



Oregon

Kate Brown, Governor

Oregon Watershed Enhancement Board

775 Summer Street NE, Suite 360

Salem, OR 97301-1290

(503) 986-0178

FAX (503) 986-0199

www.oregon.gov/OWEB

MEMORANDUM

TO: Oregon Watershed Enhancement Board

FROM: Meta Loftsgaarden, Executive Director

SUBJECT: **Agenda Item N-1 – Oregon Plan/Governor’s Priorities Funding Request
Working Land Easement Support
April 28-29, 2015 OWEB Board Meeting**



I. Introduction

Staff request the Board approve \$25,000 from the Oregon Plan/Governor’s Priorities line item to support a coordinated effort for working land easements that will result in additional working land easements in Oregon.

II. Background on Working Land Easements

An easement restricts development to the degree that is necessary to protect the significant conservation values of that particular property. Easements can permit landowners to continue such traditional uses of the land as farming and ranching.

Working land easements do not have a formal definition, but have long been considered one option within a conservation easement program. OWEB has funded seven working land easements since the beginning of the acquisition program. In addition, the agency has also funded four fee title acquisition projects that have a working lands component. In both cases, all or a portion of the property will continue to generate income through farming, forestry, or other natural resource-based opportunities.

While these projects have been funded through OWEB, Oregon is typically seen as funding fewer working land easement projects than surrounding states. The difference between Oregon’s land use laws and those in other states is often identified as the reason that fewer projects are funded in this state. This difference has been recognized at the federal level, through USDA programs that fund working land easements. Oregon sees fewer requests for funding through those programs as well.

III. Growing Interest in Working Land Easements

While demand has traditionally been low for these easements, it has grown greatly over recent years. There are several possible reasons for this development, including but not limited to: properties transferred between generations (i.e., easements can help to lower the cost of that transition); and landowners retiring from agriculture or forestry, but wanting to ensure the land remains in production. Recently, increased interest in working land easements has emerged in eastern Oregon, where landowners with sagebrush habitat are working to protect sage grouse habitat.

IV. Role of Land Trusts and Soil and Water Conservation Districts (SWCDs) in Working Land Easements

Landowners work with land trusts to discuss conservation goals for the property, and what development rights the landowner may want to retain. Easements typically "run with the land," binding the original owner and all subsequent owners to the easement's restrictions. The easement is recorded at the county or town records office so that all future owners and lenders will learn about the restrictions when they obtain title reports.

The land trust is responsible for enforcing the restrictions that the easement document spells out. Therefore, the land trust monitors the property on a regular basis -- typically once a year - to determine that the property remains in the condition prescribed by the easement document. The land trust maintains written records of these monitoring visits, which also provide the landowner a chance to keep in touch with the land trust. Many land trusts establish endowments to provide for long-term stewardship of the easements they hold. Establishment of endowments can be a very time-consuming process for both the landowner and the land trust.

As interest for working land easements grows, land trusts are also looking for better ways to serve this client base. Some land trusts in Oregon have a strong background in working land easements, while for others, this is a new venture. In addition, SWCDs can legally hold conservation easements in Oregon. Some SWCDs are already actively pursuing this option.

V. Funding Request

To support this increased interest, OWEB staff recommend the Board consider an investment to support land trust and SWCD work to address the growing interest in working land easements. This will include support for a collaborative analysis among easement-holding entities whose mission involves the conservation of farm, forests and ranch land in Oregon. This effort will determine the current and needed capacity for holding and stewarding working land easements in Oregon and will be available to support capacity needs identified in the analysis. The expected results of this effort will be increased capacity to implement high-quality working land easements in Oregon. Funds will be used to aid land trusts and soil and water conservation districts in strengthening a network of working land conservation easement holders to respond to increasing demand for these easements in Oregon, resulting in an increased number of high quality easement proposals to OWEB.

VI. Recommendation

Staff request the Board provide up to \$25,000 from the Oregon Plan/Governor's Priorities spending plan line item to support working land conservation easement infrastructure, and delegate authority to the Executive Director to distribute the funds through appropriate grants and agreements, with an award date of April 29, 2015 to be used for any grant agreement(s).