

Conserving Waterfront through Incentives Land Trusts & Conservation Easements



*Janice L. Allen, Director of Land Protection
North Carolina Coastal Land Trust*

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What is a Land Trust?

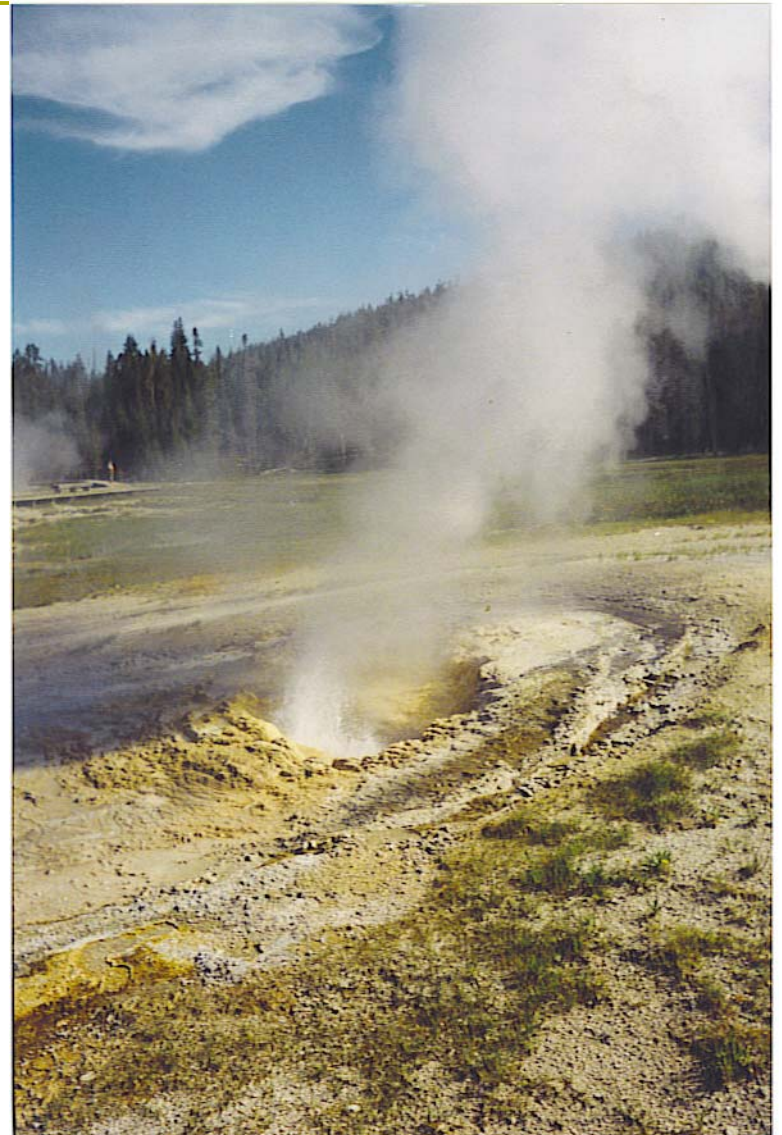
- Land trusts are local, state or regional nonprofit organizations directly involved in protecting land for its natural, recreational, scenic, historical or productive value.



Hughes Tract, Craven County

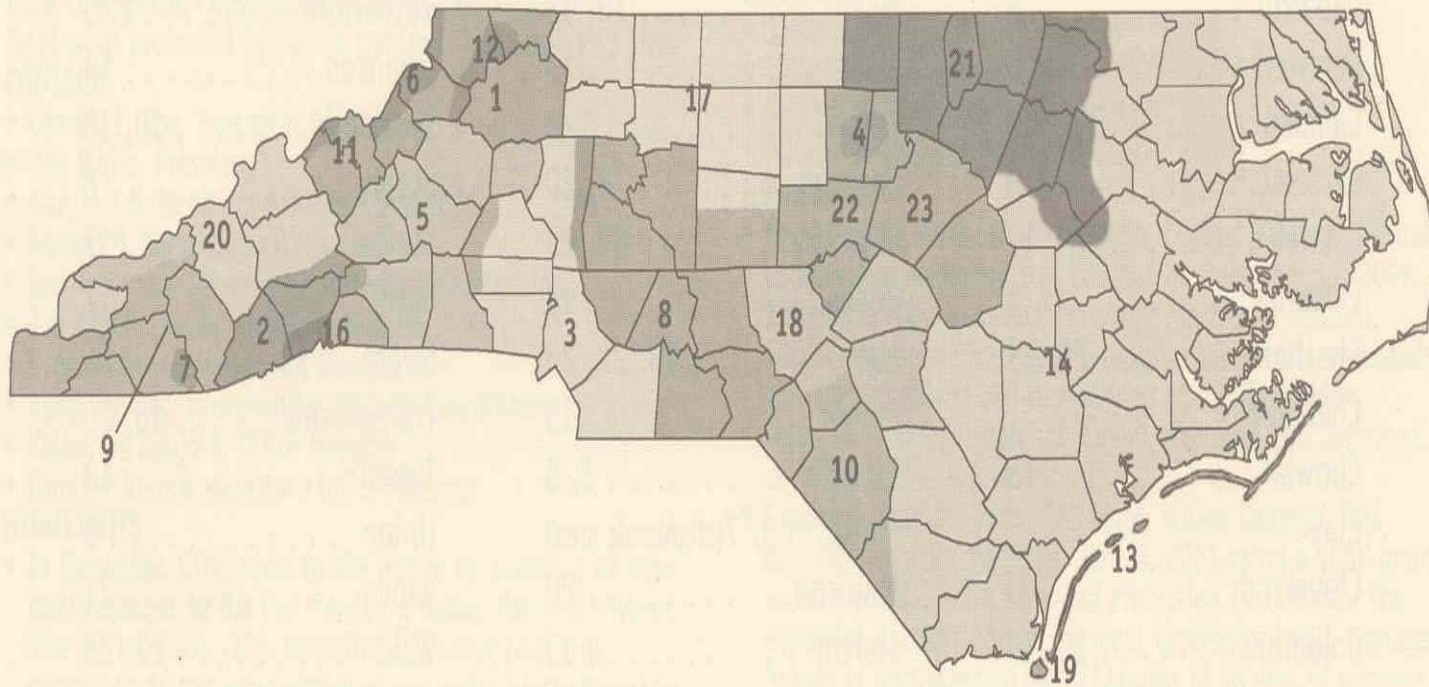
Land Trusts – Conserving Lands For America's Future

- 1,500 Land Trusts across the country have protected over 9.3 million acres, an area 4X's the size of Yellowstone National Park!



Land Trusts in North Carolina

Land Trust Geographic Coverage in North Carolina





Saving the places you love
...at the coast.



Lands Targeted for Conservation

- ❑ Unique wetlands
- ❑ Significant wildlife habitats
- ❑ Rare species habitats
- ❑ Ecologically significant Natural Heritage Areas



Cool Springs, Craven County

River Corridors



*Green's Thoroughfare Island, Craven County
Courtesy of Restoration Systems, Inc.*

Barrier Beach Habitats

Lea Island State Natural Area – Pender County

Bird Island State Park – Brunswick County

Springer's Point Nature Preserve – Hyde County



Lea Island, Pender County

Courtesy of Walker Golder

Historic Places and Recreational Opportunities



Bellair Plantation



Turkey Quarter Island

HOW LAND TRUSTS WORK

- Land Trusts acquire land by
 - donation
 - purchase
 - at fair market value
 - bargain sale (less than fair market value)

Conservation Easements are the primary tool of land trusts!

What is a Conservation Easement?

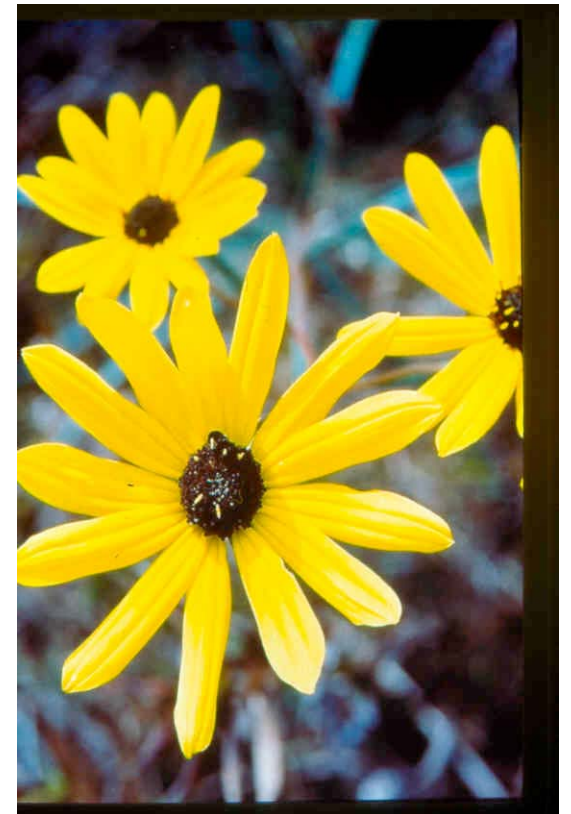
- ❑ A Conservation Easement is a voluntary legally binding agreement between a private landowner and a conservation organization or agency in which the landowner continues to own the property but agrees to restrict certain uses of the property.
- ❑ May reserve such productive uses of the land as farming, forestry, recreation, and limited development.

What are the Tax Incentives?

- ❑ Federal income taxes
- ❑ Estate taxes
- ❑ Property taxes

Another Added Incentive. . .

- ❑ North Carolina Tax Credit Program



How are Easements Valued?

- ❑ An appraisal is necessary to establish the value of the easement for tax purposes.
- ❑ Appraisers consider the nature of the restrictions, the character of the property, and the market value of the property with and without the easement.
- ❑ Difference between the “before” and “after” values is the value of the easement for charitable contribution purposes.

Conservation Purposes and the IRS

- Can only get tax incentives if the easement is
 - Perpetual
 - Meets one or more of the following four conservation purposes set forth in the federal tax code
 1. protecting land is for public outdoor recreation – provides access to public
 2. protecting natural habitats for fish, wildlife.
 3. protecting open space including working farm and forest land
 4. protecting historic lands or structures

Other IRS Rules

- ❑ Documentation of Conservation Values
- ❑ No surface mining allowed
- ❑ Mortgages must be subordinated
- ❑ Donated to a Qualified grantee

*Photo courtesy of
Joe Young*



Finding the Right Partner

A qualified grantee may be a:

- ❑ Natural resource agency
- ❑ County or local government
- ❑ Land trust



*Photo courtesy of
Joe Young*

Conservation Purposes and the State Tax Credit Program

Must provide either

- ❑ Public access to public waters,
- ❑ Fish and wildlife conservation,
- ❑ Public beach access, and/or
- ❑ Public access to trails.

*Photo courtesy
of Joe Young*



Conservation Easements- What is required?

- ❑ Conservation easement document
- ❑ Inventory of the property – Baseline report
- ❑ Title work
- ❑ Survey and legal description
- ❑ Appraisal
- ❑ Form 8283



Purchased Conservation Easements

- State and federal grants to buy land and conservation easements
 - State Clean Water Management Trust Fund
 - Federal Forest Legacy Program
 - Federal Farm and Ranch Lands Protection Program
- Leveraging public dollars and bargain sales of conservation easements

Key Points about Conservation Easements

- ❑ Are strictly voluntary.
- ❑ Allow land to remain in private ownership.
- ❑ Are tailored to meet the landowner's needs.
- ❑ Do not imply public access.
- ❑ Do not have to include the entire property.
- ❑ Are perpetual and run with the land.
- ❑ May result in significant tax savings.

NC Coastal Land Trust

Conservation Easement Philosophy

- *Working with landowners to protect identified conservation values on property.*
- *Striving to help landowners meet their economic and land use objectives.*



ONE SIZE DOES NOT FIT ALL!

- *Conservation Easements are as unique as the landowners and their properties!*



Rusty Gaul, Beaufort County

Conservation Partnerships - Working with Private Landowners



*Weyerhaeuser's
Cool Springs Tract*



J. Frank Parker Preserve

Conservation Partnerships- Working with State Agencies



Quaternary Tract- White Oak River

Conservation Partnerships– Working with County and Local Governments

Onslow County – 250-acre Oakhurst Nature Park

Brunswick County – 911-acre Town Creek Nature Park

Town of Topsail Beach – 120-acre new project at south end

Craven County – 106 acre new project on Upper Broad Creek

Brice's Creek

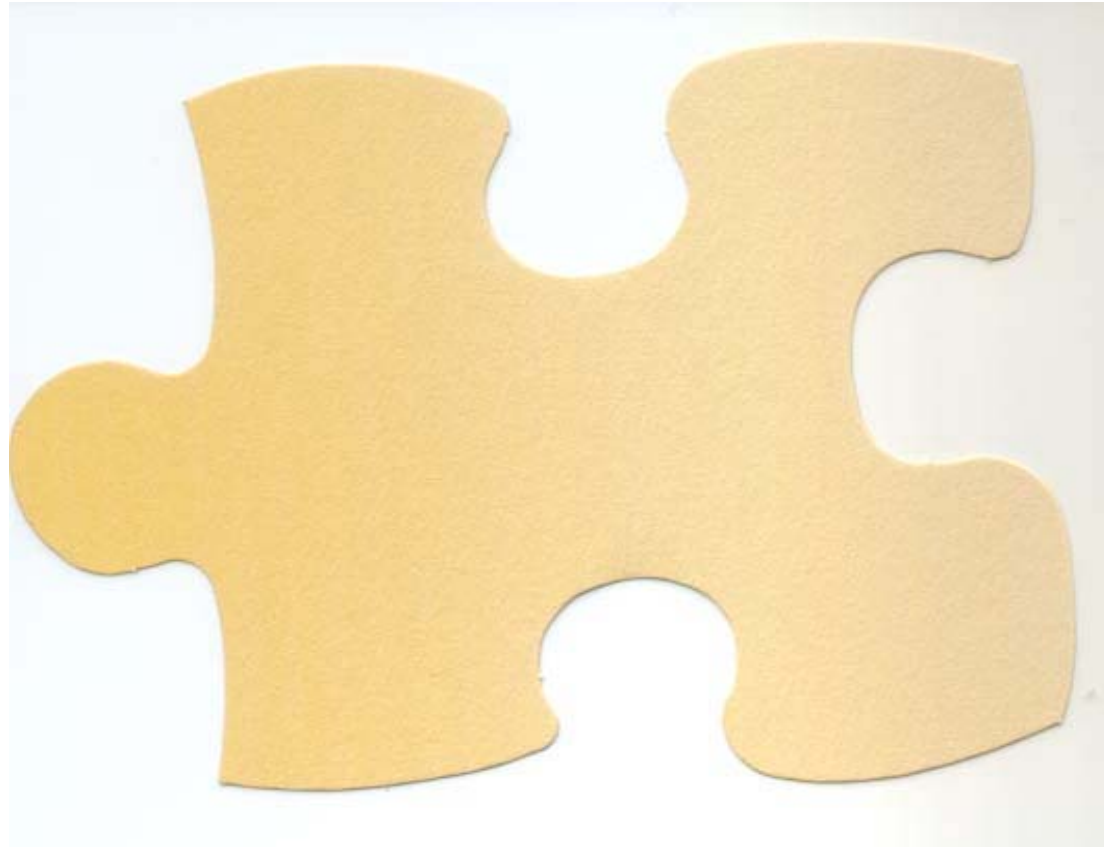


North Carolina Coastal Land Trust's Conservation Record



35,000 acres protected to date!

Land Trusts – A Critical Piece of the Puzzle



For More Information

www.coastallandtrust.org

- ❑ Wilmington Office-910/790-4524
- ❑ New Bern Office – 252/634-1927
- ❑ Kill Devil Hills Office – 252/449-8289

