

#### NRCS - Conservation Easements



Dean Kwasny
Easement Program Manager

<u>Dean.Kwasny@usda.gov</u>

530-792-5648



# Agricultural Conservation Easement Program

- 1. Agricultural Land Easements
- 2. Wetland Reserve Easements
  - With Reserved Grazing Rights
  - Without Reserved Grazing Rights



### **Conservation Easements**

- Legal agreement between a landowner and a land trust or government agency that permanently limits uses of the land in order to protect its conservation values.
- Landowner retains right to own, live, work, use, and sell their land.
- Landowners are not required to allow
   public access



### Benefits of a Conservation Easement

- Voluntary
- Means of insuring a landowner's conservation ethic will continue in the future
- Can be tailored to meet desires of landowner
- Can reduce the property's value making it more affordable for future farmers or for estate planning
- Source of income that can be reinvested into ag. operation
- Potential tax benefit (donation)



### Drawbacks of a Conservation Easement

- Limited funding & number of easement holders to work with
- Complicated and oftentimes slow process
- Permanent and binds all future landowners, a new landowner cannot renegotiate terms
- Easement holder and farmer/rancher may not share a common vision
- Reduces the property's overall value, making it worth less for future sales



## Some Things to Think About...

- Land Trust or Government Agency
- What rights do you want to retain (right to build a home, subdivide, farming, grazing, timber, recreation)
- Conservation Easement Deed Terms
- Tax benefits and consequences



## Agricultural Land Easements





# Purpose

- Help keep working lands in agriculture
- Preserve farmland and prime soils
- Preserve rangeland & open space
- Protect conservation values of land soils, water, air, plants, and animals



# Cooperating Entities

- ACEP-ALE requires NRCS to work with "Cooperating Entities" to hold, manage and monitor easements
- Includes local or state resource agencies, land trusts and non-governmental conservation groups



### **Deed Requirements**

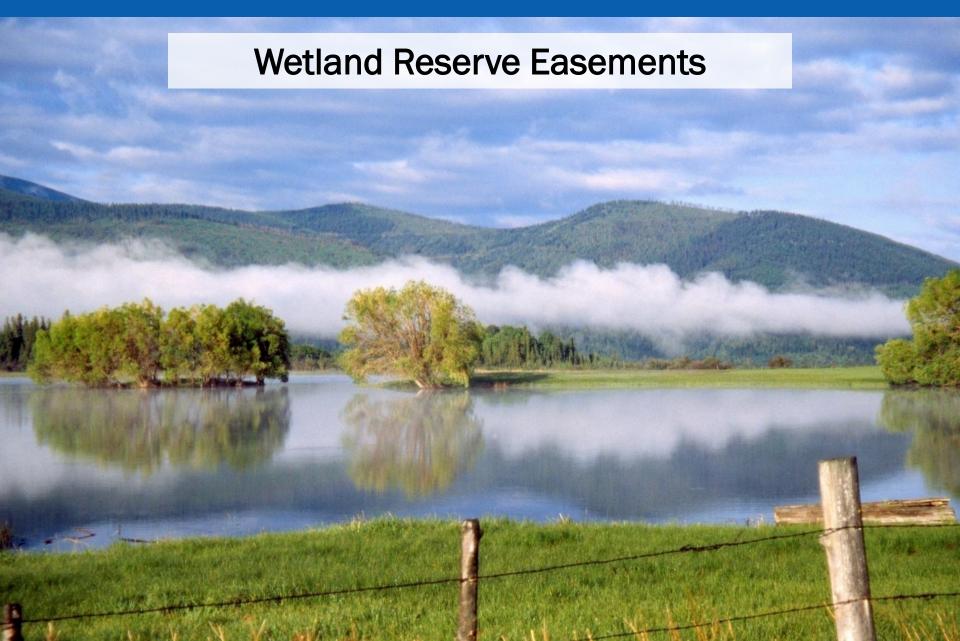
- There are certain provisions that must be included in the ALE easement deed for it to be legally sufficient, conform to agency policy, and be consistent with the purposes of the program.
- These provisions are addressed in the NRCS Minimum Deed Terms.
- The Minimum Deed Terms may be included as an addendum to the easement deed or incorporated into the body of the easement deed.



#### **ALE Minimum Deed Terms**

- 2% limitation on impervious surfaces (roofs, concrete, asphalt)
- Limitations on land subdivision
- Limitations on non-agricultural use (development, minerals)
- Future construction of farm housing, barns or outbuildings limited to identified building envelope
- Grassland enrollments limit conversion to more intensive agriculture (no limitation for farmland enrollments)
- Limitations on mineral exploration & extraction
- Protection of historical or archeological resources
- Water rights must remain with land
- ALE Plan (eliminated in 2018 Farm Bill)







#### Wetland Reserve Easements

- Provide financial and technical assistance to protect and restore wetlands
- Priorities for enrollment:
  - Flood prone land
  - Diked land
  - Land with a high water table
  - Land with water quality issues (e.g. salts, erosion)
  - Land with high fish & wildlife benefits



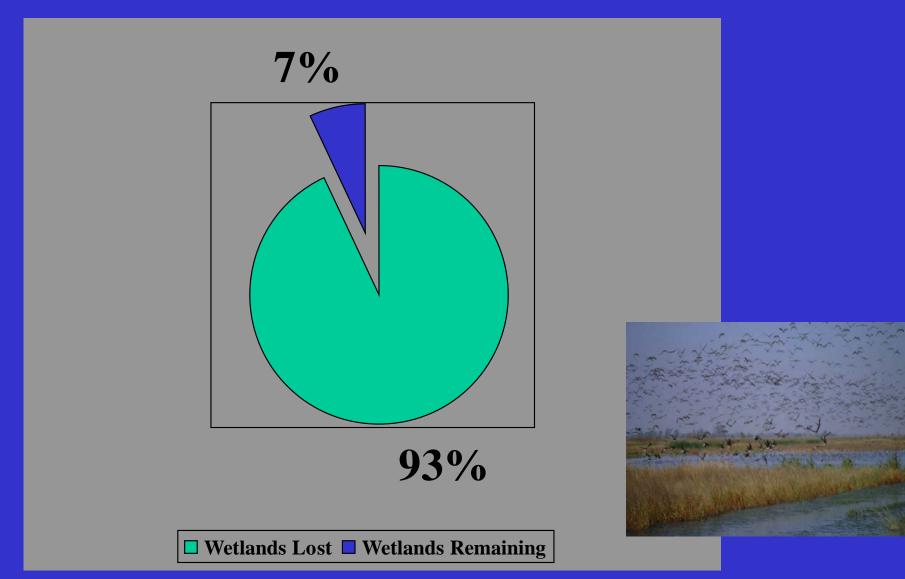
# Why Restore Wetlands?

- Floodwater retention
- Groundwater recharge
- Water filtration & sediment control
- Fish & Wildlife Habitat
- Recreation & open space





### Status of the Central Valley's Wetlands



Source: Frayer et al. 1989



### **Economic Values of Wetlands Today**

 Provide recreation for hunters, anglers, and wildlife watchers (total economic value = \$160 million annually)



Provide society with nearly \$10 billion in values annually in the form of groundwater recharge, flood control and water purification





# Warranty Easement Deed (WRE)

- Rights that the Landowner can reserve:
  - Convey or transfer the title
  - Control of access
  - Recreational uses
  - Subsurface resources
  - Water rights
  - Grazing



# Warranty Easement Deed (WRE)

- Wildlife & Habitat Focus
- Non-negotiable
- Typically the easement payment is at a higher rate because of the deed's restrictive nature
- Not always the best fit for working farms, but can be used to protect a portion of the property not needed for crop production
- Can work well for rangeland, if agency and landowner can come to agreement on grazing plan



#### NRCS - Protecting and Restoring Wetlands Since 1992

- Wetlands Reserve Easements (WRE)
  - 244 permanent easements closed112,309 acres
  - 21 Thirty-year easements closed14,729 acres
  - 21 easements pending















## **United States Department of Agriculture Natural Resources Conservation Service**



