

**protect Your Place**



**A Teton Regional Land Trust Guide:  
Understanding Your Private Land  
Conservation Opportunities and Options**

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# To the Landowner

Founded in 1990, the Teton Regional Land Trust is a community based non-profit conservation organization that works to conserve land in Eastern Idaho through the acquisition and stewardship of voluntary conservation easements. For over 25 years, the Land Trust has worked in partnership with private landowners to conserve over 33,000 acres of farms, ranches, and wildlife habitat that are critical to the region's communities – both human and wild. Through several avenues, the Land Trust is able to offer willing property owners options regarding their land and legacy.

Our Land Trust has partnered with over 100 families across Eastern Idaho. Though meaningful accomplishments have been made, thousands of acres of working land and critical wildlife habitat remains vulnerable to escalating development throughout the region. We know and love Eastern Idaho and we understand that conserving your land is an important decision. We hope that this brochure helps to answer questions about how Teton Regional Land Trust can help you to achieve your conservation vision for your property.

Sincerely,

*Teton Regional Land Trust*

“Taking care of the land is important to me so it can be passed on to future generations, and so my grand kids will have a place to farm and enjoy.”

- Delbert Winterfeld, Swan Valley, Idaho





**The mission of Teton Regional Land Trust is to protect critical fish and wildlife habitat, working farms and ranches, and scenic landscapes in Eastern Idaho for present and future generations.**

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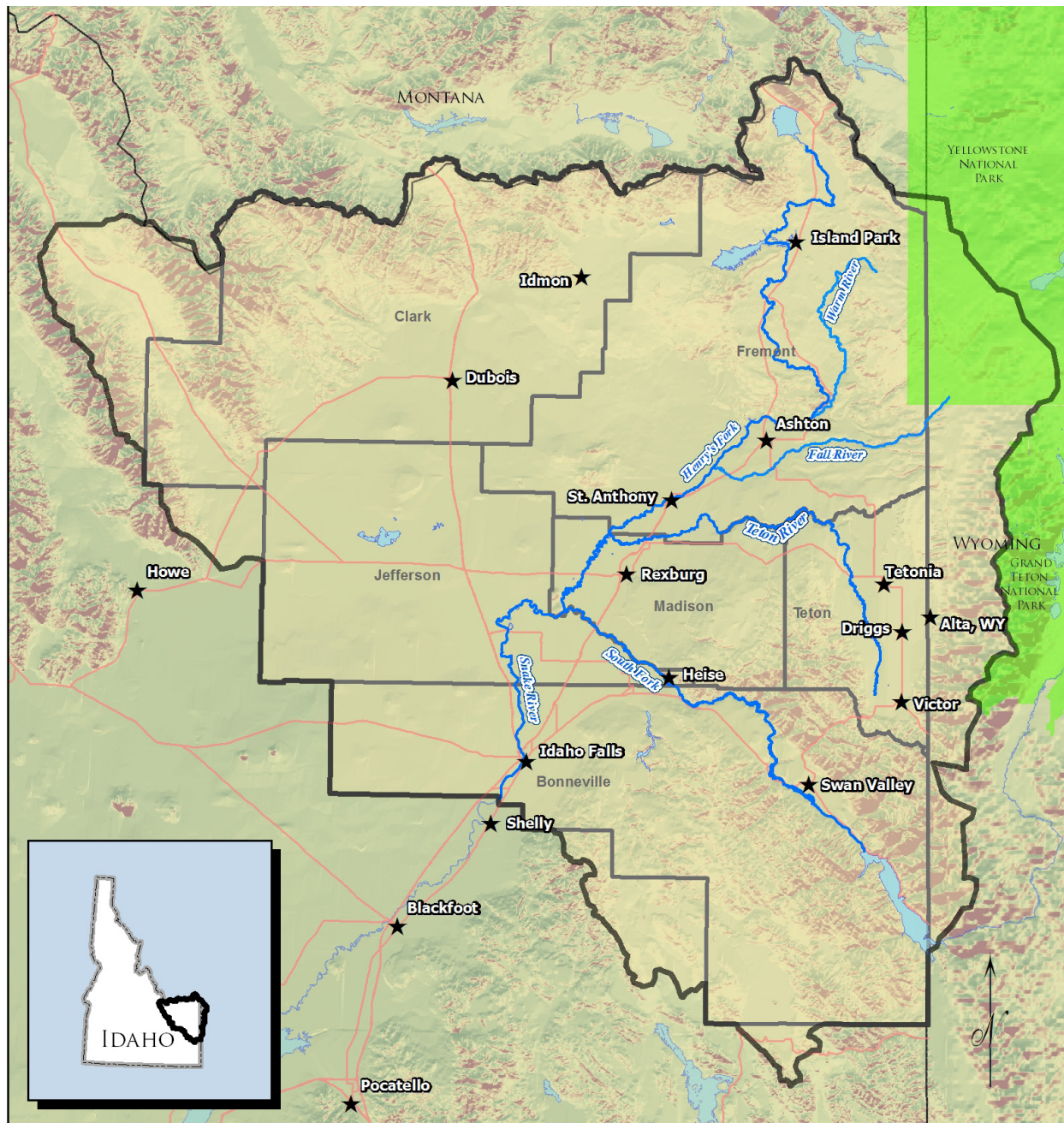
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# Where Does the Land Trust Work?



The service area of the Teton Regional Land Trust includes six counties in Eastern Idaho, in addition to the portion of Teton County, Wyoming that lies on the western side of the Teton Range. The six Idaho counties include Clark, Fremont, Teton, Madison, Bonneville and Jefferson. While we protect many important conservation properties across the expanse of the Land Trust service area, we primarily focus our land conservation efforts along the Teton, South Fork, Henry's Fork and Main Snake Rivers, within critical wildlife migration corridors and in areas of community importance.





## What Land Qualifies?

Before approving a conservation easement, the Land Trust Board of Directors will determine that the project meets the mission of the Land Trust, the protection of the property will provide a significant public benefit, and that the Land Trust is capable of carrying out the perpetual stewardship obligations for the particular property. Prospective lands must have significant value in one or more of the following categories:

- Property of significant size or connectivity to other public or privately protected land
- Productive farming or ranching that also provides significant open space
- Significant wetland and riparian habitats necessary for the protection of water quality, fish, and wildlife
- Habitat for endangered, threatened or rare species
- Important wildlife habitat or migratory routes
- Ecosystems that remain in relatively natural, undisturbed conditions
- Preservation of historic lands or buildings
- Protection of significant scenic views for the general public
- Maintenance of, or provision for, new public access

## Does My Property Qualify for Tax Benefits?

Under the Internal Revenue Code §170(h), the conservation easement must be in perpetuity, provide a public benefit, and be granted exclusively for conservation purposes. Conservation purposes include the following:

- The protection of relatively natural habitats of fish, wildlife, or plants, and similar ecosystems
- The preservation of open space, including farmland and forestland, for scenic enjoyment of the general public or pursuant to a clearly delineated governmental conservation policy that will yield a significant public benefit
- The preservation of historically important land or a certified historic structure
- The preservation of land for public outdoor recreation or education



# Protecting My Land: WHAT I NEED TO KNOW

## What does a Land Trust do?

A land trust is a service organization for landowners interested in protecting their land perpetually. The Teton Regional Land Trust assists landowners with all phases of the conservation easement process. After a conservation easement is completed and recorded, the Land Trust is the entity responsible for monitoring and enforcing the development restrictions the landowner chooses to place on the land. Ultimately the Land Trust is responsible for ensuring the terms of the conservation easement are upheld in perpetuity.

## How does the Land Trust steward the lands under its protection?

Land Trust stewardship staff visit properties and compare conditions to the baseline documentation report prepared in coordination with the conservation easement document. If the property changes ownership, then the Land Trust will establish a relationship with the subsequent owners, and continues annual monitoring in perpetuity.

## Does the Land Trust work with other land conservation organizations?

Collaboration is the core of the Land Trust's work. The Land Trust works in partnership with landowners, community members, state and federal agencies, local land trusts and others to ensure success.

## What is a conservation easement?

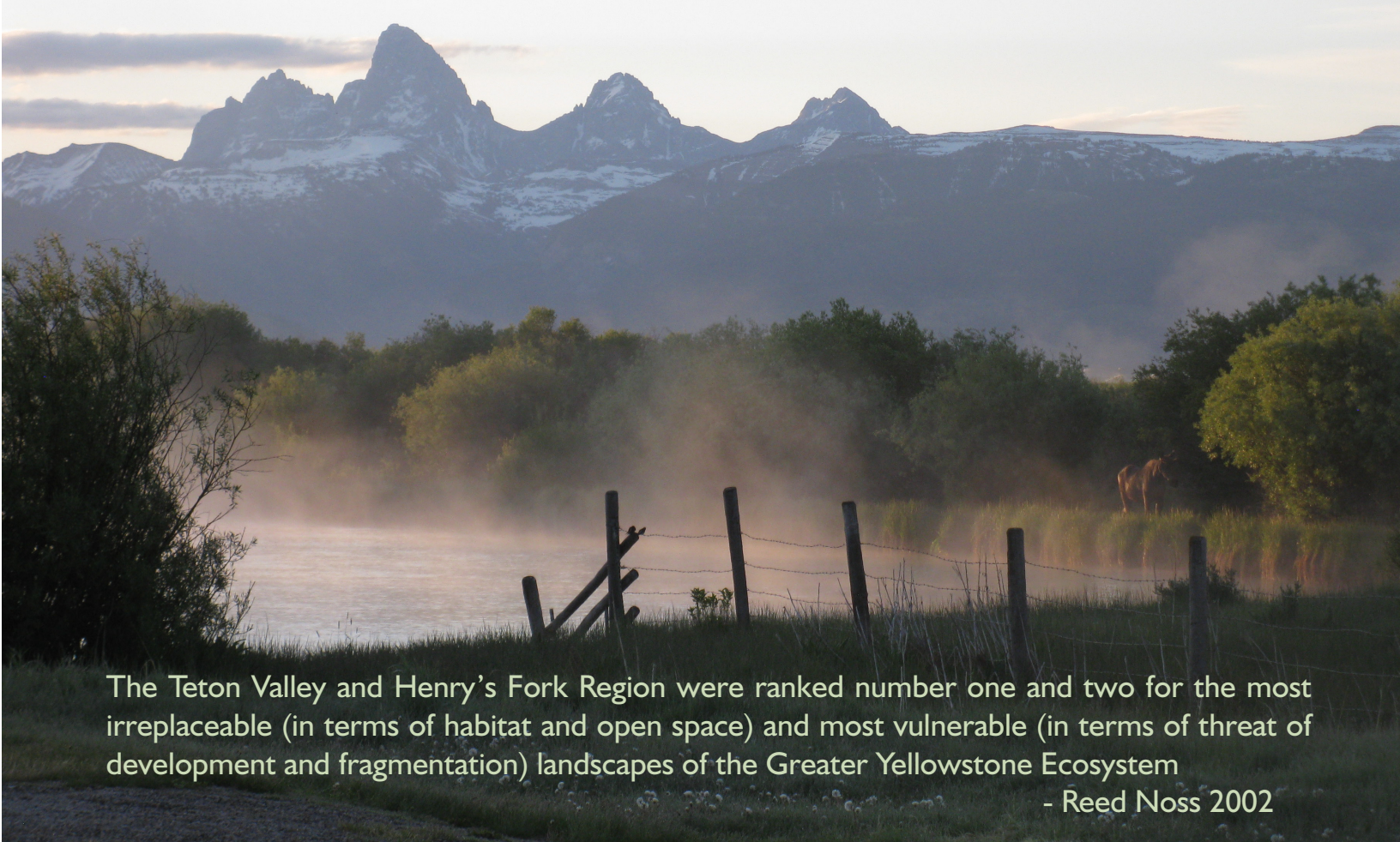
A conservation easement is a voluntary legal agreement between a landowner and the Land Trust that limits certain uses of the land – like large scale subdivision – in order to conserve the natural and traditional values of the land. Landowners grant conservation easements to protect the resources of their property, while retaining the rights of private ownership. The terms of the conservation easement represent a mutual agreement between the landowner and the Land Trust. We work only with willing landowners, and do not ask the landowner to enter into an agreement that he or she is not satisfied with.



“It would take a man down to see something like this destroyed. The river and the land are a part of our family. Conserving this land made a whole lot of sense to me and my family. The conservation payment our family received when we signed the conservation easement helped out tremendously when malt barley contracts, yields, and production were unstable for several years. And, by working with the Land Trust, we know that no matter what, this land will never be developed.”

- John Nedrow, Ashton, Idaho





The Teton Valley and Henry's Fork Region were ranked number one and two for the most irreplaceable (in terms of habitat and open space) and most vulnerable (in terms of threat of development and fragmentation) landscapes of the Greater Yellowstone Ecosystem

- Reed Noss 2002

## **Protecting My Land:** WHAT I NEED TO KNOW

### **Why do landowners protect their land?**

Landowners love their land. They also understand the challenges that threaten the integrity of their land. As development costs become increasingly difficult to compete with, many landowners are concerned that their family's home and way of life will disappear. Conservation easements can forever safeguard family land from being developed. Landowners may receive payment for their conservation easement or receive a tax benefit, including one that might aid in reducing estate tax responsibilities.

### **Does the landowner give up ownership of the land?**

No. The landowner continues to own the property, and may sell it or leave it to heirs. However, the agreed-upon restrictions outlined by the conservation easement document remain with the land forever.

### **Can I still build on my land?**

Yes. Many landowners reserve the right to build additional homes and agricultural structures on their land. Typical conservation easements limit the amount and type of development permitted.

### **Can I still work my land?**

Yes. All Teton Regional Land Trust conservation easements encourage continued use for agricultural production, grazing, timber harvesting, and other uses consistent with the conservation and resource values being protected.



# Protecting My Land: WHAT I NEED TO KNOW

## **Does the Land Trust dictate how landowners can manage their property?**

No. The management of the property remains the responsibility of the landowner. The Land Trust is responsible for working with the landowner to ensure that the management of the property is consistent with the conservation and resource values protected by the easement. The Land Trust also strives to help landowners enhance the resources on their property, and achieve their management goals through programs supported by grants and partners.

## **Can I lease my land even if I bring in substantial income?**

Yes. Farm leases are permitted, but are also subject to the terms of the conservation easement.

## **Can I sell my property if it is under easement?**

Yes. The landowner retains title to the property, and can sell it or gift it to others. The conservation easement “runs with the land,” meaning the conservation easement is recorded as a perpetual deed attached to the property, and a purchaser takes the title to the property subject to the restrictions and conditions of the conservation easement.

## **Do conservation easements require public access?**

No. Conservation easements do not require public access. While a landowner may choose to allow public access, there is no obligation to do so.

## **Once a conservation easement is in place, can it be broken?**

No. Conservation easements are completed in perpetuity. The Land Trust has a legal obligation to make sure the terms of the easement remain intact forever.

“The property is in our blood... we have a deep emotional connection with the river, the land, and the people up here. Recognizing the sacrifice and hardships experienced by those early settlers has given us deep feelings about the place that goes to the heart. We find the tranquility of our little place infectious and thrive on the air scented with sage. Though our perseverance is tried by arid summer days and biting white winters, our passion for our place remains genuine.”

- Carma Lufkin, Heise, Idaho





# Protecting My Land: WHAT I NEED TO KNOW

## **Are there tax or financial benefits for donating a conservation easement?**

Yes. The donation of a qualified conservation easement can be considered a charitable gift under federal tax law, potentially providing significant estate and income tax benefits. A donated conservation easement may also lower estate tax liability, enabling the safe passage of family lands from one generation to the next. Teton Regional Land Trust strongly encourages landowners to consult with their attorney or tax advisor to fully explore the potential estate and income tax benefit from the charitable donation of a conservation easement.

## **How is the value of a conservation easement determined?**

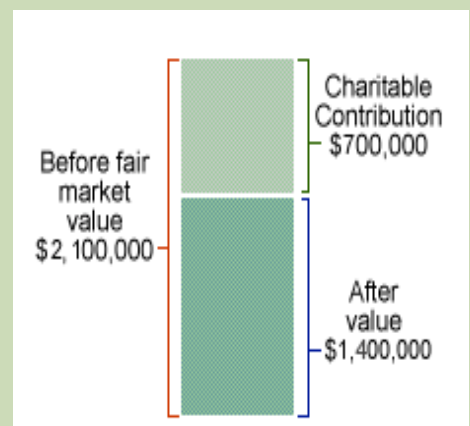
The value of a conservation easement is determined by a specialized appraisal completed by a qualified appraiser. The value of the easement is based upon the difference between the appraised fair market value with and without easement restrictions.

## **Are there costs associated with conserving my land?**

Yes. Conserving your family land typically involves some cost. Expenses can include title reports, surveys, baseline documents, appraisals, legal services, financial advisory services, and so on. The Land Trust has some funding to help offset costs in certain areas for those that qualify. If you wish to seek a charitable deduction for your conservation easement donation, then you will also need to cover the cost of an appraisal. Additionally, we do ask conservation easement donors to make a one-time contribution to establish a Dedicated Stewardship Fund for your property. The Dedicated Stewardship Fund ensures our ability to support and uphold your conservation goals in perpetuity. We ask landowners to share in the costs associated with granting a conservation easement to the extent they are able. In cases where these costs create a barrier to conserving important lands, we will work with landowners to find funding.

## **Conservation Easement Appraisals**

When a conservation easement is granted, the restrictions on future development often reduce the appraised value of the property. The value of a conservation easement is generally estimated as the difference between the market value of the property unencumbered (“before”) and the market value of the property subject to the easement restrictions (“after”), as determined by a qualified appraiser. For example, the “before” market value of a developable property is the amount a person would pay for the property at the current time with its development rights available. (Note that the “before” value is not the sale price of the potential developed lots.) The “after” market value is the amount a person would pay for the property, knowing that it is permanently restricted from some or all development. The difference is the value of the conservation easement.





# Protecting My Land: WHAT I NEED TO KNOW

## **Do I need an attorney?**

Yes. We require landowners have an attorney review the document on their behalf to ensure that every landowner fully understands the legal ramifications of such a long-term commitment.

## **What happens after my land is under conservation easement? Is the land trust still involved?**

Yes. In accepting the easement, the Land Trust assumes responsibility for assuring to the IRS that the easement provisions will remain effective in perpetuity. The Land Trust will have the responsibility of visiting the property annually to assure that the easement terms are upheld. The annual visit provides a great opportunity for the landowner and the Land Trust to touch base about the easement terms, management challenges and grant programs available to assist landowners. The Land Trust does not take part in the day to day management of landowner properties.

## **What are the advantages to working with Teton Regional Land Trust?**

Teton Regional Land Trust is very closely tied to the land conservation community in Eastern Idaho. We understand the concerns of the community and the needs of the landowners. In addition, our non-profit tax status brings a variety of tax benefits. Donations of land, conservation easements or money may qualify you for income or gift tax savings. Furthermore, the Teton Regional Land Trust is a private organization; so we are able to be more flexible and creative with our conservation options than public agencies.

## **What happens if the Land Trust goes out of business?**

Teton Regional Land Trust's bylaws state that if for some reason the Land Trust were to go out of business, all assets of the organization, including easements, will be transferred to another 501 (c) 3 organization with a similar mission or other qualified conservation easement holder. You can rest assured knowing that the longevity of your easement and its perpetual protection are intact.







“Because of Teton Regional Land Trust, we have been able to make needed improvements which made the ranch even better. We’re so happy to be working with them. Having the ranch stay in operation and be a profitable and beautiful place to always be able to come home to is awesome. Thanks, Teton Regional Land Trust. “

- Angel Harris, Youngest Daughter of Harris Family, Rexburg

## The Conservation Tax Deduction

Recent permanent changes to the tax code provide substantial new incentives for donating conservation easements, especially for landowners who qualify as farmers or ranchers. This incentive will help landowners recover more of the economic value of the conservation easements they donate.

Donors of qualified conservation easements may be eligible to deduct up to 50 % of their adjusted gross income, with a 15 year carry forward. This allows landowners a period of 16 years to absorb the fair market value of their donated conservation easement. This is a powerful tool for allowing donors to receive greater credit for donating a conservation easement on their property.

Qualifying farmers and ranchers who donate a conservation easement are now eligible to deduct up to 100 % of their income. As part of the enhanced incentive, farmers and ranchers can also take advantage of the 15 year carry forward.





# Ways to Protect My Family's Land

## **Donating a Conservation Easement**

Donating a conservation easement allows landowners to retain ownership of their land while ensuring its protection in perpetuity. In this case, landowners are eligible to receive a tax deduction for the value of the conservation easement. The value of the easement is based upon the difference between the appraised fair market value with and without easement restrictions.

## **Selling a Conservation Easement**

In cases where the land meets the Land Trust's conservation objectives and funding sources are available, the Land Trust may offer to purchase the easement. Like donating a conservation easement, landowners retain ownership of their land while ensuring its protection in perpetuity. The value of the easement is based upon the difference between the appraised fair market value with and without easement restrictions.

## **Donating Land**

In some cases a landowner may wish to give their land to the Land Trust outright for its protection. When title to the property is transferred to the Land Trust, we become responsible for its permanent protection. Landowners can do this during their lifetime or arrange to have it done after death. If done during one's lifetime, the landowner or their estate can qualify for significant tax benefits. If done after death (through a will), then a reduced but still significant tax benefit may accrue to the estate.

## **Donating Land with a Retained Life Estate**

Landowners can also transfer their property to the Land Trust, while continuing to live on it for the rest of their life. This retained life estate arrangement may also provide both the landowner and their estate with significant tax benefits.

## **Sell Your Land**

In certain situations, the Land Trust may be interested in purchasing your land. The Land Trust would own and manage the property or place a conservation easement on the property, to ensure that it remains protected forever.



# Protecting My Land: WHAT IS THE PROCESS?

Crafting a perpetual conservation easement agreement takes time to complete. Thoughtful negotiations and the necessary due diligence are important parts of this process. A less complicated donated conservation easement may take 6 months, while a more complicated purchased easement requiring significant funding could take a couple of years to complete. Below we have listed the basic steps of the process of completing a conservation easement.

1. **Landowner/Land Trust Discussion:** The landowner meets with Land Trust staff and describes their long-term plans for the property.
2. **Title Work:** The landowner provides property deeds and a recent title report.
3. **Board Review:** A subset of the Land Trust's board, the Conservation Committee, reviews the proposed project to ensure it meets the Land Trust's mission.
4. **Drafting the Easement:** The Land Trust uses information provided by the landowner and additional resource information, as needed, to draft a conservation easement for the landowner and his/her legal advisor to review.
5. **Appraisal of the Property:** A qualified appraiser assesses the economic value of the conservation easement.
6. **Baseline Report:** The Land Trust prepares a report of the property's historic and present land uses including: agriculture uses, man-made and ecological features, wildlife use and habitats, scenic values, and other natural resource attributes.
7. **Final Board Review:** The Conservation Committee and Board of Directors review the conservation easement terms, project details and conservation ranking criteria to decide whether to grant final approval to the project.
8. **Sign and Record the Easement:** After receiving final approval, the conservation easement is signed, and the document is recorded at the county courthouse.



## Keeping our Promise

The Land Trust holds ultimate responsibility to ensure your property is protected in perpetuity. To ensure we have the financial resources to live up to our legal obligation into the future, the Land Trust has a Dedicated Stewardship Fund.

When you conserve your property, we deposit an amount calculated specifically for your property into this fund to ensure our ability to support and uphold your conservation goals and the resources in perpetuity.

We ask landowners to share in the costs associated with granting a conservation easement to the extent they are able. In cases where these costs create a barrier to conserving important lands, we work with landowners to find funding.

# I PROTECTED MY LAND: WHAT HAPPENS NOW?

## **What is stewardship?**

Private land stewardship encompasses the responsible management of your property's natural resources. As a steward of the land, you are ensuring the protection of the natural resource values your property provides, as well as simultaneously promoting the long-term sustainable uses of these resources.

## **How does the Land Trust assure the land is protected in perpetuity?**

Working with willing landowners to acquire a conservation easement on private land is the first step to lasting protection and building partnerships. With each conservation success comes a deep and permanent responsibility: we have promised to look after, or steward, the conservation protections placed on the land forever. To make sure that the conservation vision in the original conservation easement are being honored, the members of our stewardship staff visit conserved properties once annually. We have found that building relationships with landowners—walking their land with them and working to address common concerns—goes a long way toward making sure that our conservation easements are upheld.

## **What happens after you finalize and sign the conservation easement?**

Signing a conservation easement with the Teton Regional Land Trust is a cause for celebration – your land will remain forever a part of our region's unique landscape. It is also the beginning of your relationship with the stewardship staff of the Teton Regional Land Trust. You will receive a yearly visit from a stewardship staff member; receive occasional correspondence related to your easement and will receive assistance in finding answers to your questions about your land. Our role is to help you.





# I PROTECTED MY LAND: WHAT HAPPENS NOW?

## **What are the landowner's obligations?**

The landowner has an obligation to uphold the terms of the conservation easement agreement. Although the landowner retains ownership of the land, certain development rights may be restricted. It is the obligation of the landowner to give the Land Trust proper notification before exercising a reserved right or transferring ownership of the property. This notification gives the Land Trust staff the opportunity to ensure that the activity will not affect the conservation values of the property.

## **What are the Land Trust's obligations?**

The Land Trust's stewardship obligations for conservation easement properties include regular site monitoring visits, responding to landowners' questions about the easement, maintaining positive relationships with landowners, building relationships with new landowners, ensuring easement violations are prevented or resolved, and responding to landowners' requests to exercise reserved rights.

## **What does stewardship cost?**

To ensure we have the financial resources to live up to our legal obligation into the future, the Land Trust has a Dedicated Stewardship Fund. When you conserve your property, we deposit an amount calculated specifically for your property into this fund that will support and uphold your conservation goals and the property resources in perpetuity. We ask landowners to share in the costs associated with granting a conservation easement to the extent they are able. In cases where these costs create a barrier to conserving important lands, we will work with landowners to find funding.

## **What resources are available?**

There are a lot of resources available to support landowners in accomplishing the long-term stewardship goals of their land. The Land Trust is here to answer questions, assist in the execution of reserved rights, and provide contact to agencies, non-profits and other special programs to support habitat and restoration projects on your property, such as noxious weed and invasive species control. We are here to support you!





**“We planted roots here for the wildlife and to raise our family closer to the land, a conservation easement was the best way for protecting our property and its agricultural and ecological values in perpetuity.”**

**- Jeff Klausman, Teton Valley**



*Thank you.*

For further questions, contact Teton Regional Land Trust

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