (such as soil science, landscape ecology, biology, geology, and wildlife) can be an excellent source for information regarding their area of expertise.

Organizations that administer registry programs and restoration cost-share programs may have staff available to help landowners identify native plant communities on their property.

- See also, *Partners in Your Efforts*, p.67.

BOOKS & SPECIAL REPORTS

Minnesota's Natural Heritage: An Ecological Perspective, by John R. Tester, available for purchase from the University of Minnesota Press, phone toll free at (800) 388-3863.

A Guide to Minnesota's Scientific and Natural Areas, MN Department of Natural Resources, Division of Ecological Services, Scientific and Natural Areas Program, available for purchase from the DNR Gift Shop, phone toll free (800) 766-6000, or (651) 228-9165 in the Twin Cities metro area.

Regional Landscape Ecosystems of Michigan, Minnesota, and Wisconsin: A Working Map and Classification, by Dennis Albert, General Technical Report NC-178, available from the North Central Forest Experiment Station, phone (612) 649-5108. This report can also be downloaded at www.npwr.usgs.gov/resource/1998/rlandscp/rlandscp.htm

Minnesota's St. Croix River Valley and Anoka Sandplain, A Guide to Native Habitats, by Daniel Wovcha, Barbara Delaney, and Gerda Nordquist, MN Department of Natural Resources, available from the University of Minnesota Press, phone toll free (800) 388-3863.

Minnesota's Endangered Flora and Fauna, Barbara Coffin and Lee Pfannmuller, editors, published by University of Minnesota Press. Currently out of print. Look for copies at local libraries or natural resource agency offices.

DATABASES

Minnesota Natural Heritage Information System

The Minnesota Department of Natural Resources Natural Heritage Information System consists of more than 20 component databases with a wealth of information on the state's rare plants, animals, native plant communities, and critical habitat sites such as prairie chicken booming grounds, bald eagle roosts, and waterfowl nesting colonies. Although this is a fairly sophisticated system, it may offer useful information for landowners whose property contains such elements. Data request forms are available on the DNR's web site, or by writing: Endangered Resource/Environmental Review Specialist, Minnesota Natural Heritage and Nongame Research Program, Department of Natural Resources, 500 Lafayette Rd., St. Paul, MN 55155. Phone: (651) 296-8324; or call toll free (800) 766-6000 and specify the Natural Heritage Program.

LIVING EXAMPLES

If you'd like to know what a healthy bluff prairie, maple-basswood forest, or other native plant community looks like, visit some of the state's Scientific and Natural Areas (SNAs) or The Nature Conservancy (TNC) Preserves. These sites have been selected for protection because they exemplify many of the best remaining examples of Minnesota's functioning ecosystems. If someone tells you that your oak woods, with a little management, could be restored to a fine oak savanna, go check out an oak savanna to get an idea of what they're talking about. The Minnesota DNR has published a guide to its SNAs (see listing, BOOKS & SPECIAL REPORTS). A Guide to The Nature Conservancy's Preserves in Minnesota is available for purchase from the organization's local office in Minneapolis; refer to "Partners in Your Efforts," page 67, for contact information.

Developing your stewardship plan

The information you have gathered will help to inform your decisions regarding land use. If you wish, you could follow the rough plan of action outlined below. For some of the steps that require rather specialized knowledge, you may wish to seek assistance from one of the groups listed in "Partners in Your Efforts," Chapter 8.

1. Identify your goals for your property. As you feel is appropriate, invite ideas from family members or others with a direct interest in the land.

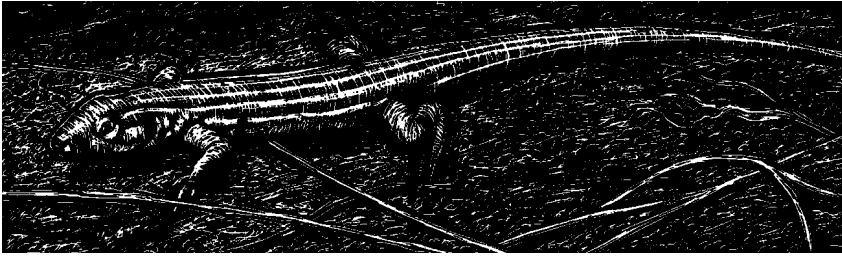
2. Do an inventory of your property and note the locations of existing native plant communities, areas you would like to restore to native vegetation, environmental problem areas (e.g., erosion sites), areas that offer seasonal and year-round habitat for wildlife, and other natural features important to you. The DNR may be able to provide you with a species list for the native plant community on your land. See Natural Heritage and Nongame Research Program in “Partners in Your Efforts,” Chapter 8.

3. If you intend to restore a degraded native plant community or try to “recreate” a historic natural community on your land, be sure to visit a preserve or state natural area to familiarize yourself with some of the associated species and the overall structure of the community.

4. Based on what you have learned about the native plant communities identified on your land, make a list of the possible implications for management and land use. Note any natural processes that you think might be important to their continued integrity. (It will be helpful to seek advice from an ecologist here.) Examples might include:

- Oak savanna: clear out European buckthorn, possibly conduct a controlled burn to open up the understory
- Prairie: delay haying until after nesting of grassland birds, conduct periodic controlled burns, regulate grazing
- Stream bank/lakeshore: retain native vegetation, limit chemical use within watershed, avoid disturbing shoreline nesting birds

5. Develop a stewardship plan that integrates these management goals and desired outcomes. Your plan should identify specific tasks, set up a timeline for their completion, identify sources for financial and technical assistance, define appropriate locations for any future development (such as roadways, utilities development, or structures), note locations planned for any restoration efforts, and outline general guidelines you’d like to follow regarding your use of the land. If you wish, you may incorporate into your stewardship plan some more permanent options, such as a conservation easement on part or all of your property. If a landscape element or native plant community extends beyond your property boundaries (such as a forest, bluff, or stream), you may also wish to contact adjacent landowners to make them aware of your interest in stewardship and find out if they have an interest in similarly managing their land.



Keep in mind

It's best to make your decisions in the context of an overall stewardship plan. But if a comprehensive stewardship plan sounds like a more ambitious project than you're able to undertake, there are still some general principles you may keep in mind as you make your land use decisions.

- When seeking advice, consider the source. Remember that the goal of stewardship is to protect the composition, structure, and function of natural systems as a whole, not just isolated parts. One conservation specialist may be extremely knowledgeable about timber trees and the soils they require, but less informed about native prairie, wetland issues, or even non-timber related forest uses. Another conservation specialist may be able to tell you what to plant to promote pheasant or deer populations, but will be less informed about what is important for songbirds, birds of prey, or other nongame species. The information may be good, but incomplete. The solution? Consult with a variety of conservation specialists from different fields of study (and literature from a variety of sources) before making a decision.
- When purchasing plant materials for your property, select native species, ideally seeds or plants from local sources (just because the seed packet or catalog promises “wild” flowers or grasses does not necessarily mean that the plants are appropriate for your location).
- Plan property development to avoid fragmenting native plant communities. One large native plant community tends to function better than many small ones. A house in the middle of a natural area, for example, will cause more disturbance than a house located near the perimeter. A road that runs right through a natural area will cause more disturbance than a road that runs along its edge. Given the option, preserve natural areas in blocks rather than in long, narrow strips; this offers better protection to species that require less disturbed environments.

- Be aware that just because there are plenty of birds, raccoons, and deer at your feeder does not mean that all is well with the wildlife on your land. Many, many wildlife species—including most of Minnesota's nesting songbirds—never use feeding stations or nestboxes. The only way to protect a broad array of wildlife species is to protect natural habitats.
- Consider the merits of fire; it's as natural as rain. Fire is an appropriate management tool for certain types of native plant communities when used strategically by people with proper training.
- In forest communities, old doesn't mean useless and tidy doesn't mean healthy. Mature trees riddled with cavities and downed logs offer important habitat for many nesting species. The decomposition of woody debris on the forest floor replenishes soil nutrients. Unless you are doing restoration work to open up an overgrown oak savanna or prairie, or removing invasive exotic species, resist the urge to clear out undergrowth. If you're harvesting downed trees for firewood, leave some behind.
- Planting trees may not be the best contribution you can make to your land's natural environment! If you look at the presettlement vegetation maps of Minnesota, you'll find a wonderful diversity of native plant communities, many of which are characterized by few or no trees. Prairies, oak savannas, and marshlands are just a few examples. Consider carefully whether tree planting is appropriate for your site, or whether the health of the community would benefit more if the area remained open. Also, as you make land use decisions, remember that forested sites are not the only natural areas on your property worthy of protection.



Chapter 8

Partners in Your Efforts

Please note that the following listing includes only a sampling of the many Minnesota conservation agencies and organizations able to offer practical assistance to private landowners. While far from comprehensive, it can serve to get you started. Each of these organizations can assess your land protection goals and point you in the right direction for help if they are not equipped to address your particular situation. Landowners are encouraged to select an organization and appropriate land protection options that will ensure the highest possible level of protection for their land.

The Nature Conservancy of Minnesota
1313 Fifth Street Southeast, Suite 320
Minneapolis, MN 55414-1588
Phone: (612) 331-0750 FAX: (612)331-0770
www.tnc.org/minnesota



The Nature Conservancy is an international, member-based, nonprofit organization, whose mission is to preserve the plants, animals and natural communities that represent the diversity of life on Earth by protecting the land and waters they need to survive. With priorities guided by science and ecological research, the Conservancy protects land through acquisitions, gifts of land, management agreements, conservation easements, cooperation with state and local units of government, and enrollment by private landowners in a voluntary registry program. The Conservancy also actively supports citizen efforts at the community level and works in partnership with other organizations to accomplish broad conservation initiatives. It is funded by memberships, dues, corporate foundation grants, and contributions from individuals.

The Nature Conservancy of Minnesota:

- has helped protect 330,000 acres of land representing some of the best examples of Minnesota's natural heritage
- owns and manages a system of 52 preserves totaling more than 55,000 acres, most of which are open to the public
- has more than 21,000 members statewide
- champions legislation critical to environmental policy and funding of federal, state, and local conservation initiatives
- is a major contributor of land to the State's Critical Habitat Matching Fund Program, helping to protect Minnesota's most threatened habitats
- is an active partner in local conservation efforts, working with communities to protect ecosystems in landscapes like the Lake Superior Highlands, northern hardwood forests, aspen parklands, tallgrass prairie and the Big Woods
- promotes landowner stewardship of private lands with a voluntary registry program
- invites volunteers to become active, to assist with land management projects, or participate in other aspects of the organization's conservation work

The Trust for Public Land, Minnesota State Office
2610 University Ave., Suite 300
St. Paul, MN 55114
Phone: (651) 917-2240 FAX: (651) 917-2248
www.tpl.org



A national non-profit conservation organization with its Minnesota state office located in St. Paul, the Trust for Public Land (TPL) specializes in the purchase of properties from willing sellers, with subsequent resale of the land to public agencies or nonprofit organizations for public open space use. With a motto of “Conserving Land for People,” TPL’s work in Minnesota has helped to protect nearly 100,000 acres in the past 10 years, by bringing open space land into public ownership for parks, recreation areas, cultural and historic sites, and wilderness areas. Highlights include: TPL’s participation in a planning and acquisition effort involving the City of Maplewood which resulted in the City’s procurement of 85 acres of critical open space land for citizen enjoyment; TPL’s purchase and subsequent conveyance of a 2523-acre wild rice farm in northwestern Minnesota from a private landowner to the Red Lake Band of Chippewa Indians, who will continue to manage the site for wild rice and to preserve its value as a staging area for migratory waterfowl; and TPL’s assistance to the City of Grand Marais in its efforts to acquire the last parcel of privately held land along the historic Grand Marais Harbor, completing a long standing community vision.

TPL participates in land transactions at the invitation of the parties involved. While its role varies on a case by case basis, TPL is able to:

- serve as an advocate for landowners, assisting them in achieving a satisfactory outcome and offering confidentiality
- identify potential funding sources and creative financing for the public agencies
- act quickly and serve as interim title holder while a public agency procures the funds and authorizations necessary for a purchase
- help community groups implement campaigns to mobilize support for park and open space projects and their funding

TPL is supported largely through landowner donations, foundation and corporate contributions, and limited fee-for-service work. TPL ensures that the public pays fair market value or less for the property it seeks to protect. TPL’s transaction assistance can capture potential tax benefits for the private landowner and relieve the acquiring public agency of many costs involved with administration of the sale.

Minnesota Land Trust
2356 University Avenue W., Suite 400
St. Paul, MN 55114
Phone: (651) 647-9590 FAX: (651) 647-9769
www.mnland.org



The Minnesota Land Trust (MLT) is a private, nonprofit organization dedicated to permanently protecting the land and water resources that define Minnesota communities and enrich the quality of life of its residents and visitors. With a small professional staff and a network of citizen volunteers active in community-based chapters throughout the state, MLT specializes in providing landowners with the legal tools they need to preserve lands that promote quality of life for themselves, their heirs, and their communities.

While the organization is able to provide information on a variety of land protection options, it is perhaps best known for its work in assisting private landowners who wish to establish perpetual conservation easements on their land. MLT conservation easements are distinguished by their inclusive focus, not only on lands of ecological significance, but also on lands of historic, scenic, open space, and agricultural value. People who choose to donate easements to MLT are often attracted by the organization's willingness to design easements that accommodate the wishes of the landowner to the extent possible while protecting the land's conservation values.

In addition to its work with private landowners, MLT participates as a partner in conservation planning efforts with local governments and community groups. With the organization's help, such groups have been able to successfully protect neighborhood open space, scenic vistas, and natural lands of benefit to their communities.

The Minnesota Land Trust is funded primarily through memberships and donations from individuals, businesses, and foundations. It publishes a semi-annual newsletter, the Minnesota Land Trust *News & Views*, and maintains an active website.

Minnesota Department of Natural Resources
500 Lafayette Road
St. Paul, MN 55155-4007
www.dnr.state.mn.us



The DNR administers a variety of programs that can help private landowners to accomplish their land protection objectives.

For information about natural features contact:

Natural Heritage and Nongame Research Program
Minnesota County Biological Survey

The Natural Heritage and Nongame Research Program provides information on the state's native plant communities, rare plants, and rare animals. One of the most important tools for acquiring this information is the Minnesota County Biological Survey (MCBS). Biologists working for the MCBS program are conducting systematic surveys of natural areas and rare plants and animals in the state. MCBS findings are used to:

- assist with land use planning efforts by local governments
- help landowners to demonstrate the eligibility of their lands for conservation cost-share funds, land retirement programs, and easements
- provide knowledge to landowners interested in caring for the natural lands on their properties

To obtain maps, written reports, and published books that help interpret MCBS findings, call (651) 296-2835. Information on rare species and native plant communities on lands throughout the state is available from the computerized Natural Heritage Information System. Printouts can be obtained by calling (651) 296-8324, or by filling out a "data request form," available on the DNR's web site under the Natural Heritage and Nongame Research Program.

For protection of natural areas, contact:

Scientific and Natural Areas Program (651) 297-2357
Natural and Scenic Areas Grant Program (651) 296-1567
Metro Greenways Program (651) 772-7952

The Scientific and Natural Areas (SNA) Program selectively acquires and manages land throughout the state that hosts exceptional natural features such as undisturbed native plant communities, rare or endangered species habitat, geologic formations, and seasonal habitat for concentrations of birds and other wildlife. The program seeks to protect such lands in sufficient quantity (multiple sites of appropriate size) and distribution to provide for their long-term survival. Scientific and Natural

Areas are storehouses of the state's biological diversity. They are managed so as to foster natural processes to the extent possible in the context of the surrounding landscape. Most SNAs, over 130 sites across the state, are open to the public for nature observation, research and education. However, as a general rule there are no trails, restroom facilities, or other amenities. The visitor should understand these areas are not a place designed for intensive recreational activities. SNAs are established:

- with gifts of land from private citizens
- by purchase of land from willing sellers
- through purchase or donation of conservation easements
- by dedication of existing public lands
- through exchanges, long-term leases and cooperative projects with private conservation organizations

Designation of SNA status is a recognition of a site's outstanding value for scientific, ecological, and educational purposes. Once established as an SNA, a site is afforded the highest level of protection provided for on state lands, with management and use restrictions designed to perpetuate the site's resident species and native plant communities. An estimated 500 SNAs are needed in order to adequately protect significant features within the state's major landscape regions. Citizen contributions of land and funds directly to the SNA Program that are matched through programs such as the RIM Critical Habitat Match Fund (see page 40) are of vital importance in achieving this goal.

Two additional DNR programs administer land acquisition programs that focus on natural areas. The Natural and Scenic Areas Grant Program provides matching funds to local governments to purchase conservation easements or fee title on lands throughout the state that qualify as natural or scenic areas. The Metro Greenways Program provides funds for the purchase of conservation easements, fee title, and restoration on lands that contribute to the regional network of natural areas in the seven-county Twin Cities metropolitan area.

For protection of wildlife and aquatic habitat, contact:

Wildlife Habitat: Reinvest in Minnesota (RIM) Critical Habitat Match Fund Program and/or Wildlife Management Area Program (651) 297-2823.

Aquatic Habitat: Local area Fisheries Manager

Wildlife Management Areas (WMAs) are managed by the Department of Natural Resources Division of Fish and Wildlife for wildlife production and habitat, public hunting and trapping, and other recreational uses compatible with wildlife, such as cross-country skiing, nature photography, and bird watching. WMAs are also important for conserving water, protecting native vegetation, and preserving natural beauty and open space. With rising land costs and a growing demand for recreational opportunities, donations of wildlife lands have become an increasingly important way to help protect these critical habitats for all Minnesotans to enjoy.

Aquatic Management Areas (AMAs) are managed by the Department of Natural Resources, Division of Fisheries to protect natural shoreline values while allowing for public use and enjoyment. Lakeshore AMAs tend to be small parcels that protect critical shoreline habitat for both game and nongame species. They also serve as examples for people to follow during efforts to restore disturbed shorelines to a more natural state. Stream AMAs allow non-boat anglers access to trout streams. This program accepts small parcels that often do not qualify under other programs. With the increasing value of stream and lakeshore properties, it is more important than ever to protect this rapidly disappearing habitat.

For technical assistance regarding management of natural areas and fish and wildlife habitat:

While staffing is limited, some technical assistance is available. For help with questions about managing natural areas, contact the SNA program, (651) 297-2357. Questions about nongame wildlife can be handled by regional Nongame Specialists, and other questions about wildlife habitat can be answered by Area Wildlife Managers. Questions about shoreline habitat can be handled by your Area Fisheries office. To contact the Nongame Specialist, Area Wildlife Manager, or Fisheries Manager nearest you, check your local phone directory's state government listings under Dept. of Natural Resources, call the Division of Wildlife in St. Paul, MN at (651) 296-3344, or call the Division of Fisheries in St. Paul, MN at (651) 296-3325.

For information about forest stewardship planning contact:

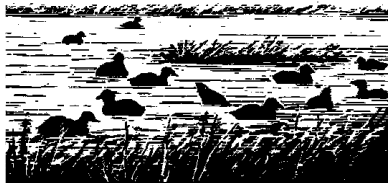
Forest Stewardship Program (651) 296-5970; www.foreststeward.org
The Forest Stewardship Program provides free planning assistance to landowners who wish to develop long-term forest stewardship plans for their properties. The program also provides technical assistance to

landowner participants in state and federal cost-share programs. While the program is administered by the DNR, services may be delivered by DNR professionals, forestry or biology consultants, industrial foresters, conservation organizations, the U.S. Forest Service, the U.S. Fish and Wildlife Service, or Soil and Water Conservation Districts. Forest stewardship plans are generally free or low cost. They are available to landowners who own between 20 and 5,000 acres. Plan preparers can be selected directly by the landowner. Based on the goals of the landowner as well as the capacity of the landscape, each plan covers the entire property (except active agricultural areas), including woodlands, wetlands, prairies, and water bodies.

Implementation of the plan's advice is voluntary. If a landowner does wish to implement conservation practices, the plan preparer is also available to help with implementation. Cost-share assistance is often available through a variety of local, state, and federal programs.

For information about the Forest Legacy Program, contact:
Area Forester, Rice County (507) 333-2012.

The Forest Legacy Program provides federal funds to protect environmentally important forest lands threatened by conversion to nonforest uses. It does so principally through the purchase of conservation easements from willing private forest landowners. Acquisition of conservation easements will be targeted to one or more of the 14 locations in the state that have been identified as Candidate Forest Legacy Areas. Currently only the Rice County Big Woods Forest Legacy Area is activated and eligible for Forest Legacy Program funding. When feasible, Minnesota will seek to activate additional Candidate Forest Legacy Areas.



Land Stewardship Project

2200 Fourth St.

White Bear Lake, MN 55110

Phone: (651) 653-0618 FAX: (651) 653-0589

www.landstewardshipproject.org

The Land Stewardship Project (LSP) is a private, nonprofit membership organization that promotes prosperous, diversified family-sized farms and thoughtful community development that conserves farmland, forests, and natural resources. It fosters information exchange through workshops, videos and publications, and partnerships with community groups and other organizations, and serves as a resource and referral center for landowners with questions regarding sustainable agriculture.



1000 Friends of Minnesota

370 Selby Avenue, Suite 300

St. Paul, MN 55102

Phone: (651) 312-1000

Founded in 1998, 1000 Friends of Minnesota grew out of a successful land use program of the Land Stewardship Project. It is an advocate for Smart Growth, where cities do not sprawl into the countryside but are concentrated around existing infrastructure. 1000 Friends is working to preserve farmland and open space through the Purchase of Development Rights (PDR) and Transfer of Development Rights (TDR) programs. Their mission is to encourage sustainable development patterns that conserve farmlands, forests and natural resources, and promote healthy, livable communities.



Minnesota Board of Soil and Water Resources

One West Water St.

Suite 200, St. Paul, MN 55107

Phone: (651) 296-3767

www.bwsr.state.mn.us

This state agency is able to provide addresses and phone numbers for all Soil and Water Conservation District (SWCD) offices and other local government officials located in counties throughout the state. SWCDs and other local authorities administer a variety of conservation incentive programs, including the Minnesota Forest Incentives Program; the State Cost-share Program for soil and water conservation projects; the Streambank, Lakeshore and Roadside Erosion Control Program; the Wetland Establishment and Restoration Program; the Permanent Wetland



Preserve Program; the Reinvest in Minnesota (RIM) Reserve Program, which retires marginal agricultural land through conservation easements; and the Wetlands Preservation Areas Program, which exempts eligible wetlands from annual property taxes.

U.S. Fish and Wildlife Service
Whipple Federal Building
1 Federal Drive
Fort Snelling, MN 55111
Phone: (612) 713-5360



www.fws.gov/r3pao/maps/minn.htm

The Fish and Wildlife Service (USFWS) is part of the U.S. Department of the Interior and helps to protect the nation's wildlife resources. It has specific authorities in regard to migratory birds, certain marine mammals, and most threatened and endangered species of plants and animals. The USFWS manages national wildlife refuges and waterfowl production areas totaling more than 90 million acres of land. It has several easement programs that provide financial and technical assistance to private landowners who want to restore and protect wetlands, riparian areas, and other wildlife habitats on their lands.

Northeastern Area State & Private Forestry
U.S.D.A. Forest Service
1992 Folwell Ave.
St. Paul, MN 55108
Phone: (651) 649-5243, FAX: (651) 649-5238
www.willow.ncfes.umn.edu



The Northeastern Area State and Private Forestry is a branch of the U.S. Department of Agriculture Forest Service that brings forestry to the people. The cooperative programs offer assistance to a wide range of clients, including state forestry agencies, schools and universities, associations, local governments, and volunteer groups. In Minnesota, this is done through grants with the Minnesota Department of Natural Resources (DNR). Popular programs include Forest Stewardship (assists in developing plans for forest management), and Urban and Community Development. Assistance with these and other Forest Service cooperative programs can be obtained from the U.S. Forest Service (phone number above) or from your local DNR office.

Glossary

appraisal

The estimation of a property's fair market value, as determined by an appraiser.

bargain sale

Sale of land (or sale of a conservation easement) for less than its fair market value. When land or an easement are sold in a bargain sale to a charitable organization, the difference between the bargain sale price and the fair market value is considered a donation that may entitle the donor to a charitable contribution deduction from his or her income tax.

biodiversity

A measure of the variation in life forms found in a given area, as considered from three perspectives: (1) the number of different species of plants, animals and other living organisms, (2) the degree of genetic variation among individuals of the same species, and (3) the intricate pattern created as plants and animals assemble in communities in response to variations in physical and chemical attributes across a landscape, known as ecosystem diversity.

charitable contribution deduction

A dollar amount deducted from a donor's income tax as a result of his or her gift to a qualified charitable organization.

conservation buyer

A private individual, a nonprofit organization, or a public agency that purchases land with the intent to manage the land for continued protection of its natural and/or open space values.

conservation easement

A legal document in which a landowner retains title to a given property, while voluntarily restricting uses of the property. A conservation organization is designated to monitor and enforce the use restrictions for a given term or in perpetuity (forever).

conservation organization

Any private or governmental organization devoted to the protection and stewardship of open space lands.

conservation value

See open space

estate

The sum total of an individual's possessions at the time of his or her death.

estate tax

A tax on assets transferred from a deceased person to his or her heirs, imposed on the portion of such assets that exceeds a specified threshold value (presently \$600,000 in Minnesota). Also called inheritance tax.

fair market value

The price that a seller of land might reasonably expect to be paid for a given property, given its income potential and the current prices at which similar properties are being sold in that geographic area.

land trust

An organization (usually private nonprofit) that promotes and utilizes a variety of legal tools to help citizens and communities accomplish their land protection objectives.

limited development

A development plan for property that leaves the more environmentally significant areas permanently protected and is guided overall by an intention to minimize disturbance to a property's conservation values.

native plant community

A group of native plants that interact with each other and the surrounding environment in ways not greatly altered by humans or by introduced plant or animal species (formerly referred to as "natural community").

open space

Land that is largely free of man-made structures, where ground cover is such that rain may enter the soil to replenish groundwater, and where use of the land promotes air and water quality, scenic beauty, wildlife habitat and/or natural communities. Such open space lands are said to have "conservation value." (See Preface for types of open space land.)

property assessment

The evaluation of property value for purposes of determining the annual property taxes to be paid by a landowner for a given property. Property assessments are conducted by a county assessor.

restoration

An effort to repair the composition, structure, and function of a natural system.

trade lands

Lands (usually of low conservation value) that are donated to a conservation organization and are subsequently sold to generate funds used to finance purchase or protection of other lands of greater conservation value.

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