



CONSERVATION EASEMENTS

A Guide for Texas Landowners

want more information?

Landowners interested in learning more about conservation easements have several additional resources to assist them.

1. The land trust organizations in Texas can answer questions about conservation easements and talk with you about the potential of placing a conservation easement on your land. A list of TLTC member land trusts, including contact names with emails and phone numbers, can be found on the Land Trust Directory located on the Texas Land Trust Council's website.
2. The Texas Land Trust Council publishes this guide and can answer questions and offer additional resources for those interested in learning more about conservation easements, including help finding the best land trust partners to talk to. Our contact information is below.
3. The Texas Land Trust Council also hosts the annual Texas Land Conservation Conference for landowners, land trusts, and a variety of public agency and private sector professionals involved in land conservation efforts statewide. Visit texaslandconservationconference.org for more information.
4. Landowners should discuss the potential advantages and disadvantages of conservation easements with their own legal and tax advisors. The Texas Land Trust Council can also help you locate professionals in your area who are well versed in conservation easement law and estate planning implications. Visit our Professionals Index on the Texas Land Trust Council website to learn more.



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For additional copies of Conservation Easements: A Guide for Texas Landowners, please contact:

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Because of its size and unique geography, Texas enjoys a rich and diverse natural heritage. From the mountains in the west, to the bottomlands and bayous in the east, from the high plains in the north, to the brush country down south, these lands make up the special fabric of our state.

But the Texas landscape is changing. Today, over 85 percent of all Texans live in urban areas, and as Texas cities grow, they are steadily displacing natural habitats, productive agricultural lands, and scenic open spaces.

Private landowners own and manage more than 95% of the state's land. One of the most significant factors affecting the rural Texas' countryside is the continued breakup, or fragmentation, of family-owned property. Family-owned farms, ranches and recreational lands are impacted by changing economics and the increasing tax burden of owning property. Passing on a family farm or ranch to the next generation is a time-honored tradition. For many Texas landowners, their property is much more than a financial asset; it is part of their family history, their community, and their state's natural and cultural heritage.

This guidebook is intended to help Texas landowners understand one of the most flexible and effective tools available to conserve and protect private property – the conservation easement. A conservation easement is a voluntary legal agreement that ensures a property will be conserved and maintained for some specified conservation purpose, determined by the landowner, for

generations to come.

Every conservation easement is individually crafted and reflects the special conservation values of the land protected, as well as the needs and desires of the landowner for continued management and stewardship. Conservation easements can assist landowners who wish to permanently protect their farm or ranch land, wildlife habitat, open space, water resources, scenic views, historic buildings, or archaeological sites. Some conservation easements may be purchased, while others may qualify the landowner for significant tax benefits. Each agreement is tailored to meet a landowner's specific needs, whether he or she owns 10,000 acres in West Texas or 100 acres in the Texas Hill Country.

This guidebook profiles fifteen landowners, each of whom has used a conservation easement to protect some portion of their land. These profiles illustrate how conservation easements can help people to conserve their privately held lands and waters for agricultural production, wildlife habitat protection, open space, and water quality protection...now, and for the benefit of future generations.

A conservation easement is a written, legal agreement between a property owner and a “holder” of the conservation easement, under which a landowner voluntarily restricts certain uses of the property in order to protect its natural, productive or cultural features. The holder of the conservation easement must be a governmental entity or a qualified conservation organization (land trust). The landowner conveys the easement to the holder similar to the conveyance of a deed, and the easement is recorded in land and title records at the county courthouse. The landowner retains legal title to the property and determines the types of land uses to continue, as well as those to restrict.

As part of the arrangement, the landowner grants the holder of the conservation easement the right to periodically assess the condition of the property to ensure that it is being maintained according to the terms of the legal agreement. A landowner who grants a conservation easement retains ownership of the land, while agreeing to abide by the terms of the conservation easement. Once in place, the conservation easement is legally binding on all future owners of the land.

Many rights come with owning property, including the rights to manage resources, change use, develop minerals, subdivide, or develop. With a conservation easement, a landowner limits one or more of these rights. For example, a landowner donating a conservation easement could choose to limit the right to develop or subdivide

a property, but keep the rights to build a house in a certain location, hunt on the land, raise cattle or other livestock, or grow crops. The landowner continues to use the property in keeping with the conservation values set forth in the easement.

Conservation easements are recognized for legal and tax purposes by the State of Texas (Chapter 183, Texas Natural Resources Code) and the Internal Revenue Service (Internal Revenue Code, Section 170(h)). This guidebook seeks to answer general questions that a landowner might have about conservation easements.

Why Use a Conservation Easement?

Conservation easements allow people to protect the land they love. They are the number one tool available for protecting privately owned land. Landowners interested in conservation generally have the desire to protect the natural or productive qualities of their land. The landowner may be interested in conserving special features such as fertile soil, mature forest, wildlife habitat, or a piece of history – even after his or her ownership comes to an end.

Along with conservation, landowners may also be concerned about maintaining their property’s economic use and productivity. The economics associated with land ownership are complex, and Texas landowners must also contend with the increasing tax burden associated with property ownership. Various financial incentives to sell or develop are all economic factors that affect land use decisions.

Conservation easements enable landowners to conserve their land for their children and for future generations, while maintaining private ownership and use of their property. Landowners can sell or bequeath property that is encumbered by a conservation easement. In Texas, conservation easements are generally held by nonprofit conservation organizations, commonly known as “land trusts”. Conservation easements can be either purchased or donated. The donation of a conservation easement can potentially have significant tax benefits, which are discussed later in this guidebook.

Texas’ landscape and its people are incredibly diverse. Because every landowner and every property is unique,

each conservation easement agreement is uniquely tailored and designed to meet the site-specific goals of the individual landowner and the conservation easement holder. However, they may not be appropriate for every situation. Conservation easements are permanent, legally-binding agreements that will encumber the property in perpetuity. Landowners considering a conservation easement should consult with family members, professional tax and legal advisors, and a representative of the prospective conservation easement holder (land trust) to determine whether this tool is the right one to accomplish one’s long-term conservation, estate planning, and economic goals.

**CONSERVATION
EASEMENTS ALLOW
PEOPLE TO PROTECT THE
LAND THEY LOVE.**

Does every conservation easement qualify for an income tax deduction?

No. To qualify as a charitable contribution, conservation easement donations must:

- Be perpetual, meaning continuing forever;
- Be donated to a qualified organization (a land trust or governmental entity); and
- Be donated exclusively for recognized “conservation purposes,” as set out in the Internal Revenue Code.

Does every conservation easement have to be perpetual?

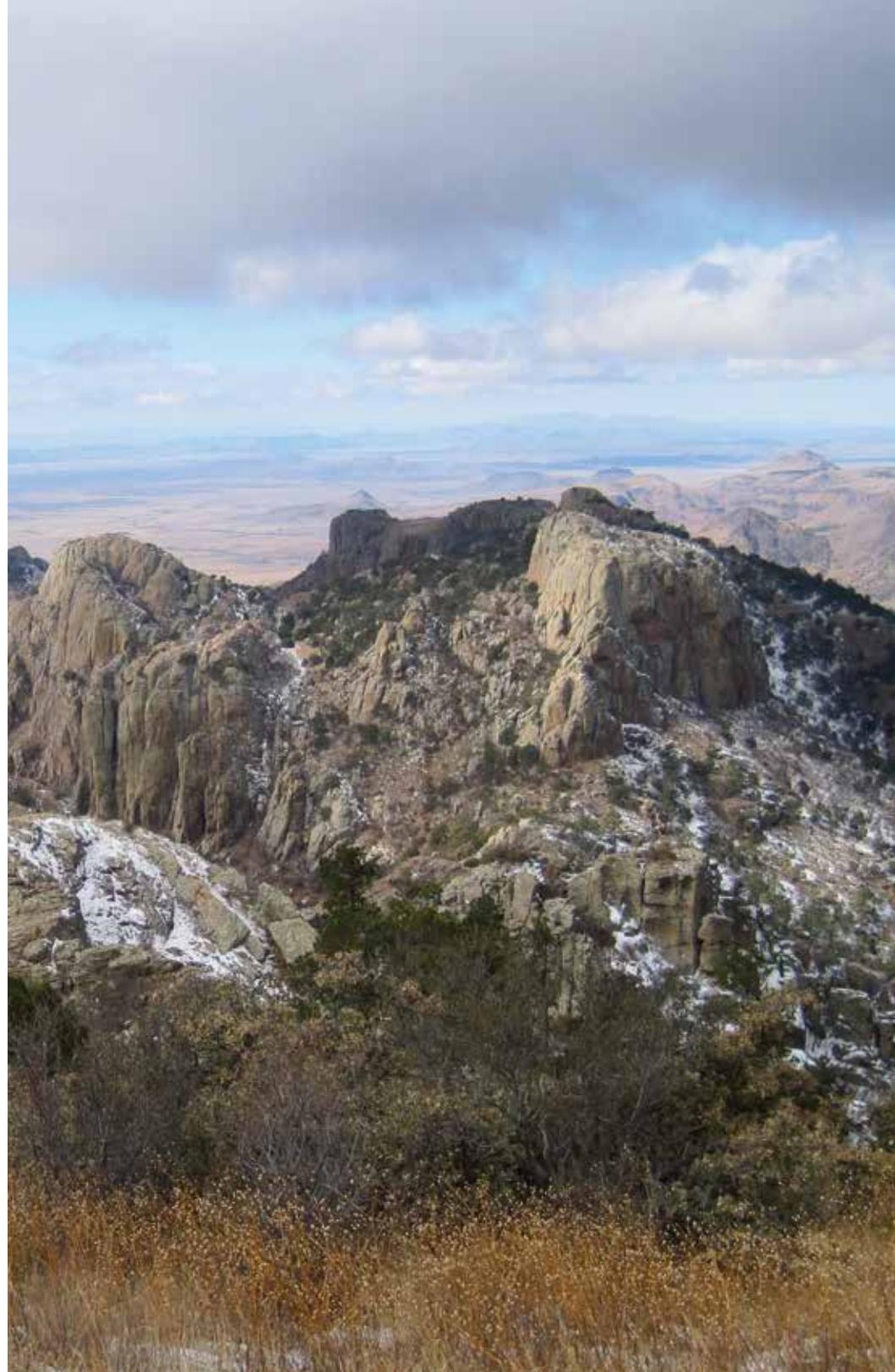
For the donation to qualify for certain tax benefits, the conservation easement must be perpetual and legally binding on all future landowners. Some organizations, however, may be willing to purchase or otherwise accept conservation easements or deed restrictions that are designed for a set period of years, although this is rare. Some programs may pay landowners for limited-term conservation easements on lands that provide significant habitat for birds and other wildlife, or maintain lands in a desired type of vegetation. However, these limited term conservation easements do not qualify for federal tax benefits.

Can conservation easements be purchased?

Yes, conservation easements can be purchased, though this is less often the case in Texas, as funding to do so is limited. There are a handful of federal, state and local funding sources that can be utilized for this purpose. Purchased conservation easements

are sometimes referred to as “PDRs,” which stands for “purchase of development rights.” If funding is available to purchase an easement, often the amount available is less than the full value of the conservation easement. In such cases, the transaction may qualify as a “bargain sale” that may result in a potential tax benefit to the landowner. The amount of the benefit (tax deduction) generally will be the full, appraised value of the conservation easement, less the amount paid to the landowner. Conservation easements are valued by independent, qualified and licensed appraisers.

In 2005, the Texas Legislature established the Texas Farm & Ranch Lands Conservation Program. This program is intended to facilitate the purchase of conservation easements on eligible farm and ranch properties, as funds are available. Some Texas cities and counties have also approved local funding programs to purchase conservation easements on private land for a variety of conservation purposes, such as water quality or endangered species habitat. At the federal level, the United States Department of Agriculture Natural Resources Conservation Service (USDA-NRCS) has an Agricultural Conservation Easement Program (ACEP) through which the agency provides some portion of funding to local governments or land trusts to secure conservation easements on farms, ranches and other important agricultural and natural resource lands. Interested landowners can contact the Texas Land Trust Council or their local land trust regarding the funding status of these various programs, and which may be available to them.



What are the “conservation purposes” recognized by the Internal Revenue Code?

The Internal Revenue Service Code Section 170(h) requires that conservation easement donations meet one or more of the following conservation purposes:

- Preserves land for public outdoor recreation or education;
- Protects relatively natural habitats of fish, wildlife or plants or similar ecosystems;
- Preserves open space – including farms, ranches, pasture land or forests – either for public scenic enjoyment or in keeping with a clearly delineated federal, state, or local governmental policy; or
- Preserves historically important land or certified historic structures.

A conservation easement seeking to qualify for federal tax benefits must meet at least one, but not necessarily all, of these recognized purposes. The conservation purpose of most conservation easement donations in Texas is derived from the protection of open space or wildlife habitat.

Can a conservation easement protecting open space within a real estate development qualify for an income tax deduction?

In some cases, the donation of a conservation easement as part of a development can make economic sense for a developer who is motivated by conservation objectives. The developer is encouraged to begin conservation planning as early in the development process as possible in order to preserve the voluntary or charitable aspects of donating a conservation easement and the resulting charitable tax deductions. If a donation of a conservation easement is made in exchange for a benefit that the landowner receives, the amount of the charitable donation (and resulting tax benefit) will be reduced by the value of the benefit- or may be negated entirely- depending on the nature of the benefit.

No tax deduction would be allowed if the donation is made under compulsion (e.g. required mitigation or required under local development regulations).

Does a conservation easement grant the public the right to access to my property?

No. Landowners retain control of access to their property. They may choose to allow some level of access in their conservation easement agreement, but are not required to do so.

Can I still sell my property?

Yes. Property with a conservation easement can be bought, sold and inherited. However, once the conservation easement is in place, it remains tied to the land and binds all present and future owners to its terms and restrictions.

What will a conservation easement mean for my children?

Once in place, future landowners, including family members, must abide by the terms of the conservation easement agreement and will continue the relationship with the organization that “holds” the conservation easement. Families should consider the trade-offs between immediate and long term tax or income benefits resulting from donating or selling a conservation easement and placing permanent restrictions on land use. Professional assistance from an experienced attorney and tax advisor is recommended for families considering placing a conservation easement on their land.

What if the property is owned by more than one person?

All owners or partial owners of a property must agree to the terms of the conservation easement before it can be legally granted.

Can I still build on my property?

Yes, according to the terms set forth in the conservation agreement. In most cases, the landowner retains specified development rights in a conservation easement agreement. The areas reserved for development are generally limited in scope, in order to adequately preserve the conservation values set forth in the easement. For example, a conservation easement protecting a farm or ranch may allow some construction, including additional residences and other structures compatible with agricultural operations, such as barns or stables. A conservation easement can also specify the location and size of additional residences or other allowed structural development on a property. The building restrictions set forth in the conservation easement will remain binding on future landowners as well.

What if my property is mortgaged?

If land is encumbered by a deed of trust, mortgage or other lien, the lien must be subordinated to the terms of the conservation easement so that the conservation easement will remain in perpetuity. Subordination of liens is required in order for the donation of the conservation easement to qualify for federal tax benefit. Under a subordination agreement, the lienholder agrees to follow the terms of the conservation easement in the event of foreclosure.

What if I don't own the mineral rights to my property?

This is a complicated issue that should be discussed with professional advisors. However, a landowner who does not own the mineral rights to his or her property may still qualify for income or tax benefits if:

- The owners of the mineral rights limit or waive their right to utilize the surface of the land to develop the minerals; or
- The owner proves that the probability of surface mining occurring on the property is “so remote as to be negligible.” Such proof may require a report from a qualified geologist based on an evaluation of the potential for mineral development on the land.

Is mineral development or extraction possible with a conservation easement?

This is also a complicated issue, but the short answer is yes, with the exception of surface mining. Oil and gas development and other below surface extraction can be compatible with a conservation easement agreement. The landowner would work with the easement holder to determine whether this is an allowable use, and to develop and execute surface use agreements or other requirements defining the conditions and methods of drilling as well as the restoration of the surface after resource extraction, in order to preserve the conservation values on the land. Surface mining is prohibited.

Where are conservation easements recorded?

Like a deed or other types of easements, conservation easement documents are recorded with other land records in the county in which the property exists.

Can conservation easements be amended or terminated?

Because conservation easements qualifying for federal tax benefits are required to be permanent, landowners should assume that it will not be possible to terminate a conservation easement. Perpetual conservation easements are more than just private contracts between the owner of the land and the holder of the easement. They are legal agreements and modifying them is not done lightly. Easement terminations are extremely rare and would require court approval, where the judge will weigh the conservation intent of the easement grantor and the interests of the public.

It may be possible to amend a conservation easement if certain criteria are met, such as:

- Both the conservation easement holder and the landowner agree to the terms of the change; and
- The IRS recognized “conservation purposes” of the conservation easement are not affected;
- The amendment has a net positive or neutral impact on the conservation values protected by the easement; and
- Neither the landowner, nor any other person, receives a financial benefit from the amendment.

When a federal tax deduction has been received by a landowner, special care should be taken in amending the conservation easement to ensure that the value of the conservation easement is not reduced. Otherwise, the amount of the landowner's tax deduction could be affected, requiring the filing of an amended tax return and the payment of additional taxes.

Can a conservation easement be donated by will or after the death of a landowner?

Yes. Before finalizing the will document, the landowner must contact the intended conservation easement holder before conveying the conservation easement by will, to ensure that the terms of the easement are agreeable and the organization will accept the donation.

Also under federal law, the executor or heirs of an estate can donate a qualified conservation easement after the death of the landowner, even if the landowner's will does not include the donation of such an easement. A landowner who might want their executor or heirs to be able to make this donation can easily clarify the intent on this matter by stating in their will that the executor and heirs have this power.

How is a conservation easement enforced?

The land trust or public entity that holds the conservation easement bears the responsibility of enforcing its terms, in perpetuity. Typically, this means that the conservation easement holder will schedule a property visit with the landowner at least once a year to document any changed uses of the property, monitor the conservation values, and to ensure that the terms of the conservation easement are being upheld. Unless the landowner and conservation easement holder specifically agree to give enforcement rights to a third party, no outside group can enforce the terms of a conservation easement (other than possibly the Attorney General).

The holder of the easement will usually request funds for a stewardship endowment at the time that the easement is executed. These funds are used for covering costs associated with monitoring and enforcement of the conservation easement in perpetuity. Landowner donated stewardship endowments made to a non-profit land trust organization will typically qualify as a charitable gift for tax purposes.

Placing a qualified conservation easement on land may provide the landowner with federal tax benefits, as well as possible property tax benefits. In addition, some federal, state or local funding may be available to purchase (or partially purchase) a conservation easement, though these funds are limited. It is important that landowners consult with legal, tax, and conservation professionals for more specific information on how currently available funding programs and tax incentives might work for them.

Federal Income Tax Implications

The federal income tax benefits of donating a conservation easement work similarly to those of making other types of charitable contributions. A landowner may be able to deduct up to the full value of the conservation easement from his or her federal income taxes. The easement value is determined by a qualified, independent appraiser. Conservation easement donations enjoy enhanced deductibility over other charitable contributions; allowing landowners to deduct a greater portion of their Adjusted Gross Income for a greater number of years (carry forward). However, as U.S. Tax Code is subject to change, consultation with legal and tax professionals is advised to determine current tax and financial implications.

A conservation easement donation can qualify as a charitable contribution under IRS regulations if:

- A. It is granted in perpetuity;
- B. It is granted to a qualified organization, either:

1. A nonprofit, 501(c)(3) charitable organization (i.e., a land trust) with a conservation purpose and the means to enforce the conservation easement, or
 2. A local, state or federal governmental entity empowered to hold real property interests;
- C. It achieves at least one of the following conservation purposes:
1. Preserves land for public outdoor recreation or education;
 2. Protects relatively natural habitats of fish, wildlife or plants;
 3. Preserves open space, either for scenic enjoyment or in keeping with a clearly delineated public policy (such as a local open space plan);
 4. Preserves historically important land or certified historic structures.

For a conservation easement donation to qualify for a federal income tax deduction, the following items need to be provided:

- The conservation easement document, which must include a legally sufficient description of the land;
- A baseline inventory (including photographs) and description of the property's condition at the time of donation listing man-made structures, water resources, agricultural and ecological features; and other conservation values;
- A qualified appraisal of the conservation easement prepared by an independent

real estate appraiser working for the landowner, completed no more than 60 days prior to the donation and no later than the time the tax return claiming the deduction is filed;

- A subordination agreement, which subordinates any mortgage and all other liens on the property to the terms of the conservation easement;
- A mineral remoteness report (if ownership of the surface and minerals are severed and the mineral owners do not waive their surface rights);
- IRS Form 8283 (an attachment to the federal income tax return of anyone claiming charitable contributions of more than \$5,000); and
- Letter of substantiation from the easement holder provided no later than the date of the date of the conservation easement documenting its receipt of the charitable gift.

U.S. tax law requires that the value of the conservation easement be determined by a qualified real-estate appraiser. The monetary value of the conservation easement is, generally speaking, the difference between the value of the property at the current "highest and best use" (without any conservation restrictions) and the value of the property with the restrictions of a conservation easement in place. Often, the value of a conservation easement is greater in areas where development pressure is most intense and lower in more remote areas. Likewise, a conservation easement that prohibits development to a greater extent

will have a higher value than an easement that conveys only minimal restrictions.

For example, a tract of land may be worth \$500,000 as a site for potential residential development, but only worth \$200,000 as open space or recreational property, with conservation easement in place that permanently removes that development potential. In that scenario, the conservation easement that prohibited new construction, further subdivision, and restricted its use to open space would be valued at \$300,000, and the landowner may then be eligible for up to \$300,000 in federal income tax deductions.

Under the enhanced conservation easement tax incentive, and if the conservation easement meets all IRS criteria, the landowner may deduct the full value of the conservation easement donation from his or her Adjusted Gross Income (AGI), up to 50 percent of the landowner's income for the year of the gift. If the donation exceeds this amount in the year of the donation, the excess balance of the donation may be carried forward and subsequently deducted for up to fifteen (15) additional years, subject to the same 50 percent limitation. For qualified farmers and ranchers, that deduction may be up to 100% of your AGI. Please note that federal regulations determining the extent and criteria for conservation easement donation deductibility are always subject to change. Please consult your tax and legal advisors for the most up to date conservation easement tax provisions and the status of current regulations regarding deductibility.

Should the value of the charitable donation

exceed a landowner's ability to use the income tax deduction over the allowable period, the landowner may consider donating the conservation easement in phases over different portions of the property. So, once the value of the first phase has been deducted over the allowable period, a second phase can then be donated with a separate deductibility period.

Subject to certain limitations, some of the expenses incurred by a landowner in the donation process, including the cost for appraisals, surveys, tax advice, legal review and title insurance, may also be tax deductible. There may also be grants available to help with these costs in some cases. Consult with your local land trust to explore opportunities that may be available.

Estate Tax Implications

Conservation easements may provide some estate tax relief to landowners and their heirs. First, the donation of an easement can provide for a significant reduction in the taxable value of the estate, thus reducing the taxes owed. To calculate the value of inherited property for estate taxes purposes, federal law requires that the value of the land be based on that property's "highest and best use," instead of actual use. For example, a landowner owns a small family ranch near a growing city that might be more valuable as a residential development. When the landowner dies, taxes on the property will be based on the land's "highest and best use" value, even if the heirs do not intend to develop as such.

A conservation easement can place restrictions on the use of a property that limit its "highest and best use." When the property's "highest and best use" is restricted, its value and estate taxes are reduced accordingly. If the landowner in the example above donates a conservation easement on the family ranch that prohibits residential construction, estate taxes due on the property would be based on the land's value as a ranch, rather than as a potential residential development. This can result in significant reductions in estate tax liability.

To realize potential estate tax benefits, landowners should donate the conservation easement during their lifetime, or in a legal will, or they should specify in their will that their heirs or estate executors have the power to donate a conservation easement after their death. Under federal law, in certain circumstances, executors or heirs can donate a conservation easement within a period after a landowner's death and qualify for land value reduction. A landowner intending to convey a conservation easement through their will should contact the potential easement holder (land trust or other qualified entity) to ensure that the organization will accept the donation.

Any potential tax benefit associated with the use of a conservation easement is unique to the terms of the agreement and the landowner's financial situation. Landowners should consult their tax and legal advisors regarding current federal estate tax law and regulations, to determine the potential impact.

Local Property Tax Implications

Conservation easements may also reduce property taxes. However, property taxes on agricultural land in Texas are often already reduced -based on a property's productivity value, rather than its fair market value. So, generally speaking, a conservation easement may not further reduce property taxes on agricultural land. Conservation easements placed on land not classified as agricultural may reduce property taxes, to the extent that the appraised value of the land being taxed is reduced. It is important to remember that property taxes are determined by local, county tax appraisers and differ from county to county. Consult with your local county appraiser and your legal counsel to determine any potential property tax implications.

National, State and Local Conservation Easement Purchase Programs

AGRICULTURAL CONSERVATION EASEMENT PROGRAM Natural Resource Conservation Service (NRCS)

The Agricultural Conservation Easement Program (ACEP) provides financial and technical assistance to help conserve agricultural lands and wetlands and their related benefits. Under this program, NRCS works in partnership with governments and non-governmental organizations to protect working agricultural lands.

NRCS provides financial assistance to eligible partners for purchasing conservation easements that protect the agricultural use and conservation values of eligible land.

In the case of working farms, the program helps farmers and ranchers keep their land in agriculture. The program also protects grazing uses and related conservation values by conserving grassland, including rangeland, pastureland and shrub land. Eligible partners include American Indian tribes, state and local governments and non-governmental organizations that have farmland, rangeland or grassland protection programs.

Under this program, NRCS contributes a portion of the fair market value of the agricultural land easement and the balance must be either donated by the landowner (in exchange for a charitable tax deduction) or secured through a state or local funding source. To apply to the program, landowners must work with eligible partners (land trusts) to submit proposals to the NRCS state office to acquire conservation easements on eligible land.

For more information on the current NRCS-ACEP program options and eligibilities, visit: nrcs.usda.gov

TEXAS FARM AND RANCH LANDS CONSERVATION PROGRAM

Texas Parks and Wildlife Department (TPWD)

The Texas Farm and Ranch Lands Conservation Program (TFRLCP) complements Texas Parks and Wildlife Department's mission to conserve natural resources by protecting working lands from fragmentation and development. TFRLCP maintains and enhances the ecological and agricultural productivity of these lands by helping to purchase and implement conservation easements on farm and ranch lands.

The TFRLCP supports responsible stewardship and conservation of working lands, water, fish and wildlife, and agricultural production through:

- Generating interest and awareness in easement programs and other options for conserving working lands.
- Leveraging available monies to fund as many high-quality projects as possible.
- Highlighting the ecological and economic value of working lands and the opportunities to conserve working lands for the future.

The program was first established by the legislature in 2005, Texas HB1925 (companion bill SB1597) transferred the TFRLCP from the Texas General Land Office to TPWD effective January 1, 2016. Available funding for the program varies and dependent on funding and appropriations from the Texas legislature.

If you would like to contact TPWD directly for more information regarding this program, please email: TexasFarmandRanch@tpwd.texas.gov

LOCAL CONSERVATION FUNDING PROGRAMS

In addition, there are several city, county or other locally based funding programs to purchase conservation easements in Texas. Examples include the City of San Antonio Edwards Aquifer Protection Program or the Travis County Conservation Easement Program. Conversations with your local land trust can help to identify any local funding sources that may be available, depending on your property location and conservation features.



To qualify for tax benefits, conservation easements must be granted to either a governmental entity empowered to hold real property interests or a charitable organization created for one or more conservation purposes, commonly called a “land trust”.

Today there dozens of land trusts working throughout the state to conserve the best of Texas’ precious lands and waters. To date, these land trusts have helped to conserve over 1.6 million acres.

What is a land trust?

Land trusts are charitable organizations whose mission is land and water conservation. Land trusts protect land for many reasons, including its natural, recreational, agricultural, scenic, historical, or open space value. They conserve these areas by negotiating private, voluntary agreements with property owners, called conservation easements, or sometimes through outright land purchases. Land trusts have varying conservation objectives—some work in specific geographic areas or concentrate on protecting particular natural habitats or cultural features.

All land trusts work in partnership with and to assist Texas landowners with the long-term conservation goals they have for their own lands. Together, landowners and land trusts conserve Texas’ special lands and waters by permanently protecting them from development for the benefit of the people, economy and wildlife of our state.

A directory of active, Texas land trusts and their contact information is available online at the Texas Land Trust Council’s website. Landowners should talk with and get to know the different organizations that work in their area before placing a conservation easement on their land. Each landowner, with their unique land and conservation goals, must seek out the best fit with the right easement holding organization.

What does a land trust do?

Initially, a land trust works with a landowner to determine whether or not there are substantial conservation resources on the property to merit placing a conservation easement on the property. The land trust then works to tailor the terms of the easement to protect the land’s conservation values, as well as meet the landowner’s personal and financial goals.

Land trusts that accept conservation easements are responsible for monitoring that property and ensuring that the terms of the conservation easement are followed. Representatives from the land trust make scheduled, usually annual, visits to the property to document the condition of the property. If the terms of the conservation easement are violated, the land trust can take legal steps to stop or correct the violation.

The land trust is responsible for stewardship of the conservation easement in perpetuity. It is important that a landowner select an organization that can demonstrate that it has the financial resources and organizational

capacity to handle these responsibilities long-term. Because the stewardship obligations are perpetual, many land trusts request financial contributions to help defray some of the costs involved in administering a conservation easement agreement.

A land trust may also work with a landowner to develop a management plan as part of a conservation easement. These may include flexible goals and objectives relating to conservation of the property’s natural and cultural features. Management plans can be important for productive agricultural or recreational properties, or for properties requiring ongoing invasive species management. However, not all conservation easements require such plans.

Land Trust Standards & Practices & Accreditation

Land trusts around the country have established a set of guidelines for the responsible operation and management of a land trust. These Standards & Practices, originally developed in 1989 and most recently updated in 2017, set forth sound ethical principles by which a trust should conduct itself in order to be both credible and effective. These Standards & Practices also establish guidelines for conducting a sound program of land conservation, including transactions and stewardship. For more information on Land Trust Standards & Practices visit: landtrustalliance.org.

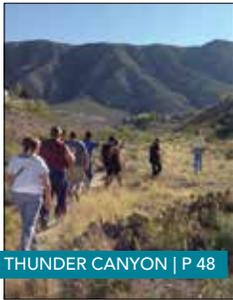
Land Trusts around the country have generally adopted these Standards & Practices, thereby agreeing to abide by them in their organizational practice. Additionally, some land trusts have chosen to go through the rigorous process of getting accredited by the national Land Trust Accreditation Commission. Voluntary accreditation provides independent verification that land trusts meet the high standards for land conservation, stewardship and nonprofit management that are set forth in the nationally recognized Land Trust Standards and Practices. Accreditation promotes excellence among land trusts, and provides the public, landowners, and donors with the confidence that these important conserved lands will be protected forever.



Texas Land Trust Directory

For more information about Texas Land Trusts, please refer to the Texas Land Trust Council’s online Land Trust Directory. Landowners can search for land trust groups that area active in their region, as well as find links to land trust websites and their contact information. The directory can be found at texaslandtrustcouncil.org.

The fifteen landowners profiled in the following pages have used conservation easements to accomplish their land use objectives and conservation goals for the future. The properties described in these profiles vary from a 71-acre county nature preserve to a 6,200-acre ranch along the San Antonio River in South Texas. Each landowner and their situation is unique, as is the land trust easement holder that they worked with. The profiles provide examples and insight for those considering placing a conservation easement on their own land.



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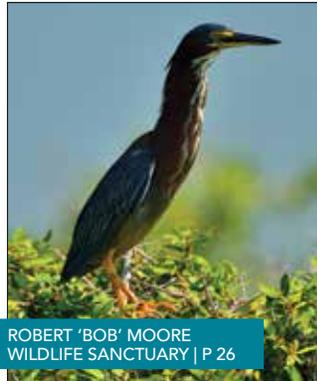
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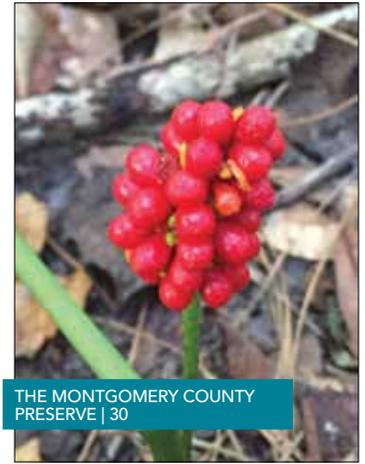
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SHIELD RANCH, TRAVIS COUNTY

Fred and Vera Shield began buying land along Barton Creek in 1938, looking for a place to run livestock, enjoy the outdoors, and create a peaceful family retreat. With six miles of Barton Creek, spectacular views, and several historic pioneer structures, the 6,700-acre Shield Ranch was a slice of heaven.

The Shields established a modest livestock operation, minimizing their impact on the land and preserving the ranch's high quality, native grasslands. But as time went by, development started to creep toward the ranch. "I remember even when I was in high school, we could see the development coming out our way," says Bob Ayres, Fred Shield's grandson who now owns and operates the property with his mother Patricia Shield Ayres, father Robert M. Ayres and his sister Vera Ayres Bowen.

The family met with land planning consultants, financial advisers, and conservation organizations, and commissioned a study of the entire ranch to catalogue all of its natural and cultural features. In their efforts, they came across the idea of a conservation easement and started talking about how one might work for their ranch. The Nature Conservancy (TNC) was very interested in helping to conserve the property, as it lies directly upstream from TNC's Barton Creek Habitat Preserve. As the largest private tract in western Travis County – and only 20 miles from downtown Austin – the ranch has excellent wildlife habitat. The City of Austin was also interested in protecting the ranch to preserve the water quality of Barton Creek. When city voters passed a bond initiative in 1998 to fund conservation in the watershed,

the Ayres realized that the time was right. "We knew the ranch was special to us," recalls Bob, "but we also started to realize how important the ranch was ecologically."

The family negotiated a conservation easement purchase with the City of Austin on 1,600+ acres, and donated a conservation easement to the Nature Conservancy on 4,700+ acres, retaining 300 acres along highway frontage for potential future development. By being able to sell the smaller conservation easement to the city, the family realized part of the development value of land, but without the development. The easement also helps to reduce estate taxes for future heirs, and the donation to TNC qualified as a charitable contribution for federal income tax purposes.

The family retained rights to continue operating the ranch as they had been: running cattle, operating deer leases, and using it for family recreation. They also retained limited development rights for family members to build home sites, establish a youth camp, and develop a non-profit retreat center.

Placing an easement on their ranch was not an easy decision for the family to reach and required a lot of soul searching and communication about the family's long-term desires for the ranch. "We all feel very excited, both to have it done and with how it worked out," Ayres said. "The bottom line is that we love the ranch, and really didn't want to see it developed in a traditional way, ever. We extinguished the possibility of any master-planned community, residential subdivisions, or retail development."



ALBERT & WILDA PECORE FARM, FAYETTE COUNTY



In 1955, Native Houstonian Albert Pecore was only 30 years old, fresh out of the University of Texas, and just beginning a lifelong career in architecture.

Bert had grown up sailing in Galveston, hunting in Rockport, and fishing the streams and waterways of the Gulf Coast. He longed for a piece of the country to call his own, when one day, a college friend told him about a farm that was for sale. It turned out to be a bleak, forlorn looking place. Bert remembers, "There was little grass and two hackberry trees near the house, two acres of broken down pens and out buildings, a small barn, and an abandoned house built in 1857." But even then, Bert saw what it could become.

In 1955, Bert became the proud owner of those 85 acres in Fayette County, Texas. Then in 1961, the farm was expanded to 196 acres when a neighbor sold Bert his land. The farm is now home to about 25 head of cattle. Bert and his wife Wilda are strong advocates for the preservation of ecosystems and they maintain the health of their grasslands with deferred grazing. Their cross fences and watering facilities enable the cattle to be moved more frequently, resulting in longer periods of rest for the pastures. As you walk through the farm's chest high grass, Bert proudly acknowledges that the area is now full of forbs and grasses. "Good soil is everything when it comes to farming. I'd like to raise the percentage of organic matter in the soil, so I keep as much vegetative cover on the place as I can."

The farm features two pristine, never-plowed Blackland Prairie pastures that are productive in good times and bad. "In a drought, these fields keep on growing," Bert said. The conservation easement that the Pecore's donated to the Pines and Prairies Land Trust (PPLT) strongly protects these 17 acres of rare prairie. For the baseline documentation report, the land trust assembled a great team of botanists and biologists to inventory the remnants of the vanishing native prairie ecosystem. Ribbons of forest meander through the farm, and the current home is surrounded on all sides by massive live oaks.

The Pecore's conservation easement prohibits any subdivision of the property. They simply loved the land too much to ever want to see it cut into 10-acre ranchettes, increasingly common as the Round Top, Texas area becomes "discovered". Their conservation easement donation also allowed them to take advantage of enhanced federal income tax incentives.

Bert's goals for the land are to love it along and to leave it better than it was found, preserving its natural legacy for stewards to come. For their efforts, he and his wife Wilda, were awarded a 2016 Lone Star Land Steward Award by the Texas Parks and Wildlife Department. In his own words, "We never really own the land. We are simply stewards for a time."

ROBERT 'BOB' MOORE WILDLIFE SANCTUARY, GALVESTON COUNTY

During 2007, Galveston Island was undergoing a period of unparalleled development and growth and its sensitive west end was a primary focus for this growth. So when Jeff Blackard, the principle for a development company, approached the Galveston Bay Foundation about donating an easement on some valuable coastal property, the organization jumped at the chance to discuss the potential benefits of a conservation easement with him.

The development company had undertaken some successful housing developments on the Island, but had also gotten bogged down with some wetland permitting matters that slowed its efforts. As a result, the company was left with an undeveloped island tract of approximately 32 acres. Blackard had initially considered building a short bridge to the island and developing estate lots on the tract. But he soon realized the complexities of such an effort, as well as the value in maintaining the sensitive environmental area in its pristine condition. Rather than moving forward with development plans, Blackard decided to donate a conservation easement on the property to the Galveston Bay Foundation and at the same time donate the fee rights to the property to a local land trust, the Cabeza de Vaca Center.

This small, 32 acre island is particularly

valuable from a conservation standpoint because there is very little island habitat like it that is undeveloped and adjacent to Galveston Island. The island provides several important natural habitats, including coastal prairie, estuarine marsh, and a tidal sand flat complex. It has additional, significant conservation value, being adjacent to a large-scale marsh restoration project led by the Texas Parks & Wildlife Department. The Delehide Cove Marsh Restoration and Protection Project received a National Wetland Conservation Award from the United States Fish and Wildlife Service in June 2005. Over eight thousand feet of breakwater was constructed in close proximity to the island to simulate the functions of the spits and reefs that existed in the area prior to subsidence. The marsh restoration utilized a hydraulic dredge to pump sand into marsh mounds around the island. The constructed breakwater protected those restored marsh mounds, as well as over 200 acres of existing salt marsh and estuarine habitat including the island itself.

The conservation easement now in place ensures that this island, known as the "Robert 'Bob' Moore Wildlife Sanctuary," will exist as part of this coastal preservation complex, protecting vital coastal ecosystems and wildlife habitat in perpetuity.



THE LANTANA RIDGE RANCH, GOLIAD COUNTY



More than 6,200 acres of beautiful south Texas ranchland lying along the San Antonio River in Goliad County are now preserved through a conservation easement held by the Guadalupe-Blanco River Trust (GBR Trust). Dr. James Fuller, his wife Mary and their family own the gorgeous tract that supports a broad array of wildlife species and features seven miles of San Antonio River frontage, diverse topography with several natural habitats, including floodplain forests, woodlands, savanna and grassland. The diversity is stunning here, as the ranch lies in an area of transition between the oak prairie and woodlands and south Texas brush. The ranch also supports a diverse agricultural operation, including cattle ranching.

The Fullers' goal is to pass the ranch down to their sons, who are already actively involved with the management of the ranch. "We wanted to see this beautiful property preserved for our three sons and ultimately for their families, rather than being fragmented and developed," Dr. Fuller said. "All of us love the ranch, and our sons are environmentally conscious and concerned about keeping the property intact – preserving it for future generations", said Mary. "This easement will help us do that."

The Fullers were active conservationists long before pursuing a conservation easement. When the property was initially purchased, they worked hard to restore the land—initiating a range and wildlife management program, removing several abandoned structures and other debris, and applying prescribed fire to the property for habitat improvement. The Fullers also participated in several USDA

conservation programs through the Natural Resources Conservation Service, as well as cooperated with the Texas Parks and Wildlife Department on management strategies to help provide food, cover and water for both livestock and wildlife. They also worked with the U.S. Fish and Wildlife Service on a wetland restoration project.

After years of thoughtful consideration, the Fuller family had discovered conservation easements as one way to meet their goals for the ranch. In 2009, they decided to move forward to protect their ranch by negotiating and donating a conservation easement with the GBR Trust that met the family's needs, while contributing significantly to the preservation of the Guadalupe-Blanco watershed. The resulting conservation easement keeps the ranch intact, in perpetuity, and provides for the continuation of grazing, farming and wildlife management use, as well as residential use.

The Fuller's conservation impact goes far beyond their ranch boundaries. Working in partnership with GBR Trust and Ducks Unlimited, the financial value of the donated easement has been leveraged as matching funds for several North American Wetland Conservation Act grant proposals. These grants are in turn furthering conservation objectives in the region, by restoring and enhancing wetland habitats on both public and private land throughout the middle Texas Coast. Their donation of a conservation easement was truly a generous gift to both current and future generations of Texans, as well as to the wildlife that call our state home.

THE MONTGOMERY COUNTY PRESERVE, MONTGOMERY COUNTY

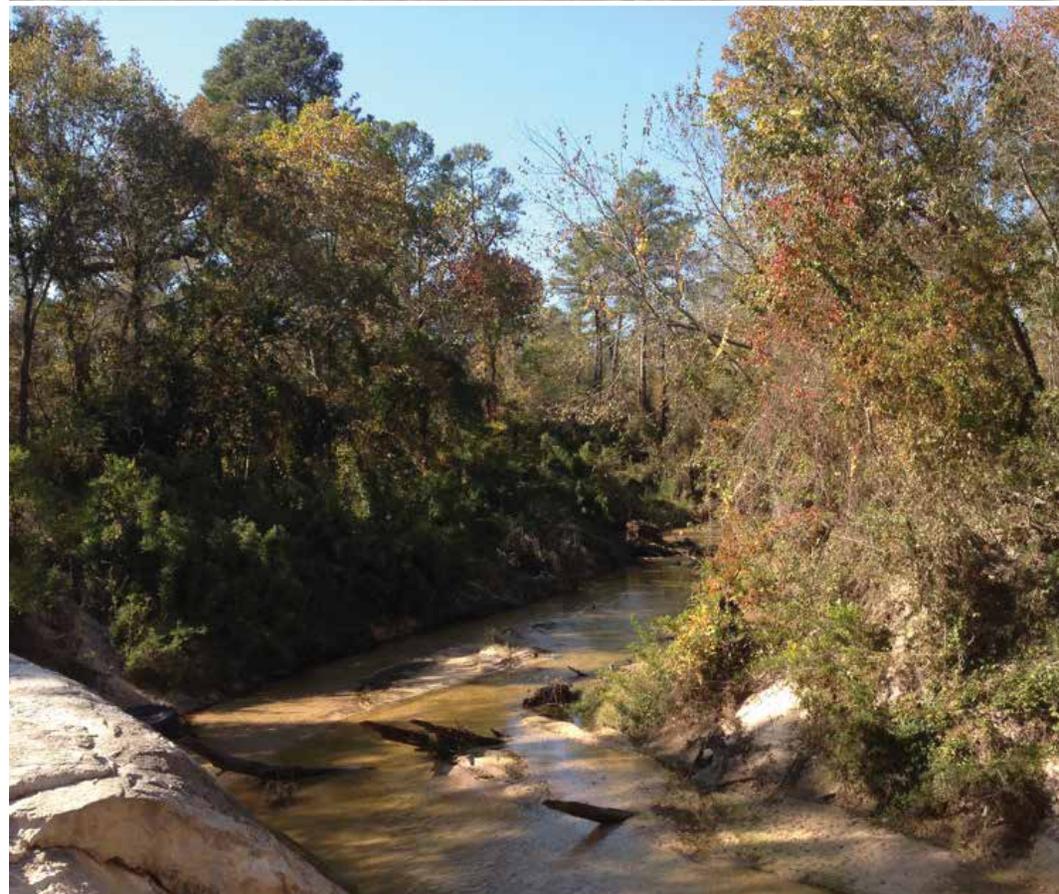
Now part of the longest, contiguous, urban, forested, greenway in the country, the Montgomery County Preserve was dedicated in 2002 as an early part of the expanding Spring Creek Greenway. A unique project between the local land trust, Bayou Land Conservancy, and Montgomery County, the 71-acre preserve has become a well-loved part of the local community. The project provided the land trust with the opportunity to work on a conservation easement in partnership with a Texas county, a first in the state. The two entities worked together to set aside the land permanently, for flood protection, wildlife habitat, and low-impact public access. Cities, counties and other public entities have realized that conservation easements are an available - and beneficial- option for their use. In fact, in 2011 the Texas legislature officially passed legislation allowing counties to purchase conservation easements.

Snuggled in the confluence where Spring and Panther Creeks converge, the Preserve is home to numerous species of wildlife, including many birds, deer, opossum, butterflies, and even rare species of violets. The unique thing about the vegetation in Montgomery County is that many of the plants here are actually in the westernmost portion of their native species range, so there is a distinct interplay of diversity at work. Special flowers found on the site include the rare Walter's Violet, as well as Green Dragons. The Preserve is also speckled with Sassafras trees, the very tree from which Indians and pioneers made tea long ago.

Bayou Land Conservancy has hosted numerous scout and corporate projects on the preserve. Area residents are able to tour the property at any time of day, including early morning and dusk to better identify the numerous wildlife species. Area birders agree that having access to the site at all times is a rare treat, as most public parks are only open during regular daylight hours. The eco-tourism boost for the area is evident as planned group tours include the statewide Native Plant Society as well as area hiking groups.

Public entities who agree to preserve lands with their local land trust also receive numerous benefits for their parks departments. For example, Bayou Land Conservancy provides volunteers for numerous functions at the Preserve, as well as designing and building a two-mile long hiking trail through the wooded wilderness of the Preserve. Besides assisting with maintenance of the trail, Bayou Land Conservancy has also provided naturalist guides for events.

Bayou Land Conservancy continues to "preserve the Preserve" by performing its annual survey to ensure that the terms of the easement are being upheld, and that no degradation is taking place. The land trust works in partnership with the county to guarantee that the integrity and unique beauty of the land will be conserved forever.



BLANCO CREEK RANCHES- ESTRELLA RANCH, UVALDE COUNTY

In South Central Texas, the Edwards Aquifer provides a vital source of groundwater that supports an ever-growing population, serving agriculture and recreation, industrial and domestic uses. Recharge features allow rainwater to penetrate and gather in the porous limestone, where it is naturally filtered. The citizens of San Antonio have long recognized the value of the clean water provided by the Aquifer, their primary water source.

Realizing the threat that increasing development would have on the aquifer recharge, the Edwards Aquifer Protection Program (EAPP) was created in 2000 to conserve the sensitive recharge lands located above the Aquifer. The EAPP is a collaboration between the City of San Antonio, Bexar and surrounding Counties and other governmental entities. Two accredited land trusts, Green Spaces Alliance of South Texas and The Nature Conservancy, work with landowners to voluntarily place conservation easements on properties located within the recharge and contributing zones.

In 2009, the Blanco Creek watershed in Uvalde County- an important recharge area for the Edwards- was largely unprotected. So, a collaboration among the area landowners, two land trusts, and the City began to try and conserve as much of this area as possible. In all, seventeen properties were permanently protected via the EAPP, totaling 11,800 acres over the recharge zone. The project worked to secure several large faults, caves, sinkholes and outcrops

of other significant recharge features, along with wildlife habitats and large ranching landscapes.

One stunning property in this project area is the Estrella Ranch. The approximately 788-acre ranch combines deep scenic valleys with rugged mountain country and a variety of plant life, providing excellent cover for endangered species such as the Golden-Cheeked Warbler, and serving as a wonderful ambassador of the City's aquifer program. The Hixon family own and manage the land for wildlife habitat. They have installed bird and bat houses and planted native trees to preserve and enhance the habitat.

For landowner Bob Hixon, "the hill country is a very special place...with its wide open spaces, topography, and wilderness setting." Treasuring the environment, he saw the fragmentation happening all around and wanted to do his part to preserve a piece of this beautiful landscape. The Hixons are thrilled that so many of their neighbors also came together to protect their lands as a perpetual open space for people and wildlife to enjoy. "It is a win-win-win situation all the way around," said Bob. "The aquifer is protected, the open space remains, parcels stay intact, and my family gets to enjoy that."

The seventeen Blanco Creek watershed conservation easements held by the City of San Antonio will forever serve to protect the quality and quantity of water entering the Edwards Aquifer, while also protecting family ranches and wildlife habitat from future development in perpetuity.



THE SPREAD OAKS RANCH, MATAGORDA COUNTY

When Forrest Wylie first saw the Spread Oaks Ranch, he knew he had found ecological treasure. “I grew up in this part of Texas, in the outdoors,” Mr. Wylie explains, “and I wanted to share and preserve that experience with all that I could.”

Spread Oaks Ranch is a beautiful expanse of native prairie grasslands, wetlands, and woodlands. The open prairies are punctuated by live oaks, some of which are estimated to be over 100 years old. The ranch sits on the western bank of more than five miles of the Colorado River, with four resident bald eagles who nest there and fish from its waters.

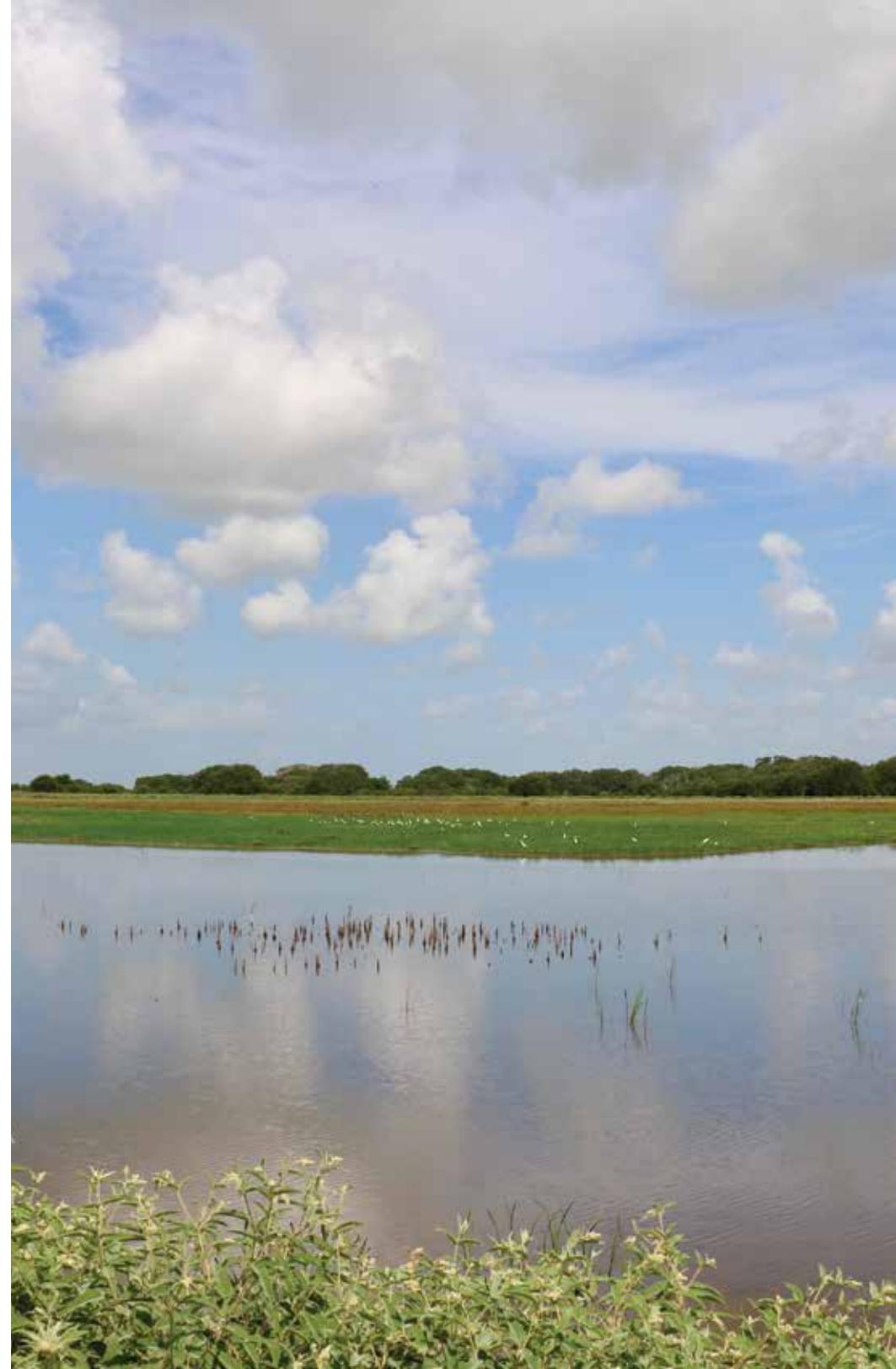
Mr. Wylie made his initial purchase of the Morrow Ranch in 2012, then added two nearby ranches in 2014 and 2015, combing all three to create the 5,500-acre Spread Oaks Ranch. Mr. Wylie wanted to keep the land intact, and he knew that a conservation easement was the only way to ensure it that it could never be subdivided and would remain as it has been for generations.

On his first visit to the ranch, Wesley Newman, Conservation Director for the Katy Prairie Conservancy (KPC), was wowed by the native Mima mound prairie. “There are so few acres remaining of Texas’s native coastal prairies. When we saw this undisturbed land — with abundant native grasses such as switchgrass and Indiangrass, as well as a mosaic of prairie wetlands — we knew it was land that we needed to help save.”

The ranch is used for cattle ranching, hunting, conventional and organic farming, in addition to providing areas of wetlands and wildlife habitat. The ranch also hosts a welcoming lodge for overnight visitors, which provides special hunts and a chance to see spectacular scenery, as well as diverse numbers of migratory birds. Collaborations with Texas R.I.C.E., Ducks Unlimited, U.S. Fish & Wildlife Service, National Resources Conservation Service, and Texas Parks & Wildlife Department have resulted in the enhancement of over 1,300 acres of wetlands on the ranch for improved waterfowl habitat for flocks of Mottled ducks, Northern pintail, Reddish egrets, and many others.

In addition to Mr. Wylie’s generous partial donation of the conservation easement, KPC was awarded a grant from the Texas Farm and Ranch Lands Conservation Program to assist with the transaction to conserve this rare, coastal prairie ecosystem. As Mary Anne Piacentini, KPC Executive Director explains, “The coastal prairie of Texas formerly encompassed 6.5 million acres. Today, less than 1% of these lands are in their pristine state. The opportunity to preserve coastal prairie on this scale is significant, and we are excited to protect this ecosystem.”

The entire Wylie family engage in ranch operations, taking care of the free-range chicken flock and delighting in watching the kids explore the outdoors. They are proud to preserve the Spread Oaks Ranch as a legacy for future generations.



BARNETT RANCH, DENTON COUNTY



Texas rancher Skip Barnett never intended to be a poster boy for land conservation. But if protecting the ranching heritage in North Texas means becoming a public face for the conservation easement movement, then Skip is happy to oblige.

Since 1888 the Barnett family has run a cattle ranching operation in Denton County. Over the last 120 years, the land surrounding the Barnett ranch has undergone a complete transformation. Where herds of cattle once roamed unfettered, cars and trucks now race across a network of roads and highways. The view from the top of the hill near the family homestead once extended to the horizon in all sides. Now that same view is marred by rooftops, water towers, and drilling rigs.

The Barnett Ranch is ecologically and agriculturally distinctive in many ways. The property contains a 10-acre area tract of high quality native prairie habitat, and over 80% of the ranch is underlain by “prime farmland soils”, as classified by the Natural Resource Conservation Service (NRCS). Coyote, bobcat, and fox are common on the property and Skip reports seeing a rare mountain lion on occasion. Meadowlarks make their nests beneath the native grass clumps, while, coveys of Bobwhite quail roam the fence lines. Look closely and you can still see broad cattle paths and wheel ruts from the Chisholm Trail, standing as mute testament to the herds of cattle and wagons that crossed the property during the 19th century.

The ranching operation is unique to the area. The Barnett family relies on the native

grasses that have sustained herd animals in Texas for thousands of years, as they are best adapted to the unique climate of North Texas and provide healthy forage, even in drought years, which have become increasingly common.

Since the Barnett Ranch sits in the heart of the Barnett Shale natural gas field, some extractive development was inevitable. But as the family did not hold the mineral rights to the property, Skip worked with lease holders to minimize the surface impacts of that extraction and to locate well pads and pipelines in such a way as to reduce both visual and habitat impacts.

Preservation was extremely important to the Bernetts, as the family’s ultimate goal was to protect their land from the urban sprawl that now surrounds them. Their solution was found by working the Connemara Conservancy, a non-profit land trust established to protect critical landscapes in North Texas. With Connemara, the Barnett family placed a total of 990 acres of native grasslands, cropland, and riparian corridors under two adjacent conservation easements. These easements allow the family to continue ranching and farming operations, while relinquishing rights to subdivide and further develop the property, in exchange for a federal tax deduction for the value of those rights.

The Barnett’s have taken action to ensure that their prime North Texas ranch land will be preserved in perpetuity, conserving a part of the Texas ranching and natural heritage for future generations.

PIKE DAVIS RANCH, BLANCO & GILLESPIE COUNTIES

The permanent protection of the Pike Davis Ranch is the result of many years of careful preparation and thoughtfulness by the Hicks and Green families, ancestors of the ranch's long history. The ranch is 1,415 acres of stunningly classic Hill Country landscape, located within the Llano Uplift in the Colorado River watershed. The property was once part of a much larger estate, purchased by the Davis family back in the 1850s. Over the years, pieces have been sold off, but the Hicks and the Greens wanted to ensure that the remaining 1,415 acres can never be further broken apart.

This large tract of Hill Country history is now permanently protected in partnership with the Texas Land Conservancy (TLC). Pike-Davis Ranch is significant for many reasons – its sustainable ranching operation, historic value, rich water resources, abundant native plants and wildlife habitat – but there's a larger conservation mosaic at work here. This beautiful ranch is also adjacent to three other TLC conservation properties. Pike-Davis is a direct neighbor to the Ferguson Ranch (215 acres) and the Willow Spring Ranch (175 acres), and less than a mile up the road is the White Creek Canyon Ranch (310 acres). All told, the landowners in this area have voluntarily protected 2,115 acres of the Texas Hill Country.

The 1,415 acres of the Pike Davis Ranch still function as a working cattle ranch. Howard & Helen Hicks and Bettie & Terry Green, the two family partnerships that own the Pike Davis Ranch, began thinking about conserving the ranch years ago. They started to think seriously

about what the future of the Pike Davis Ranch might look like for the next generation. "The thing that's the most important to me about the ranch is the historical heritage. To drive around and say, 'my relatives walked right here' is like going to the Holy Land," says Bettie. Six generations of the Davis family are connected to the ranch, and in 2011, the Hicks and Green families made a decision to conserve their ranch- forever. Working with TLC, they placed a conservation easement on the ranch to ensure that it remains the wonderful place that it is today.

What will the next 150 years of the Pike Davis Ranch look like? "The constant has been the land," mused Alfred Davis IV, Bettie and Howard's cousin, during his speech at the ranch's 150th anniversary celebration. The family was gathered at Walnut United Methodist Church, built by some of the 23 original settlers. "Bluebonnets and Indian Blankets return each spring. Roadrunners still dart across the road. The seasons evolve. The hills of the Coal Creek Serpentine geologic formation are more than one billion years old. Bats still inhabit Blowout Cave. But, I wonder," he said, "if any of our original ancestors ever thought that 150 years after their arrival, their descendants would gather in this church to remember and honor them and give thanks for their sacrifices, renew friendships, and look to future generations to preserve some of the heritage that has come to each of us?"

With these families to love and steward the land for generations to come, it is easy to imagine a similar celebration taking place at the Walnut Church another 150 years from now.



VACEK FAMILY FARM, FAYETTE COUNTY



Just outside the town of Muldoon sits a historic piece of Texas - the Vacek Family Farm. George and Mary Vacek founded this 250-acre Fayette County farmstead in 1899, and the family has been actively farming it ever since. The family operates land that is surrounded by history, a history the family wanted to ensure would be preserved for future generations.

The original farmhouse, built in the 1930s, still stands at the center of the property. By restoring the house and historic farm equipment, the Vacek's have been able to recapture part of the family's past. "It's a trip back in time and family history," said Rick Castello, a member of the family who operates the farm. This represents the Texas legacy the family wanted to preserve, both inside and outside the home.

The family originally raised turkeys and cattle, while also growing cotton, peanuts and hay, but today they primarily focus on cattle ranching. Throughout its history, the land has always been productive, and in 2016 the farm was recognized as a Texas Historic Farm by the Texas Department of Agriculture. From the land the cattle graze, to the creeks that feed into the Colorado River, the family saw the need to protect their special piece of Texas' natural and cultural heritage.

The Vacek's determined the best way to ensure their family farm and its history were protected was through a conservation easement in partnership with the Colorado River Land Trust. "What was valuable to us was the ability to continue to farm the land, protect our water and keep the farm intact, and the Colorado River Land Trust provided a way to accomplish our goals," said Castello. To the Vacek family, protecting the heritage and legacy of the property meant the farm needed to be protected in perpetuity, while ensuring its continued viability for agriculture and the enjoyment of the entire family.

"It was beneficial for our family and the entire Colorado River," Janet Vacek Jones said. For Janet, protecting the land helps keep the family's legacy alive. "We owe this to my mom and dad, who worked so hard for this land, and we want to protect their legacy." The Vacek family's dedication to protect their historic farm will safeguard it as an integral piece of the family history and the agricultural heritage of the state of Texas.

SAN FRANCISCO RANCH, WILLACY COUNTY

As a young man growing up on the Punta Del Monte Ranch established by his great-grandfather, Dr. Frank Yturria was a first-hand witness to the clearing of native Rio Grande Valley brushlands. "I remember camps of men who cleared land by hand to make way for farms, livestock and people. My father and grandfather, who taught me the value of conservation, pointed out that after land was cleared, there were fewer dove, deer and other animals."

Dr. Yturria's San Francisco Ranch teems with white-tailed deer, wild turkey, javelina, waterfowl, and neo-tropical birds. The ranch is also home to predators like bobcats and mountain lions. The San Francisco is different from most other area lands in that some parts of the ranch have never been cleared. The ranch has many one to three-acre "mottes," or hidden places, as well as several hundred contiguous acres of native, untouched brush. Yturria's ranch is also home to more ocelot than any other privately owned property in the United States.

The ocelot is a small, native wild cat that lives in the thick brush of the Lower Rio Grande Valley. The numbers of this beautiful and rare animal have declined greatly in Texas – largely because most of their habitat has been lost to agriculture and development. Ocelots survive in greater numbers in Mexico, Central and South America.

Seeing ocelot on his ranch had always been important to Yturria, and he wanted to ensure that future generations would continue to

have that opportunity. He entered into a cooperative research agreement with the Caesar Kleberg Wildlife Research Institute at Texas A&M University in Kingsville to study the animal's behavior on his ranch. Since 1982, many San Francisco Ranch ocelots have been captured and fitted with radio collars to allow scientists to monitor them.

Dr. Yturria realized that providing habitat was the key to the ocelot's survival in South Texas. So, the family sold parcels of their land to help create the Lower Rio Grande Valley National Wildlife Refuge Corridor in the 1980s. Yturria's interaction with biologists during that time convinced him that he could do even more to secure the ocelot's survival on his ranch with a conservation easement.

The decision to donate a conservation easement to The Nature Conservancy and set aside 475 acres of prime brushland on the San Francisco Ranch was not an easy one for Dr. Yturria. The agreement would mean the loss of potential ranching income and possible impacts to the ranch's value. However, Yturria also realized that federal tax incentives and a transition from hunting to ecotourism would help to offset that loss, with the growing interest in bird watching and wildlife viewing.

In the end, the decision to place the conservation easement on his land was about more than just economics. "I hope that many years from now ... those little cats will have a place that is theirs."



THE JAVELINA RANCH, HIDALGO COUNTY



John and Audrey Martin are conservation pioneers. Together they, with other like-minded neighbors, launched the Valley Land Fund (VLF) in 1987 to conserve important areas of South Texas.

Since 1997, the Martins have personally worked to help preserve land in this region by enacting three conservation easements, with three distinct purposes, on three different tracts of land. The most recent is the Javelina Ranch, a pristine 280-acre ranch that sits on the southeast corner of a 2,200-acre habitat island of native, never-cleared South Texas brush. The ranch location, in an ecological transition zone between the eastern and western Rio Grande Valley, makes it even more unique, containing greater species diversity than the surrounding environs.

The Martin's were looking to find just the right spot to inspire their love of nature and wild, open spaces. They searched for two years before stumbling upon the Javelina Ranch. The Martin's purchased the land after their shared recognition that the brush habitat on the land was thousands of years old. "It is an ecological heirloom that needs to be managed and conserved", said owner Audrey Martin. "Everybody looks at the responsibility that comes along with land ownership differently, but we've always approached our efforts from the perspective of doing well by doing good. We hope that our conservation efforts serve as an example of the difference that two people can make in their corner of the world."

The Martin's wanted to enact a conservation easement to protect the biodiversity of the ranch in perpetuity, so they worked in partnership with the VLF to make it happen. The Javelina Ranch conservation easement was purchased with a grant from the Texas Ranch and Farm Land Conservation Program administered by the Texas Parks & Wildlife Department. The Program provides funding to purchase conservation easements on farm, ranch, or forest lands with important water quality, historic, or habitat features.

The Martin's feel that there is immense value for all of us in conserving land and its wildlife. "Consider the plants that exist on the Javelina. No one has done a comprehensive study of the plant life there, much less the plants' pharmacological value. Local folklore points to many medicinal uses that were once common to native people and pioneers. If we lose the plants, we lose the opportunity to find out how they can benefit mankind." They hope that their legacy of perpetual conservation will allow for such future discovery.

As they look to the future, they want the Javelina Ranch to serve as a source of inspiration and restoration for both humans and nature, an ecological heirloom protected in perpetuity and preserved for many generations to come. Said Audrey, "It is our joy to have had a hand in that."

THE FRYING PAN RANCH, HEMPHILL COUNTY

Jim Bill Anderson and his wife, Deborah, have spent their adult lives putting the Anderson's Frying Pan Ranch back together. The 5,600-acre ranch is home to the Andersons, an integrated livestock operation, and the increasingly rare lesser prairie chickens, as well as myriad other wildlife. The family decided that the ranch, located east of Canadian in the sand-sage Canadian Breaks prairie, should remain intact forever, so they entered into a conservation easement with the Texas Ag Land Trust (TALT) in 2007.

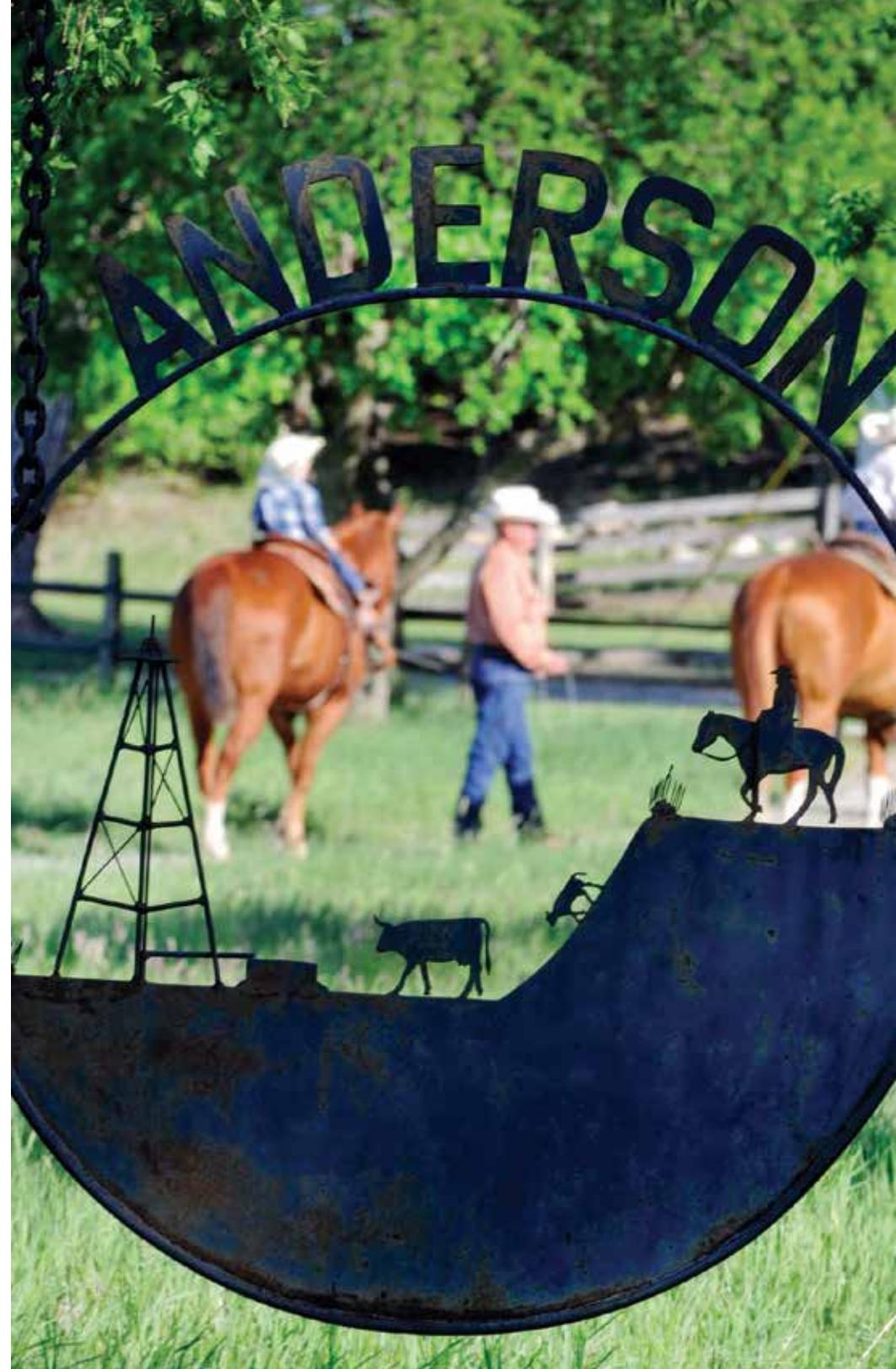
"As stewards, we believe that we have a responsibility to care for the land during our time and to leave it better than we found it for future generations," Anderson said. "We have built our entire operation on the concept of sustainability—the ability to carry a practice on into the future—and a conservation easement fits into that framework. It helps us accomplish our long-term goals."

One reason that the Andersons chose to conserve their legacy with the Texas Ag Land Trust is their inherent understanding of the needs of an agricultural operation. "TALT was designed specifically for ag land. We felt like they understood our lifestyle and would be good partners," Anderson said.

He continued, "Texas is losing agricultural land faster than any other state in the nation. The size of Texas disguises the urgency of the problem because it seems like we've got a lot of land. But if this trend continues, we could wake up one day and see that it has gone too far. What will we do then?"

Although others argued that geography would protect the Anderson's holdings from urbanization, the family took a different view. "Canadian is not the Dallas-Fort Worth metroplex, but that doesn't mean that fragmentation won't come," Anderson said. "While our area probably won't be dealing with strip malls and hotel chains, we could see the big ranches carved up into 300-acre recreational properties. It's already happening in adjoining counties."

"People enter into conservation easements for all sorts of reasons, including tax considerations and estate planning benefits, and while those were important considerations for us, the big reason we chose to do this was philosophical. In the long-term, keeping our land intact is as good for the people who live in the city as it is for us. Open space land benefits us all."



THUNDER CANYON, EL PASO COUNTY



Thunder Canyon is part of the Franklin Mountains, a fault-block mountain range composed largely of ancient layers of sedimentary rock, the result of numerous inland, seawater incursions that resulted in their deposition. Within Thunder Canyon today, one can find erosional debris of both the sedimentary and igneous origins of the mountains. It is a special place.

The Canyon is a 26-acre natural arroyo in the western slopes of the Franklin Mountains. Thunder Canyon provides significant habitat for wildlife and plants of great importance to the people of the region, and the State of Texas. The Canyon is a rare, intact remnant of an extensive arroyo system that historically directed rainfall from the Franklin Mountains to the Rio Grande.

Formerly owned by a private development company, the neighbors found out that the arroyo was planned to become a subdivision. For two years, the neighbors of the canyon area worked with the City of El Paso to purchase the property from the developer through a very unusual and creative multi-party approach to natural resource preservation, a Public Improvement District or PID. Essentially, the 88 households surrounding Thunder Canyon agreed to tax themselves to reimburse the City of El Paso for purchasing the land. By doing so, the land became owned by the citizens of El Paso for all to enjoy- forever.

After the land was acquired by the City of El Paso, with local citizen funds, the neighbors kept working to ensure that an additional layer of permanent protection, a conservation easement, was also placed on the property, to preserve the canyon's scenic vistas, water corridor, and native wildlife habitat in perpetuity. In May of 2007, El Paso's local land trust, The Frontera Land Alliance, completed their first conservation easement transaction as the holder of the Thunder Canyon easement. The conservation easement will protect the land from fragmentation and development, preserve the important water and wildlife resources, and enable the land to be passed on to future generations.

The 88 citizens of the Thunder Canyon Public Improvement District are the true conservation heroes. Their concern for their local environment, spurred into actions of outstanding generosity and public-spiritedness is truly inspiring.

THE DAHLSTROM RANCH, HAYS COUNTY

In 2010, the Dahlstrom family completed three conservation easements on their 2,254-acre ranch on Onion Creek in Hays County, in the environmentally sensitive Edwards Aquifer recharge zone. The Dahlstroms, like many Texas families, were trying to figure out how to keep their five-generation legacy intact and avoid selling their land in order to pay taxes. Mrs. Gay Ruby Dahlstrom felt strongly about preserving the family's land for future generations, so she hired a local law firm to help guide the family through the process of creating a conservation easement.

Dahlstrom Ranch is located just west of Buda, Texas, a rapidly urbanizing area just south of Austin. Many saw the value of preserving this working ranch, which provides the community with important benefits including the protection of drinking water, native Texas wildlife, recreational opportunities, and preservation of the Hill Country's rural heritage. Numerous partners worked together to make this project a success, and each partner contributed in different ways to make the deal happen. Adding complexity, the family also wanted to provide for limited public access on a portion of the property (unusual given that conservation easements do not typically include such access).

The Hill Country Conservancy (HCC) orchestrated the conservation deal, engaging the many partners, and dedicating significant staff and other resources to negotiate the conservation easements. HCC is the primary holder of the easements and works closely with the Dahlstrom family on long-term stewardship. Hays County serves as a co-holder of the easement, together with the City of Austin, which has a keen interest in protecting water quality and sensitive recharge features. Also, the Natural Resources Conservation Service contributed toward the conservation easement purchase to preserve agricultural land uses and protect a State Archeological Landmark with artifacts from 3,000 to 5,000 years ago.

The Dahlstrom Ranch conservation easements are a notable example of how significant conservation can be accomplished with many partners, to achieve multiple goals. The project permanently protected 2,254 acres of open space and aquifer recharge area, while achieving both the conservation and financial goals of the Dahlstrom family.

"At the end of the day, my mother did this because she loves this land and appreciates all that it has given us," said Jack Dahlstrom, Jr. "Now, it's our family's turn to give back to the land, and we appreciate the efforts of everyone who worked so hard to help us make that happen."



Parties – Grantor (landowner) and Grantee (conservation easement holder)

Date of Conveyance

Recitals (“whereas” clauses)

- Title representation (assures that grantor owns the property)
- Conservation values of the property
- Legal description of property
- Documentation of “pre-easement characteristics” of property (called a Baseline Inventory)
- Continuation of existing uses
- Conveyance of rights to protect conservation values to grantee
- Qualifications of grantee to hold the conservation easement

Grant (transfer of property interest)

- Consideration (nominal dollar amount or gift language)
- Citation of statutory authority (Texas Natural Resource Code Chapter 183)
- Duration (perpetual)

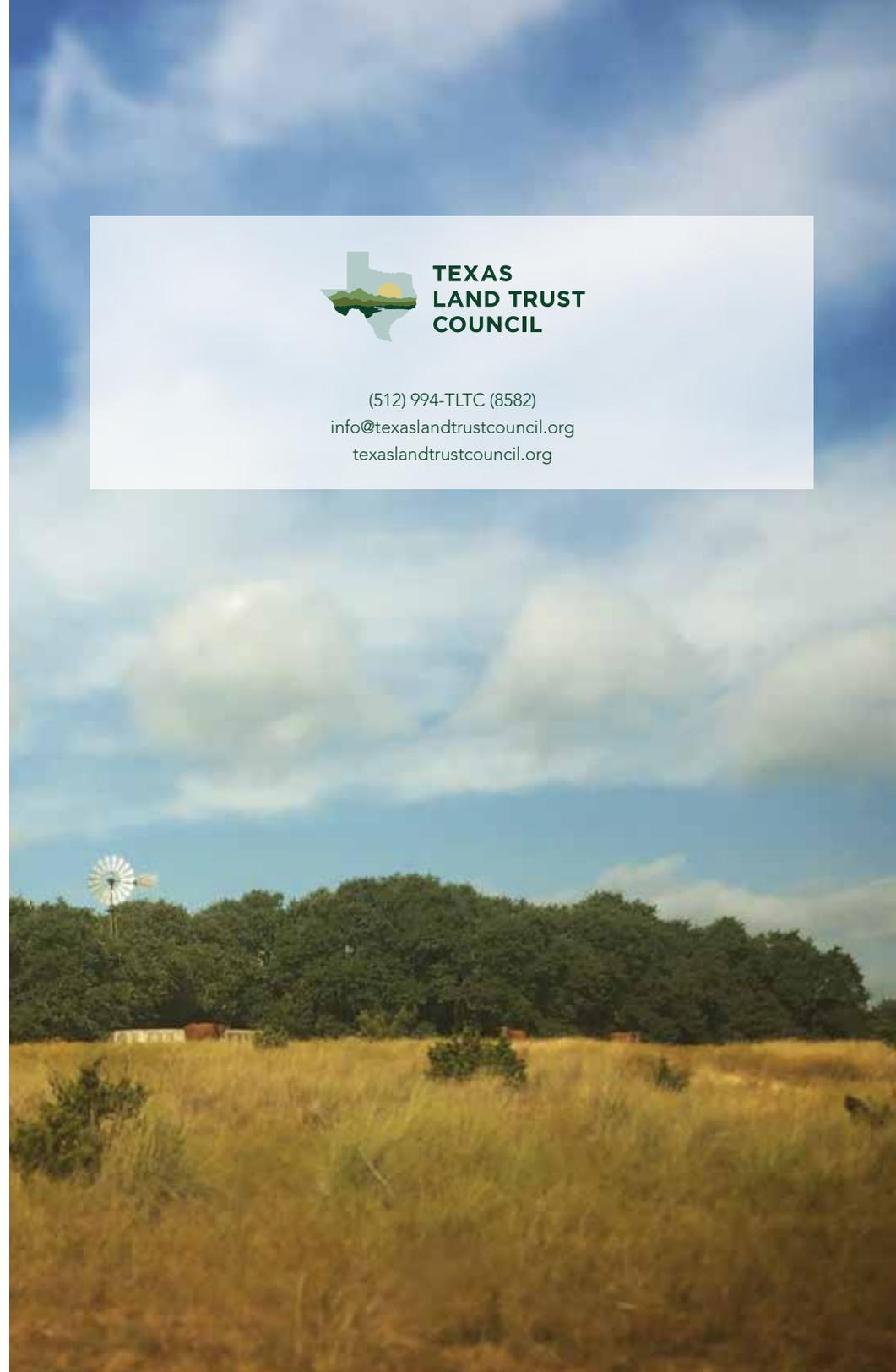
Provisions

1. Purpose: Only uses consistent with protection of conservation values are permitted.
2. Ingress and Egress: Access to property by grantee as reasonably necessary for monitoring.
3. Prohibited Land Uses and Landowner’s Reserved Rights: Any land use inconsistent with the conservation easements’ purpose is prohibited. This section describes in detail which uses are allowed and which are restricted.
4. Additional Reserved Rights: The landowner’s rights to sell, transfer, bequeath, mortgage, and use the property subject to the terms of the conservation easement.
5. Granted Rights: The conservation easement holder’s rights to inspect and monitor compliance with the conservation easement and enforce its terms.
6. Access: Outlines what may be granted, though the public is typically denied access.
7. Amendment: Rare, but if mutually agreeable between conservation easement holder and landowner at the time, defines how certain provisions of the conservation easement may be modified in the future as long as the original intent is achieved, subject to certain principles.
8. Assignment: the grantee retains the right to transfer the conservation easement to another eligible holder.
9. Subordination: States if property is mortgaged, the mortgage holder must guarantee that it will uphold the conservation easement provisions in the event of the foreclosure.
10. Subsequent Transfers or Successors: States that the conservation easement “runs with the land,” i.e., the provisions bind all future landowners in perpetuity, even if the property is sold or inherited to another owner.
11. Recordation: States that the conservation easement documents are to be recorded in the county in which the property is located.



**TEXAS
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