A Policy Analysis of the Role of Working Land Conservation Easements Using Dedicated Lottery Funds

Prepared For

The Oregon Watershed Enhancement Board

by

James Fox, Ph.D.
Public Policy Consulting

February 2011

Cover Photo:

Stein's Pillar on Mill Creek, Crook County: agriculture and riparian protection working together.

Photo by Brad Nye, Deschutes Land Trust.

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Executive Summary

To assess the role of working land conservation easements in achieving the Oregon Watershed Enhancement Board's constitutional mission of watershed protection and restoration using lottery funds, grant programs in three other states, experiences of seven of Oregon's land trusts, information from four federal grant programs, and input from interested parties were reviewed, compiled and evaluated. The resulting report proposes policies to help guide the use of OWEB lottery funds on working land and make these funds more effective in achieving the goals set forth in the Constitution.

Working Land Conservation Easement Funding Programs in Other States

The state easement funding programs reviewed (Colorado, Maryland and Washington) all provide grants for acquiring conservation easements on working land. Colorado's Open Space Program (funded by the lottery) is targeted primarily at preserving open space and important ecological values but recognizes the importance of working land in achieving these goals. The Maryland Agricultural Land Preservation Foundation (funded by a real estate transfer tax) is focused primarily on preservation of farm and forest land but has ancillary environmental goals. Washington's Farmland Preservation Program (funded by tax exempt general obligation bonds) is intend primarily to preserve farmland but can include funds for protection and restoration of ecological resources. Washington's Salmon Recovery program (also funded by bonds) targets restoration and protection of salmon habitat, sometimes on working land. Acquisitions are

The 492 acre Coffer Ranch, east of Prineville. Photo by Brian Ouimette.

mostly *in fee*, often generating public opposition when this results in taking agricultural land out of production. Maryland was the only state with an overarching state-wide agricultural plan.

The four funding programs utilize two fundamentally different approaches: (a) a state-wide evaluation of competing grant applications with the distribution of grant funds across the state determined by the location of the highest ranked projects (Washington's Farmland Preservation Program, Colorado's Open Space Program), and (b) a local or regional evaluation of competing grant applications with the distribution of grant funds across the state pre-determined by formula (Washington's Salmon Recovery program, Maryland's Agricultural Land Preservation Foundation).

Coordination with other state and federal funding programs varied and depended on compatibility of program policies and procedures, other institutional barriers, and personalities. Of the three states evaluated, the Colorado Open Space Program appeared to be

the most effective at minimizing institutional barriers and providing good communication with federal programs and grant recipients (including land trusts), due in part to a less rigorous and more flexible approach to allocating funds.

Staffing levels of the state programs varied considerably, depending primarily on the frequency of grant cycles (ranging from biennial to twice annually) and the role of staff in board support, policy setting, rulemaking, project evaluation, grant administration, monitoring, and addressing legal disputes (including litigation). Maryland's Agricultural Land Preservation Program—the oldest program evaluated—had the largest staff (seven plus assistance from other agencies) and Washington's Farmland Preservation Program—the newest program—the smallest (0.5 FTE).

Balancing farm use and riparian health at Aspen View Ranch, Mill Creek. Photo by Brad Nye.

Oregon Land Trusts

The Oregon land trusts reviewed for this report (Columbia Land Trust, Deschutes Land Trust, Greenbelt Land Trust, McKenzie River Trust, Oregon Rangeland Trust, Southern Oregon Land Conservancy, and The Wetlands Conservancy) all have acquired conservation easements on working lands. Reasons depend on each land trust's mission and include: preserving farming, ranching and forestry as an important economic activity and valued way of life; preserving vistas of working land; fostering sustainable agricultural and forestry practices; and preserving important ecological values, including migration corridors, priority habitat, water quantity and quality, and sensitive, threatened and endangered species.

Stein's Pillar, fields, and Mill Creek. Photo by Brian Ouimette.

The land trusts acquire easements from landowner donations or through purchase with the assistance of a variety of local, state and federal funding, including: private contributions, foundations, and grants from the Oregon Watershed Enhancement Board, North American Wetlands Conservation Act, Bonneville Power Administration, U.S. Fish and Wildlife, and National Fish and Wildlife Foundation. Land trusts' approaches to prioritizing acquisitions varied from opportunistic (depending on landowners coming forward with a proposed donation or sale), to highly strategic, utilizing a variety of decision support tools based on scientific studies, models, and geographic information systems, to target specific areas and parcels .

The land trusts generally prefer a conservation easement that clearly lays out conservation goals and objectives but leaves details of management, including monitoring and adaptive management strategies, to a management plan agreed to by the landowner, land trust (as grantee), and funding entities. This offers advantages for the landowner and provides a way to modify management practices to compensate for long-term social, economic and

ecological changes, such as those resulting from climate change.

Land trust staffing levels range from one (Oregon Rangeland Trust) to 15 (Columbia Land Trust). Higher levels of staffing are required as trusts become more strategic in targeting acquisitions and engage in large acquisitions involving multiple landowners, funders, and regulatory agencies.

Federal Working Land Conservation Easement Funding Programs

Four federal funding programs were reviewed: the Farm and Ranchland Protection Program, Grassland Reserve Program, Forest Legacy Program, and Bonneville Power Administration's fish and wildlife mitigation grant program.

The Farm and Ranchland Protection Program is a Farm Bill program administered by the Natural Resources Conservation Services (NRCS), providing grants to local entities to acquire conservation easements. The Oregon NRCS office provides a full-time liaison to state and local conservation programs, which has led to better communication and more flexibility than programs in the other states evaluated. Grants have been used to match OWEB grants for working land conservation easement acquisitions. Oregon ranks 13th in the country for total acres (16,000) enrolled in the program.

Buffer between agricultural field and Mill Creek, Aspen View Ranch. Photo by Brad Nye.

Oregon also receives funding from the Grassland Reserve Program, a Farm Bill program administered by NRCS and the Farm Service Agency. However, by policy of the state office, funds are used only for rental contracts, not easement acquisition. In addition to preserving grassland, specific conservation values, such as sage-steppe protection, are targeted in each funding round.

Rotational grazing is used to help maintain oak savanna and upland prairie habitats on a property near Wren that contains a conservation easement. Photo by Greenbelt Land Trust.

Oregon has only participated in the Forest Legacy Program since 2007. One acquisition has been completed (South Eugene Hills, Phase I) and three more are in progress, including the highly publicized Skyline Forest acquisition. Land trusts have been instrumental in facilitating transactions.

Bonneville Power Administration has provided grants for numerous habitat protection and restoration projects in Oregon, including conservation easements on working land. The Nature Conservancy and the Trust for Public Land have been facilitators or grantees in many BPA transactions.

Findings

Everyone interviewed for this report agreed that preservation of ecological values on working land is essential to watershed conservation in Oregon. In addition, they agreed that, if done

properly, conservation easements with accompanying management, monitoring and adaptive management plans are one important way to achieve this.

Respondents noted that acquiring and managing conservation easements on working land offers significant challenges due to complex negotiations between landowners, grantees and funders; the need to ensure protection of ecological values while allowing farming, ranching or forestry; the difficulty in providing for long-term social, economic and ecological changes; hurdles in combining multiple funding sources; and the obligation to provide accountability for public funding.

The cited benefits of working land conservation easements included: the ability to target important ecological values at a landscape and ecosystem scale; allowing conservation land to remain in private ownership; the potential for landowner stewardship; and the ability to provide for continued economic activities and achieve other social goals that result in public support of conservation land acquisition programs. In addition, in many cases conservation easements offer a more cost-effective approach than fee-simple acquisitions.

The report offers a number of findings and suggestions regarding OWEB working land conservation easement policies, coordination and communication with other funding entities, and the need to explore alternative approaches to conservation on working land, including purchase of ecosystem services.

In order to meet OWEB's constitutional mandate in the future, especially in light of long-term climate change, it is recommended that OWEB establish priorities based on an ecosystem and landscape approach to watershed health, focusing on biodiversity, watershed processes and functions, and ecosystem resilience and adaptability. With this focus, and with much of Oregon's privately owned land in farming, ranching and forestry, it will be increasingly important for OWEB to provide grants for protection and restoration projects on these lands. Conservation easements will be an important tool to help accomplish this.

Willamette River floodplain near Albany: farming on a property that contains a conservation easement. Photo by Ed Rust.

A Policy Analysis of the Role of Working Land Conservation Easements Using Dedicated Lottery Funds

INTRODUCTION

The Oregon Watershed Enhancement Board (OWEB) receives federal funding from the Pacific Coast Salmon Recovery Fund for restoration and protection of salmon habitat and state funding from the Oregon Lottery. The Oregon Constitution states that OWEB's lottery funds shall be used to:

(a) Protect and improve water quality in Oregon's rivers, lakes, and streams by restoring natural watershed functions or stream flows;

(b) Secure long-term protection for lands and waters that provide significant habitats for native fish and wildlife;

(c) Restore and maintain habitats needed to sustain healthy and resilient populations of native fish and wildlife;

(d) Maintain the diversity of Oregon's plants, animals and ecosystems;

(e) Involve people in voluntary actions to protect, restore and maintain the ecological health of Oregon's lands and waters; and

(f) Remedy the conditions that limit the health of fish and wildlife, habitats and watershed functions in greatest need of conservation.

and allows funds to be used to:

(a) Acquire from willing owners interests in land or water that will protect or restore native fish or wildlife habitats, which interests may include but are not limited to fee interests, conservation easements or leases;

(b) Carry out projects to protect or restore native fish or wildlife habitats;

(c) Carry out projects to protect or restore natural watershed functions to improve water quality or stream flows; and

(d) Carry out resource assessment, planning, design and engineering, technical assistance, monitoring and outreach activities necessary for projects funded.[1]

The purpose of this report is to review, compile, and evaluate policy and program information from federal and state programs that provide funding for acquiring conservation easements on working land. In addition, the report evaluates the experience and practices of seven Oregon land trusts and input from other interested parties. The results are intended to help OWEB better determine how its lottery funding can be used to acquire conservation easements on working land for purposes consistent with the Oregon Constitution and OWEB's statutes.

[1] Article XV, Section 4b, Oregon Constitution, as amended by Measure 76, November 2010.

The report is divided into four sections:

I. Review and evaluation of federal programs that provide funding for acquiring conservation easements on working land. Federal programs analyzed were the Farm and Ranchland Protection Program, Grassland Reserve Program, Forest Legacy Program, and Bonneville Power Administration program for mitigating the effects of the Federal Columbia River Power System on fish and wildlife.

II. Evaluation of state working land conservation easement funding programs administered by Colorado, Maryland, and Washington.

III. Evaluation of conservation easement acquisition programs in Oregon. Programs of five local land trusts (Columbia Land Trust, Deschutes Land Trust, Greenbelt Land Trust, McKenzie River Trust and Southern Oregon Land Conservancy) and two statewide land trusts (Oregon Rangeland Trust and The Wetlands Conservancy) were reviewed.

IV. Findings and policy options, including results from interviews and input from interested parties regarding how working land can contribute to watershed conservation in Oregon.

I. FEDERAL CONSERVATION EASEMENT FUNDING PROGRAMS

Federal programs that provide funding for conservation easement acquisition in Oregon include Farm Bill programs administered by the Natural Resources Conservation Services (NRCS) and Farm Service Agency (FSA), the Forest Legacy Program administered by the USDA Forest Service, and the Fish and Wildlife Program administered by the Bonneville Power Administration (BPA). This report focuses on three Farm Bill programs: the Farm and Ranch Lands Protection Program (FRPP), the Grassland Reserve Program (GRP) and the Forest Legacy Program (FLP), and BPA's Fish and Wildlife Program.

Farm and Ranchland Protection Program

The Farm and Ranch Lands Protection Program administered by NRCS provides matching funds to state, tribal, and local governments and non-governmental organizations to purchase conservation easements. To be eligible, entities must have an established farm and ranch land protection program, matching funds, the authority to hold conservation easements, and capacity to acquire, manage, and enforce them.

From 1996 through 2007, FRPP has enrolled over 533,000 acres nationally in cooperation with more than 400 entities in 49 States, including 16,083 acres in Oregon. Oregon ranks 13 out of the 49 states (Figures 1 and 2).

Figure 1. Total Acres Enrolled in FRPP, FY1996-2007

State	Total Acres	Rank	State	Total Acres	Rank
Alaska	40	49	Montana	30,277	5
Alabama	3,774	29	Nebraska	753	41
Arizona	2,347	38	Nevada	5,145	27
Arkansas	247	46	New Hampshire	6,363	22
California	16,403	12	New Jersey	21,842	8
Colorado	44,493	2	New Mexico	299	44
Connecticut	8,214	20	New York	21,876	7
Delaware	18,191	11	North Carolina	11,222	17
Florida	15,671	14	North Dakota	294	45
Georgia	3,237	34	Ohio	21,187	9
Hawaii	473	42	Oklahoma	3,589	32
Idaho	4,391	28	**Oregon**	**16,083**	**13**
Illinois	3,614	31	Pennsylvania	41,768	3
Indiana	131	47	Rhode Island	3,075	35
Iowa	3,678	30	South Carolina	5,181	26
Kansas	14,563	15	South Dakota	374	43
Kentucky	26,451	6	Tennessee	946	40
Louisiana	41	48	Texas	3,523	33
Maine	5,561	24	Utah	2,971	36
Maryland	36,175	4	Vermont	52,094	1
Massachusetts	11,926	16	Virginia	5,382	25
Michigan	9,629	19	Washington	6,330	23
Minnesota	2,284	39	West Virginia	7,326	21
Mississippi	0	50	Wisconsin	11,004	18
Missouri	2,354	37	Wyoming	20,275	10
U.S. Total 533,067 Acres					

The 2008 Farm Bill amended the FRPP, shifting the purpose of the program from protecting topsoil to "protecting agricultural use and related conservation values of the land."[2] NRCS no longer holds or co-holds easements, but does retain the right to inspect and enforce them. In Oregon, easements must be perpetual.

Land must be private cropland, rangeland, grassland, pasture land, or forest land, although it must not include forest on greater than two-thirds of the easement area.

In many states, FRPP funds provide a match to state and local grants intended for farmland preservation and conservation of ecological values on farmland. Although the 2008 Farm Bill provides more flexibility for addressing ecological values, each state NRCS office approaches this differently through project evaluation criteria and criteria weighting. The sections of this report evaluating working land conservation easement programs in other states point out some of the differences.

Figure 2. FRPP Allocation to Oregon

Year	Financial Assistance ($)	Technical Assistance ($)	Total ($)
1996	0	0	0
1997	0	0	0
1998	0	0	0
1999	0	0	0
2000	0	0	0
2001	0	0	0
2002	0	0	0
2003	1,155,000	33,484	1,188,484
2004	150,000	25,131	175,131
2005	667,500	8,283	675,783
2006	0	4,826	4,826
2007	561,366	13,126	574,492
2008	0	14,986	14,986
2009	0	8,066	8,066
Total	2,533,866	107,902	2,641,768

The degree of coordination between NRCS programs and state funding programs and the consistency between federal and state policies also vary from state to state. Issues include:

- insufficient overlap in program goals and objectives
- differences in policies regarding amounts of impervious surface and forest cover
- difference in timing of grant cycles
- difference in timing of match certification
- procedural delays in NRCS review of appraisals and conservation easements
- different appraisal methodologies
- different approaches to conservation easement design
- inconsistent or duplicative policies on monitoring, evaluation, and enforcement

Changes in the 2008 Farm Bill have provided more flexibility at the state level to address some of these issues, such as appraisals, grant cycle timing, and consideration of ecological values.

Oregon has the country's only state NRCS office with a full-time liaison to state and local conservation entities and programs.[3] This has allowed Oregon NRCS to better coordinate with OWEB, other state

[2] USDA and NRCS, *Farm Bill 2008 At A Glance: Farm and Ranch Lands Protection Program*. May 2008.
[3] Meta Loftsgaarden, NRCS, interviewed April 29, 2010.

natural resource agencies, and local land trusts and agricultural groups, and to take advantage of the flexibility granted to state NRCS programs. This should make it possible for OWEB and NRCS to explore and resolve many of the issues discussed in the report and investigate new approaches to conservation such as the purchase of ecosystem services.

Yainix Ranch Conservation Easement

The Yainix Ranch conservation easement was purchased in 2004 with the assistance of funding from FRPP and OWEB. The easement is held by the Klamath Tribes, with NRCS and OWEB granted third party enforcement rights. The goal of the project was to test and implement changes in cattle management that could help preserve riparian areas and wetlands and provide for needed restoration while maintaining sustainable agricultural practices. The Klamath Tribes, Sustainable Northwest, National Riparian Service Team, Working Landscapes Alliance, National Fish and Wildlife Foundation, NRCS, and OWEB are partners in the easement and restoration work.

The Yainix conservation easement provides specific details regarding conservation goals, including specific conservation outcomes, and requires development of a monitoring plan with annual monitoring and reporting in collaboration with NRCS and OWEB.

Grassland Reserve Program

The Grassland Reserve Program (GRP) was authorized under the Food Security Act of 1985 and funded in subsequent farm bills. The program is administered jointly by NRCS and the Farm Service Agency (FSA). The purpose of the GRP is to "assist landowners and operators to protect grazing uses and related conservation values by conserving and restoring grassland resources on eligible private lands through rental contracts, easements, and restoration agreements." The GRP "emphasizes: (1) Supporting grazing operations; (2) Maintaining and improving plant and animal biodiversity; and (3) Protecting grasslands and shrublands from the threat of conversion to uses other than grazing."[4]

Because of the relatively small size of Oregon's GRP allocation, Oregon NRCS has limited funding to rental contracts and has not funded easements or restoration actions. However, applicants that have other funding for restoration receive additional points in the evaluation process. Restoration actions that score highest are those that improve the ability to manage the property in ways that protect important ecological values. Examples include fencing and off-stream stock watering facilities. Oregon is one of 11 states with no GRP-funded conservation easements (Figure 3).

GRP rental contracts provide annual payments to landowners for preserving ecological values on grazing land while still allowing grazing. For FY2010, Oregon NRCS emphasized “priority lands with high biodiversity and the potential to be under threat of conversion other than grazing.”[5] In eastern Oregon, lands within designated sage-steppe areas that are a high priority for sage grouse were considered a high priority for GRP contracts. In Western Oregon, oak savannah areas with Fenders Blue Butterfly were considered a high priority.[6] In the state’s ranking criteria, support for plant and animal diversity can receive a maximum of 80 out of 400 points. In FY2010, seven contracts were awarded out of

[4] 7 CFR **§** 1415.1 (2009).
[5] NRCS, GRP Ranking Criteria – Fiscal Year 2010. http://www.or.nrcs.usda.gov/programs/grp/grp-ranking.html
[6] Ibid.

approximately 220 applications (Figure 4). Applications were primarily from the east side of the state. Rental rates are determined by the local FSA office based on a formula.

Figure 3. GRP Conservation Easements, Total Acres Closed as of 8/2010

State	Total Acres	Rank	State	Total Acres	Rank
Alabama	179	32	Montana	21,688	2
Alaska	163	34	Nebraska	1,614	15
Arizona	0	40	Nevada	0	48
Arkansas	185	31	New Hampshire	401	26
California	2,731	10	New Jersey	19	39
Colorado	14,098	4	New Mexico	15,225	3
Connecticut	80	37	New York	236	30
Delaware	56	38	North Carolina	259	29
Florida	439	25	North Dakota	2,635	11
Georgia	0	41	Ohio	553	23
Hawaii	0	42	Oklahoma	5,532	5
Idaho	2,155	12	**Oregon**	**0**	**49**
Illinois	177	33	Pennsylvania	607	21
Indiana	559	22	Rhode Island	96	36
Iowa	278	28	South Carolina	992	17
Kansas	22,621	1	South Dakota	310	27
Kentucky	1,933	13	Tennessee	115	35
Louisiana	0	43	Texas	4,916	6
Maine	0	44	Utah	4,800	7
Maryland	0	45	Vermont	0	50
Massachusetts	0	46	Virginia	607	20
Michigan	671	19	Washington	3,696	8
Minnesota	0	47	West Virginia	549	24
Mississippi	1,548	16	Wisconsin	1,783	14
Missouri	981	18	Wyoming	2,764	9
U.S. Total 118,249 Acres					

Figure 4. GRP Rental Contracts, FY 2005-2010

Fiscal Year	# of Contracts	County(ies)	Total Acreage	Total Allocation ($)
2005	16	Baker, Crook, Harney, Jefferson, Morrow, Sherman, Willowa, Wasco	7,066	972,603
2006	0	-	0	
2007	0	-	0	
2008	0	-	0	
2009	3	Wasco	8,084	1,697,640
2010	7	Baker	4,100	802,355

The Oregon GRP program is exploring ways to become more strategic by leveraging resources through partnerships with other land preservation and funding programs.[7]

Forest Legacy Program

The Forest Legacy Program (FLP) was established in the 1990 Farm Bill to protect environmentally important forest lands that are threatened by conversion. It is administered by the USDA Forest Service in partnership with the states, providing federal funding for conservation easements and fee simple purchases. The program provides up to 75% of the cost of an acquisition, with the remaining funding (or in-kind contributions) provided by non-federal sources. For a project to be eligible, it must have an approved forest stewardship plan.

To participate in the FLP, states must prepare an assessment of need (AON) establishing "forest legacy areas" and conservation goals and objectives. Goals can include preservation of wildlife, biodiversity, habitat, water quality, wetlands, and riparian buffers. Oregon's AON was approved by the Secretary of Agriculture in 2001.[8] However, the Legislature prohibited participation in the program until it granted authority in 2007.[9] The Oregon Department of Forestry is the agency responsible for managing the program in partnership with the Forest Service. OWEB participates in the review of proposed projects.

Figure 5. Forest Legacy Program, Total Acres Protected as of 2/18/10

State	Total Acres	Rank*	State	Total Acres	Rank*
Alabama	10,127	20	Missouri	154	40
Alaska	4920	28	Montana	170,749	3
Arizona	630	37	Nevada	111	41
Arkansas	15,923	17	New Hampshire	217,424	2
California	20,620	16	New Jersey	5,498	27
Colorado	10,871	19	New Mexico	7,706	22
Connecticut	8,052	21	New York	135,820	4
Delaware	2,032	33	North Carolina	6,696	25
Florida	4,742	29	Ohio	436	39
Georgia	22,693	15	**Oregon**	**25**	**42**
Hawaii	37,055	13	Pennsylvania	2,956	32
Idaho	57,835	10	Rhode Island	3,461	30
Illinois	493	38	South Carolina	73,428	6
Indiana	7,301	24	Tennessee	40,365	12
Iowa	1,986	35	Texas	13,636	18
Kentucky	3,144	31	Utah	64,334	8
Maine	674,572	1	Vermont	67,768	7
Maryland	2,014	34	Virginia	5,971	26
Massachusetts	7,641	23	Washington	34,115	14
Michigan	120,548	5	West Virginia	764	36
Minnesota	59,531	9	Wisconsin	56,516	11
U.S. Total 1,982,821 Acres					

[7] Todd Peplin, NRCS, interviewed October 22, 2010.

[8] Oregon Department of Forestry, *Oregon Forest Legacy Program Assessment of Need*, 2001. http://www.oregon.gov/ODF/privateforests/docs/legacy/FinalAON.pdf

[9] Oregon Department of Forestry, Oregon's *Forest Resource Strategy, Federal Fiscal Years 2011 thru 2015,* 2010. http://www.oregon.gov/ODF/privateforests/docs/legacy/OregonForestLegacyProgramElements.pdf

New England states have been especially successful in obtaining Forest Legacy Program funds (Figure 5), in part due to the efforts of a network of nonprofit groups, including the Forest Society of Maine and the New England Forestry Foundation, working with cooperating forest landowners and state and local agencies. Oregon is a relatively new participant in the program. Of the 42 states participating, Oregon currently ranks last in the total number of acres of closed projects. Projects approved for funding to date are shown in Figure 6.

Figure 6. Forest Legacy Projects in Oregon

Project	Year Approved	Amount ($)
South Eugene Hills Phase I	2007	460,000
Skyline Forest	2009	1,500,000
Skyline Forest	2010	2,500,000
South Eugene Hills Phase II	proposed	1,075,000

Land trusts often act as an intermediary between landowners and state and federal partners. For example, in Oregon the Deschutes Land Trust has been instrumental in acquiring FLP funding for the Skyline Forest.

Other Farm Bill Programs

Other Farm Bill working land easement programs are summarized in Appendix I.

Bonneville Power Administration

The Bonneville Power Administration (BPA) is a federal agency that markets wholesale electrical power from federal hydro and other northwest power plants, operates and maintains a high-voltage transmission network, and provides mitigation of the Federal Columbia River Power System's impact on fish and wildlife. As part of its mitigation efforts, BPA provides grants for fish and wildlife habitat protection and restoration. "BPA's fish and wildlife program protects and preserves valuable fish and wildlife habitat throughout the Northwest. Since its inception in 1980, the program has set aside more than 300,000 acres of land benefiting hundreds of species. The program protects habitat from development either through outright purchase of land or by purchasing conservation easements on privately owned property. BPA works in partnership with conservation groups, local tribes and state fish and wildlife management agencies."[10] Recent BPA acquisition grants in Oregon are summarized in Figure 7.

[10] Bonneville Power Administration, *BPA funds habitat acquisition in Willamette Valley.* August 2010. http://www.bpa.gov/corporate/pubs/fact_sheets/10fs/Yamhill-Oaks_FACTSHEET8-25-10.pdf

Figure 7. Recent BPA Fish and Wildlife Acquisition Grants in Oregon					
Project	**Acres**	**Partner**	**Working Land**	**OWEB Funding**	**Year**
Big Island	92	McKenzie River Trust			2010
Green Island	58	McKenzie River Trust		✓	2009
Yamhill Oaks Conservation Area	313	The Nature Conservancy		✓	2009
Tualatin National Wildlife Refuge	142.5	US Fish and Wildlife			2009
Buena Vista Conservation Easement	120	Greenbelt Land Trust			2009
Willow Creek Conservation Easement	10	The Nature Conservancy			2009
Little Willamette Conservation Easement	198	Greenbelt Land Trust			2009
Basket Butte Conservation Easement	152	The Nature Conservancy			2009
Yamhill Oaks Conservation Easement	272	The Nature Conservancy		✓	2008
Eola Hills Conservation Easement (Zena)	331	Trust For Public Land, ODFW	✓		2008
Lone Star Ranch Conservation Easement	199	Greenbelt Land Trust	✓		2008
Zena Timber Conservation Easement	1466	Trust For Public Land, ODFW	✓		2007
Coburg Hills Conservation Easement	1244	The Nature Conservancy			2007

Zena Timber Property
Conservation Easement

In 2007, BPA provided funding to the Trust for Public Land (TPL) to acquire a conservation easement on the 1600-acre Zena Timber property, located in the Eola Hills in the central Willamette Valley. TPL acquired the property in fee, developed a conservation easement and long-term management plan, and sold 300 acres of the property to Willamette University and the remaining acreage back to the original owners. The conservation easement protects habitat for priority plant and animal species and allows sustainable forestry practices under FSC guidelines. Willamette University will use the property for educational purposes and plans a restoration project with the help of funding from OWEB, awarded in 2010. The Zena property has served as a sustainable forestry model for small woodland owners in the Willamette basin.

II. CONSERVATION EASEMENT FUNDING PROGRAMS IN OTHER STATES

Programs in Colorado, Maryland, and Washington were evaluated. In addition to looking at web-based information such as strategic plans, grant program descriptions and evaluation criteria, the director of each program was interviewed, as was the appropriate staff person in the state's NRCS office, the state's Forest Legacy Program coordinator, and at least one land trust that was a recipient of the state funding. Detailed reports on each state with a list of contacts can be found in Appendix II-IV.

State easement programs were selected for evaluation based on program longevity, the framework of state land use laws, innovative approaches to financing and landowner incentives, focus on farm or forest lands, existence of an over-arching state working land preservation strategy, and the degree of participation in federal funding programs.

Colorado

Greater Outdoors Colorado (GOCO) was established by the state's voters in 1992. Like Oregon, the program's funding comes from the state lottery. GOCO's Open Space Program provides about eight million dollars a year for protection of open space and natural areas of statewide significance. About 85% of the acquisitions are conservation easements.

Colorado has one of the first agricultural land trusts in the country formed by mainstream producers—the Colorado Cattlemen's Agricultural Land Trust—created in 1995.

Colorado is also one of 15 states in the country[11] that offer a state income tax credit for donated easements. Credits are transferrable, and can be sold to another Colorado taxpayer.

***"While the protection of agricultural land is not part of GOCO's constitutional charge, many of these lands contain the wildlife habitat, scenic view corridors, and/or community separators that GOCO is charged with protecting. Agricultural landowners will be a key partner in developing and achieving any land and water conservation goals as GOCO works to accomplish its land protection mission."* (GOCO 2010 Strategic Plan)**

The Open Space Program is more opportunistic than strategic, depending on local entities to submit high priority and high quality projects. GOCO's staff evaluates the applications based on established criteria. The staff coordinates with the state NRCS office to see if projects could benefit from and would qualify for joint funding through the FRPP.

Maryland

Maryland has three state programs that provide for acquisition of working land easements:

- Maryland Environmental Trust, established by the General Assembly in 1967, protects agricultural, forest, and natural resource land through voluntary donation of conservation easements. The Trust is administered by the Department of Natural Resources.
- Rural Legacy Program, established as part of Maryland's Smart Growth legislation in 1997, provides funding to acquire conservation easements for agricultural, forest and natural areas

[11] Arkansas, California, Colorado, Connecticut, Delaware, Georgia, Iowa, Maryland, Massachusetts, Mississippi, New Mexico, New York, North Carolina, South Carolina, and Virginia.

subject to development pressure, and fee interests in open space where public access and use is needed. The program is part of the state's Department of Natural Resources.

- Maryland Agricultural Land Preservation Foundation (MALPF) was established in 1977 by the Maryland General Assembly. The Foundation is part of the Maryland Department of Agriculture. It purchased its first conservation easement in 1980.

Appendix III primarily addresses MALPF, since MALPF's focus is specifically on conservation of working land. As of January 1, 2009, MALPF easements had resulted in preservation of 275,000 acres. Of that, 77,000 acres (28%) were forested (MALPF treats forest land in the same manner as farmland). Funding comes from the state's real estate transfer tax—a tax assessed on all real estate property transfers—and a portion of the agriculture transfer tax, which is collected when farmland is sold and converted to another land use. FY2009 funding was approximately $25 million.

Maryland pioneered an innovative conservation easement financing mechanism utilizing an installment purchase agreement (IPA) and zero coupon bonds. This provides a revenue stream to the landowner over a period of 20 to 30 years and a way for the governmental entity funding the easement to avoid restrictions related to debt limit. Maryland also offers an income tax credit for donated easements.

Maryland has an overall state agricultural policy, *A Statewide Plan for Agricultural Policy and Resource Management*, prepared by the Maryland Agricultural Commission in 2006. This policy provides an overall policy framework for the state's working land preservation programs.

MALPF's coordination with other state programs seems to be problematic due to the programs residing in different agencies. In the past, MALPF has been at odds with NRCS over easement valuation, inclusion of forest land and other issues.

Evaluation of grant applications to MALPF occurs at the county level by volunteer committees. MALPF allocates funding across counties by formula. State staff members are primarily involved in setting policy, supporting the MALPF board, and addressing legal disputes and litigation.

Rather than using the traditional "before and after" appraisal method, MALPF computes the value of an easement by subtracting the property's agricultural production value from its fair market value without the easement. The agricultural production value is determined by staff using a formula that includes land rent based on the soil productivity or the five-year average cash rent in the county.

Washington

The Washington Recreation and Conservation Office (RCO) administers a number of grant programs for salmon recovery and wildlife habitat restoration and protection and a program specifically for farmland preservation. The Farmland Preservation Program (FPP) was established by the legislature in 2005 as an amendment to the Washington Wildlife and Recreation Program, originally established in 1989. Funding is from the sale of tax-exempt general obligation bonds authorized by the legislature in the biennial capital budget. The FPP received about $6 million for the 2009-11 biennium.

At the state level, the FPP is more opportunistic than strategic. A state committee of volunteer farmers and agency representatives ranks applications submitted by cities, counties and non-profit organizations around the state. Grant applications can receive up to 22 points out of a possible 133 points for preservation of ecological values.

Washington does not have an over-arching agricultural policy and state agencies involved in preservation of farmland, farming and farmers are poorly coordinated. However, coordination between the RCO and the state NRCS office is fairly effective, and FRPP funds often serve as the match for FPP grants.

The FPP requires grant recipients to use a very detailed and specific model easement, but allows some variation to reflect landowner needs and unique conditions on each parcel.

Observations of State Programs

Figure 8 provides a summary of the three state funding programs evaluated.

Two fundamentally different approaches were used by the states to evaluate grant applications. Colorado and the Washington Wildlife and Recreation Program (including the FPP) establish eligibility and evaluation criteria and evaluate projects at the state level. The distribution of funding around the state depends on which projects score the highest in the evaluation process. Maryland and the Washington Salmon Recovery Funding Board establish eligibility criteria and evaluation guidelines at the state level but depend on local entities to evaluate proposals. The distribution of funding across the state is predetermined by formula.

The effectiveness of coordination with other funding entities—both federal and state—also differed. Colorado appears to have good communication with NRCS, as does Washington State. Maryland was having a more difficult time cooperating with NRCS due to a number of issues, including appraisal methodology. Coordination with state programs seemed to be a problem in Maryland, cited as resulting from the programs being administered in different state agencies. In Washington, the coordination between WWRP and SRFB programs is excellent, due primarily to being administered by the same agency and sharing of policy staff. However, coordination with other state agency easement and farmland preservation programs has been problematic.

It is difficult to compare state grant program staffing levels due to very different agency roles and approaches to grant-making. Maryland, the oldest program evaluated, depends on county-level committees to solicit and evaluate grant applications. State-level staff are primarily involved in supporting the Board in policy and rule making and resolving legal issues, including appeals, legal disputes, and litigation related to non-compliance—a growing need as easement programs are in place for longer periods of time. Colorado has three staff members that carry out the entire grant-making process. The Washington State Farmland Preservation Program, the newest of the three programs evaluated, depends on grant managers, fiscal and policy staff, averaging 0.5 FTE over the biennium.

The Colorado Open Space Program is funded by a portion of lottery revenues that are dedicated (although capped by an inflation-based formula) to the Greater Outdoors Colorado program. Maryland receives real estate transfer tax and agriculture transfer tax revenues. Washington depends on a legislative appropriation of general obligation bond funds in the biennial capital budget. Use of these tax-exempt bonds has resulted in some problems due to federal constraints on use of revenues generated by the protected properties (for example, from grazing leases or sale of mitigation credits).

All three states grant a property tax reduction for lands with conservation easements. Colorado and Maryland also grant an income tax credit for donated easements.

Maryland was the only state with a state-level strategy to preserve agricultural land and agriculture.

Figure 8. Summary of State Land Preservation Funding Programs			
	Colorado Open Space Program	**Maryland MALPF**	**Washington FPP**
Year founded	1992	1977	2005
Approach to evaluation	State Level	County Level	State Level
Statewide fund distribution	Competitive	Formula	Competitive
Coordination with federal programs	Good	Fair	Good
Staffing	3 FTE	7.5 FTE	.5 FTE
Staff role	All aspects of program	Board rules and policy; legal disputes	All aspects of program
Fund source	Lottery	Real estate transfer tax; agriculture transfer tax	Tax-exempt general obligation bonds
Average annual funding level	$8 million	$25 million	$3 million
Incentives	Property tax reduction; Income tax credit	Property tax reduction; Income tax credit; installment payments	Property tax reduction
Statewide agriculture policy or strategy	No	Yes	No

III. CONSERVATION EASEMENT ACQUISITION PROGRAMS IN OREGON

Seven Oregon Land Trusts were reviewed and evaluated using web-based documents such as strategic and conservation plans, newsletters and project descriptions. In addition, the executive director or conservation director of each organization was interviewed. Detailed reports on each land trust can be found in Appendix V-XI. Figure 9 provides a summary of findings.

Land Trust Missions, Goals, Objectives
The missions, goals and objectives of the Oregon land trusts differ, as do the strategic approaches to achieving their goals and objectives. All seven have acquired conservation easements on working land, but for a variety of reasons, including: preserving farming, ranching and forestry as a an important economic activity and valued way of life; preserving vistas of working land; fostering sustainable agricultural and forestry practices; and preserving important ecological values such as migration corridors, priority habitat types, water quantity and quality, and habitat for sensitive, threatened and endangered species.

Prioritizing Acquisitions
Land trusts' approaches to prioritizing acquisitions varied from opportunistic to highly strategic. The Southern Oregon Land Conservancy and Oregon Rangeland Trust, for example, have utilized a more opportunistic approach to date, depending on landowners to come forward with a proposed donation or sale of an easement. Proposed acquisitions are screened and evaluated using a set of criteria to help ensure that the acquisition meets the organizations goals and objectives as well as their capacity to monitor and enforce the easements in the future. Other land trusts have developed a more strategic approach, utilizing a variety of decision-making tools based on scientific studies, models, and geographic information systems to target specific areas and parcels using an ecosystem- and landscape-based approach and proactively approaching landowners.

Funding Sources
Land trusts' utilization of state and federal funding sources also vary. All of the trusts depend on private contributions and foundation grants to support operations and assist with specific projects. The most frequently cited sources of state and federal support were: OWEB, North American Wetlands Conservation Act (NAWCA), BPA, U.S. Fish and Wildlife (USFWS), and National Fish and Wildlife Foundation (NFWF). In all, land trusts' web sites, annual reports and newsletters listed a total of 96 different entities providing support, consisting primarily of foundations.

Working Land Contribution to Watershed Conservation
All of the land trust representatives interviewed agreed that preservation of ecological values on working land is crucial to watershed conservation in Oregon, and that conservation easements are an important way to accomplish this.

Land trust representatives brought up a number of issues regarding conservation easements on working land:

- Zoning. Although low density zoning is intended to protect working lands, land trust representatives did not have much confidence in zoning to preserve those lands in perpetuity. Low density zoning can often result in a low appraised value of an easement.
- The importance of keeping agricultural land and timberland in production when possible.

- "Siloed" state and federal funding sources. It is often difficult to combine funding sources for a specific project due to differences in project eligibility and evaluation criteria, match requirements, timing, and easement drafting.
- Being able to adapt to future long-term social, economic and ecological changes such as climate change.
- The need for monitoring and adaptive management.
- Landowners may be wary of government being a co-holder of a conservation easement.
- Conservation easement requirements. Most land trusts prefer flexible, less prescriptive conservation easements accompanied by more detailed management plans.
- Funding gaps, especially for upfront project costs, planning large multi-landowner acquisitions, monitoring, stewardship, adaptive management.
- The need for public policies on purchase of ecosystem services.
- Lack of clear OWEB policy, and sometimes a perceived lack of staff and review team enthusiasm, regarding conservation easements on working land.

These issues will be discussed in greater detail in the findings section of the report.

Standards and Practices

"Land Trust Standards and Practices are guidelines for the responsible operation of a land trust, which is run legally, ethically and in the public interest and conducts a sound program of land transactions and stewardship."[12] All seven of the land trusts interviewed have adopted the land trust Standards and Practices and three (Deschutes Land Trust, Greenbelt Land Trust, and McKenzie River Trust) have received accreditation from LTA's Land Trust Accreditation Commission.[13]

Staffing

The size and roll of land trust staff differ considerably. All have full-time executive directors, and, with the exception of the Oregon Rangeland Trust, staff (or portions of staff) dedicated to outreach (landowner contact, educational programs, newsletters, tours, events), stewardship (site visits, management plan review), development (membership, major donors, grants), acquisition transactions (negotiations, appraisals, baseline inventories), and administration. Most legal work is being done under contract or *pro bono*, as are the development of conservation plans and baseline assessments. All of the trusts have considerable assistance from volunteers and board members.

Trusts that own property in fee (which requires more hands-on management) and trusts undertaking highly strategic, landscape-scale restoration projects with multiple landowners and funding sources tend to have larger staffs, for example, the Columbia Land Trust with 19 FTEs. The land trusts with the smallest staff—Southern Oregon Land Conservancy with four FTEs and the Oregon Rangeland Trust with one—were primarily focused on opportunistic voluntary donation of easements.

[12] Land Trust Alliance, http://www.landtrustalliance.org/training/sp/land-trust-standards-and-practices
[13] Land Trust Accreditation Commission, http://www.landtrustaccreditation.org/index.php

Figure 9. Summary of Land Trusts Reviewed

							# Properties & Acres Preserved		
Land Trust	**Founded**	**Mission**	**Conservation Goals**	**Geographic Scope**	**Acquisition Strategy**	**Source of Acquisition Funds**	**Fee Simple**	**Cons. Ease.**	**Staffing**
Columbia Land Trust	1990	The Columbia Land Trust conserves signature landscapes and vital habitat together with the landowners and communities of the Columbia River region.	Conserve, restore, and manage signature landscapes, vital habitats, and working farms and forests that are at risk from overdevelopment, unsustainable practices, and other threats.	Portions of 14 counties in Washington and Oregon from John Day River to the Pacific Ocean bounded by a corridor roughly 50 miles wide along the banks of the Columbia.	Four conservation initiatives (habitat, forest, farm/ranch, urban green space); define focal areas, watershed priorities, target parcels.	FRPP, NAWCA, LCREP, BPA, SRFB, FLP, Yakima Fisheries, NMBCA, OWEB, USFWS	10,000 ac	1000 ac	~19 FTEs: Admin., finance, operations: 4 Conserv. and stewardship: 11 Development and outreach: 4
Deschutes Land Trust	1995	To work cooperatively with landowners to conserve land for wildlife, scenic views and local communities	Wildlife habitat, sustainable working lands, open space for scenic enjoyment. In the next 3 years: salmon and steelhead habitat in upper Deschutes basin, Skyline Forest, oak woodlands in lower basin.	Deschutes river basin, including the Deschutes, Little Deschutes, Whychus, Metolius, Crooked, and Warm Springs Rivers.	Priorities for a given reach are based on level of threat, ability to acquire major contiguous properties on a stream, ongoing or proposed restoration, habitat value, soil quality, opportunities to protect ecosystem resilience, and priorities in applicable plans and studies.	OWEB, FLP, FRPP	2745 ac	5454 ac	8 FTEs ED Development: 2 Stewardship: 2 Office manager: 1 Outreach: 1 Conservation/acq.: 1
Greenbelt Land Trust	1989	To conserve and protect in perpetuity native habitats, working lands and lands of natural beauty, which provide a connection to the natural world for the residents of the Mid-Willamette Valley.	Conservation of properties of ecological significance in the mid-Willamette Valley and the protection of properties of community-wide value, particularly scenic properties in and near Corvallis and Philomath	Benton County and mid-Willamette Valley.	Specific areas targeted, listing conservation objectives and recommended actions; specific species and habitat types also prioritized.	BPA, OWEB, NAWCA, LIP	3 374 ac	12 912 ac	6 FTEs ED Office administrator: 1 Development: 1 Stewardship: 1 Outreach: 1 Special Projects: 1
McKenzie River Trust	1989	The McKenzie River Trust protects special lands in Lane and Douglas Counties for their habitat, water quality, and scenic values.	Protecting and restoring riparian and wetland habitats; native uplands, including oak woodland and savanna, and wet prairie ecosystems; restoring landscape-level connections.	Watersheds in Lane and Douglas Counties: McKenzie River; Siuslaw River; Long Tom River; Mainstem, Middle and Coast Forks of the Willamette River; and the Umpqua River.	For each watershed, the Trust identifies key conservation targets. Within each watershed, the Trust identifies and ranks priority sub-basins, and within priority sub-basins the Trust selects priority areas.	Donations, OWEB, USF&W, NAWCA, NFWF, Eugene Water and Electric Board	9 1323 ac	20 1578 ac	6.5 FTEs ED Development: 1 Land protection: 1 Land steward: 1 Upper Willamette Project: 1 Green Island Project: 1 Office manager (part time)

Oregon Rangeland Trust	2001	The mission of the Oregon Rangeland Trust is to help Oregon ranch and farm landowners protect and preserve the long-term viability of their ecologically significant private lands.	Preservation and protection of land in its natural, scenic, historical, agricultural, rangeland, wildlife habitat, recreational and/or open space condition.	Oregon and assisting the Washington Cattlemen's Association in Washington.	Opportunistic. Proposed parcels are evaluated first through a checklist, then scored criteria. Agricultural, ecological, open space and other values are considered, along with threat and viability.	OWEB, FRPP, NAWCA, NFWF		3 12,000 ac	1 FTE (Executive Director)
Southern Oregon Land Conservancy	1978	To protect special lands in the Rogue River Basin and surrounding areas for present and future generations by working cooperatively with landowners and communities.	The priority order of acquisitions: ag land, river and stream corridors, viewsheds, wildlife corridors.	Rogue River Basin, including Jackson, Joseph, Curry, Coos and South Douglas Counties. Currently concentrating on Jackson and Joseph Counties.	Until recently, opportunistic easement donations; currently developing a conservation strategy.	All easements donated by landowners. One OWEB technical assistance grant.	1 30 ac	42 8280 ac	~4 FTEs Executive Director Conservation coordinator: 1 Development: 1 Office manager (part time) Attorney (part time)
The Wetlands Conservancy	1981	The Wetlands Conservancy is the Leading Voice for Oregon's Greatest Wetlands- Promoting Conservation, Collaboration, and Stewardship.	Promoting community and private partnerships to permanently protect and conserve Oregon's greatest wetlands.	Oregon	Priorities are established using the database "Oregon's Greatest Wetlands" and the Oregon Wetland Explorer, a collaboration of TWC and the Institute for Natural Resources.	OWEB, US F&W, EPA	1870	ac total	7 FTEs Executive Director Operations Director Office Manager Urban Property Steward Coastal Steward Wetland Ecologist GIS Analyst

IV. FINDINGS

Working Land in Oregon

Half of Oregon's 62,161,000 acres are owned by the federal government. Of that half, about 49.5% is owned by the Bureau of Land Management (BLM), 47.7% by the U.S. Forest Service, and the remainder by the Army Corps of Engineers, National Park Service and the U.S. Military. Most of the non-federal land in Oregon is privately owned and is in forest, range and farmland (see Figure 10). People interviewed for this report pointed out that, as a result of these ownership and land use patterns, it is likely that high priority ecological values on private land will often be on working land.

Working Land Contribution to Watershed Conservation

Most of the land trust representatives interviewed for this report noted that within their land trust's geographic area of interest, much of the privately-owned land is working land. As a result, effective watershed conservation cannot be accomplished effectively without protecting and restoring ecological values on those lands (see individual land trust responses in Appendix V-XI). Land trust representatives noted that preserving and restoring ecological values on working land becomes even more important as conservation efforts focus at a landscape scale—"ridgetop to estuary"—in order to preserve water quantity and quality, riparian and migration corridors, ecosystem resilience, and other ecosystem functions and processes. This requires targeting larger and/or contiguous parcels of land for conservation efforts.

In addition to preserving ecological values through conservation easements, management plans required by the easements offer opportunities to foster sustainable agricultural and forestry practices that can provide important environmental benefits and provide for stewardship by landowners who understand and care for the land.

"The ranges of plants and animals are moving in response to recent changes in climate. As temperatures rise, ecosystems with 'nowhere to go', such as mountains, are considered to be more threatened. However, species survival may depend as much on keeping pace with moving climates as the climate's ultimate persistence." **(Scott R. Loarie, *et al.*, "The Velocity of Climate Change," *Nature* 462, 1052-1055, December 2009)**

Respondents also observed that working land conservation easements can help build community and landowner support for conservation programs (discussed below).

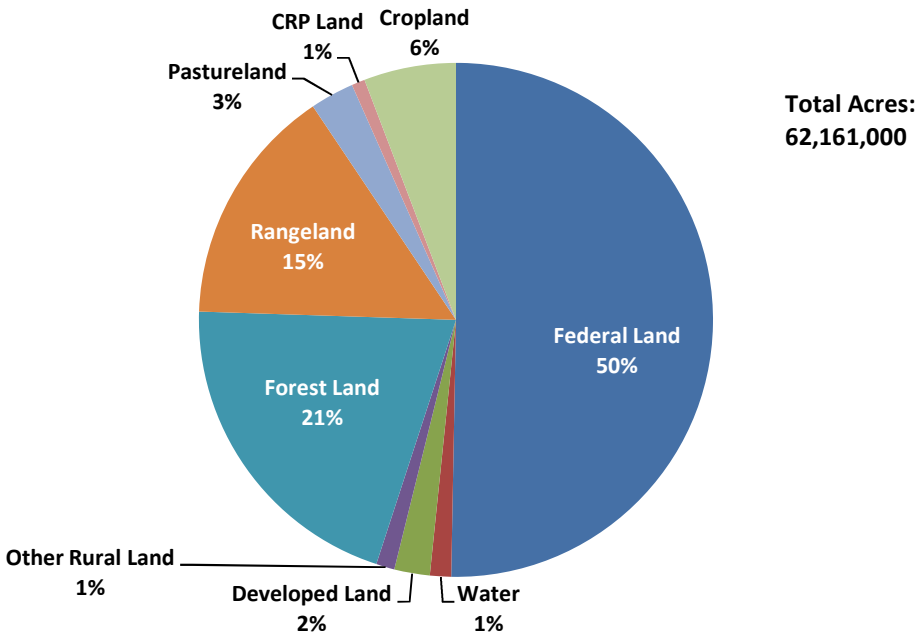
Suggestion: OWEB consider adopting a policy regarding ecological values on working land. A suggestion based on the policy of Colorado's Open Space Program:

> *While the protection of farm, ranch and forest land is not specifically a part of OWEB's constitutional charge, many of these lands contain important plant, fish, and wildlife habitats and other ecological values that OWEB is charged with restoring and protecting. Agricultural and forest landowners will be key partners in developing and achieving conservation goals as OWEB works to accomplish its mission of restoring and protecting high priority habitat, water quality, and other watershed functions and processes.*

Keeping Working Land Working

All of the land trust representatives interviewed for this project pointed out the importance of minimizing the loss of productive agricultural and timber land. Respondents believe that if working land

Figure 10
Surface Area, by Land Cover/Use, Oregon, 2007[14]



[14] "**Cropland.** A *Land cover/use* category that includes areas used for the production of adapted crops for harvest. Two subcategories of cropland are recognized: cultivated and noncultivated. Cultivated cropland comprises land in *row crops* or *close-grown crops* and also other cultivated cropland, for example, hayland or pastureland that is in a rotation with row or close-grown crops. Noncultivated cropland includes permanent *hayland* and *horticultural cropland*."

"**Developed land.** A combination of land cover/use categories, *Large urban and built-up areas, Small builtup areas*, and *Rural transportation land*."

"**Forest land.** A *Land cover/use* category that is at least 10 percent stocked by single-stemmed woody species of any size that will be at least 4 meters (13 feet) tall at maturity. Also included is land bearing evidence of natural regeneration of tree cover (cut over forest or abandoned farmland) and not currently developed for nonforest use. Ten percent stocked, when viewed from a vertical direction, equates to an areal canopy cover of leaves and branches of 25 percent or greater. The minimum area for classification as forest land is 1 acre, and the area must be at least 100 feet wide."

"**Pastureland.** A *Land cover/use* category of land managed primarily for the production of introduced forage plants for livestock grazing. Pastureland cover may consist of a single species in a pure stand, a grass mixture, or a grass-legume mixture. Management usually consists of cultural treatments: fertilization, weed control, reseeding or renovation, and control of grazing. For the NRI, includes land that has a vegetative cover of grasses, legumes, and/or forbs, regardless of whether or not it is being grazed by livestock."

"**Rangeland.** A *Land cover/use* category on which the climax or potential plant cover is composed principally of native grasses, grasslike plants, forbs or shrubs suitable for grazing and browsing, and introduced forage species that are managed like rangeland. This would include areas where introduced hardy and persistent grasses, such as crested wheatgrass, are planted and such practices as deferred grazing, burning, chaining, and rotational grazing are used, with little or no chemicals or fertilizer being applied. Grasslands, savannas, many wetlands, some deserts, and tundra are considered to be rangeland. Certain communities of low forbs and shrubs, such as mesquite, chaparral, mountain shrub, and pinyon-juniper, are also included as rangeland."

From: U.S. Department of Agriculture. *Summary Report: 2007 National Resources Inventory*, Natural Resources Conservation Service, Washington, DC, and Center for Survey Statistics and Methodology, Iowa State University, Ames, Iowa, 2009.

is taken off the tax rolls and out of production for conservation purposes, it will almost certainly lead to the erosion of public and elected officials' support of conservation land acquisition programs in the future.

Working land conservation easements can help build landowner and community support because:

- properties remain in private ownership
- landowners are compensated for actions that otherwise would result in lost income
- properties continue to be economically productive, supporting the local and state economy
- continued farming, ranching and forestry helps ensure survival of the local infrastructure necessary to support those activities and to continue a valued way of life
- properties remain on the tax rolls

Land trust opinions differed on how to ensure protection of ecological values on working lands while allowing continued farming, ranching and forestry. This will be addressed later in this report.

Suggestion: OWEB consider recognizing the importance of the community values listed above when evaluating proposals for protection of high priority ecological values on working land.

Role of Land Trusts

All of the Oregon land trusts reviewed for this report include as part of their mission the acquisition of conservation easements on working land. Because of land trusts' local nature, citizen governance, and extensive community outreach, they tend to be respected and trusted by local landowners and elected officials. And unlike most local government agencies, land trusts have a high-level of expertise and experience in conservation easement acquisition and management. In addition, land trusts have the ability to raise private funds and generally can operate with an extremely low overhead.

Land trusts in Oregon, like those around the United States, are becoming more strategic in targeting the highest priority lands for protection and restoration. However, the results of the interviews show that as trusts become more strategic, more staff time is spent on assessments and plans, outreach to landowners in priority areas, and seeking funding through fundraising and grant writing. In addition, working land conservation easements are staff-intensive due to complex negotiations with landowners and funders, management plan development, and monitoring. State and federal funding for planning, landowner outreach, project development, building partnerships, and appraisals and surveys is limited. If land trusts are to be successful in strategic landscape- and ecosystem-scale preservation and restoration, they will require adequate staff and other resources.

Suggestion: OWEB affirm that land trusts play a vital role in preserving and restoring ecological values on working land and consider providing additional support for land trust capacity, focused specifically on resources needed to be successful in strategic landscape- and ecosystem-scale preservation and restoration efforts. This could include direct financial and technical support to land trusts (see funding gaps, below); supporting database, modeling and decision support systems; developing model working land conservation easements, monitoring and adaptive management plans; and, most importantly, supporting pilot projects intended to evaluate new techniques and approaches.

Anticipating Long-Term Social, Economic and Ecological Trends: Managing for Change

In the 1970s, when non-profit land preservation programs were becoming more common, the focus was primarily on protecting open space from development, preserving prime soils for farming, and protecting patches of habitat important to threatened and endangered species. More recently it has become clear that land preservation programs must recognize that social, economic and ecological systems are interconnected, not independent, and are dynamic rather than static. Issues and trends that were not anticipated in the 1970's include: cell towers and wind turbines on agricultural land; the movement to grow high quality food locally; the shortage of next-generation farmers and ranchers; long-term climate change (with its effects on agriculture and ecosystems);[15] the importance of ecosystem processes to ecosystem health; invasive species threats; the need to "reposition" conservation land to improve ecosystem viability, connectivity, and to provide for adequate management; and the emergence of ecosystem services markets, such as those for carbon credits.

There is a concern that unless conservation easements can accommodate these and other unanticipated socio-economic and ecological changes arising between now and "perpetuity," the usefulness of these easements in achieving their goals may be significantly diminished in future years. There is a risk that highly detailed and prescriptive easements could effectively lock a parcel of land into today's economic and ecological state in what is, in reality, a very dynamic environment.[16]

"The static, 'equilibrium' view of nature as unchanging is yielding to a dynamic model based on the conclusion that 'natural systems change incessantly.' **Duncan M. Greene, " Dynamic Conservation Easements: Facing the Problem of Perpetuity in Land Conservation," Seattle University Law Review, Vol. 28:467. 2005.**

Long-term climate change provides one example of the need for a change in conservation priorities and flexibility in conservation land management.[17] Given the current unpredictability of climate change impacts, land managers are recognizing the need for ecosystems to be able to adapt to whatever changes that may occur. This, in turn, requires ecosystems that are resilient and therefore healthy. Conservation efforts should not focus only on specific species or patches of habitat, but also on enhancing ecosystem resilience and adaptability through restoration and protection of ecosystem processes, preservation of biodiversity and genetic diversity, consideration of food webs,[18] and restoration of habitat connectivity.

Recognizing the need to anticipate long-term change, some of the land trusts interviewed for this report have begin to focus on protection of ecosystem functions and processes at a landscape level. For example, the McKenzie River Trust has a strategy to "Manage and restore properties owned by MRT in collaboration with partners to encourage dynamic ecosystem processes and landscape level habitat connections."[19] The Deschutes Land Trust "...is addressing climate change through acquisitions and restoration actions that bolster ecosystem resiliency."[20]

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[15] Oregon Climate Change Research Institute, *Oregon Climate Assessment Report*, K.D. Dello and P.W. Mote (eds), College of Oceanic and Atmospheric Sciences, Oregon State University, Corvallis, OR, 2010.

[16] Richardson, Jesse J., "Conservation Easements and Adaptive Management," Sea Grant Law and Policy Journal, Vol. 3, No. 1 (Summer 2010).

[17] James L. Olmsted. *Climate Surfing: A Conceptual Guide to Drafting Conservation Easements In The Age Of Global Warming.* St. John's Journal of Legal Commentary, Vol. 23:3 (2008).

[18] Independent Scientific Advisory Board, *Columbia River Basin Food Webs: Developing a Broader Scientific Foundation for Fish and Wildlife Restoration,* Document ISAB 2011-1, January 7, 2011.

[19] McKenzie River Trust 2005-2009 Strategic Plan.

[20] Brad Nye, Deschutes Land Trust, email 1/26/11.

Suggestion: When evaluating a proposal for acquisition of a conservation easement, OWEB consider not only the importance of habitat and species assemblies on the parcel, but also the contribution of the parcel to ecosystem health and resilience and the ability of land managers to modify how the land is managed in the future to take into consideration changing ecological and socio-economic conditions.

Zoning

Oregon has zoning requirements that are intended to help preserve working land. Land trust representatives, however, expressed a lack of confidence that zoning laws would be effective in preserving working land in perpetuity due to possible legislative changes at the state and local level and lack of enforcement of existing regulations. However, the land trusts do take zoning into consideration when assessing level of threat.

Respondents' primary concern regarding zoning was the affect on conservation easement appraisals. Because easement appraisals are based on the "before and after" method—subtracting the value of the property with the easement from the value of the property without the easement—appraisals of conservation easements on working land can be low if the land does not have great development potential due to low density zoning. As a result, landowners do not have sufficient financial incentive to sell or donate an easement. In some areas, where landowners may be willing to donate or sell an easement anyway, pending Measure 37 claims have resulted in landowners waiting to see if easements might have a higher value in the future.

Suggestion: Investigate alternative approaches to conservation easement valuation. Possibilities include: appraising ecosystem services protected by the easement; valuing the easement based on lost income resulting from the easement; valuing the easement based on income producing potential from agricultural activities on easement-encumbered property, such as the market value of cash rent,[21] as is done by the Maryland Agricultural Land Preservation Foundation.[22] Some of these approaches might require state legislation and rulemaking and would affect the level of match from federal programs such as the FRPP, which requires traditional "before and after" appraisals to compute the maximum level of NRCS support. There would also be issues around valuing income tax deductions in the case of donations and bargain sales.

Conservation Easement Acquisition

Respondents noted challenges associated with acquiring working land conservation easements. Easements are difficult to negotiate for a variety of reasons including landowner reluctance to accept prescriptions and, if public funding is involved, a dislike of government oversight, especially if government holds or co-holds the easement. Easements can also be difficult to negotiate if there are multiple funding sources involved with different requirements for easement scope and content, appraisal methodology, management plan content and approval, monitoring and evaluation.

[21] "Cash Rent: All land operated that is rented on a per acre basis for cash only. This excludes land rented for a share of the crop or livestock; on a fee per head, per pound of gain, or AUM basis; on a 'Whole Farm' basis; land rented free of charge; or land rented that includes buildings such as greenhouses or dairy barns." From: *Land Values and Cash Rents 2010 Summary*, August 2010. USDA, National Agricultural Statistics Service.

[22] The Foundation calculates an Agricultural Value for the property, which is its agricultural production value. The Agricultural Value is determined by a formula that calculates land rent based on the soil productivity OR the five-year average cash rent in the county, whichever is lower. From: *The Easement Acquisition Process.* MALPF Fact Sheet 2.

Suggestion: Rather than holding or co-holding easements, OWEB consider other methods to ensure the accountability of public funds and enforceability of easements, such as third party rights of enforcement, notice of grant restriction, or assignment of rights.

Conservation Easement Design

Because land trusts are recognizing the importance of managing land for change rather than locking it into today's economic and ecological state, they are beginning to prefer conservation easements that are clear about the goals and objectives of the easement but leave the details of land management to a management plan which includes a monitoring and adaptive management strategy. This allows for changes in the future that would otherwise require amending the easement or having it decline in ecological value.

> ***"Conservation easements, by design, fail to allow adequate adaption to rapid changes in scientific knowledge and the environment. Nature and scientific knowledge constantly change and huge transformations occur, sometimes abruptly. Perpetuity proves especially problematic in light of climate change and rising sea levels, which accelerate the rate of change. The touchstone of conservation easements has not been flexibility but rather strict adherence to the status quo."*** **(Jesse J. Richardson, Jr., "Conservation Easements and Adaptive Management," Sea Grant Law and Policy Journal, Vol. 3, No. 1, Summer 2010)**

A more flexible, less prescriptive approach to conservation easement drafting can be problematic, however, for a public funding program. Land acquisition programs funded by tax dollars must be accountable to the public and legislative authority. Easements must have clear public value and be enforceable. As a result, administrators of public funding programs tend to prefer detailed conservation easements that are easier to defend in court and that ensure the accountability of public funding. Developing and agreeing to management plans, periodic review and revision of the plans, monitoring, and adaptive management are staff-intensive, harder to enforce, and less transparent to the public. In addition, this more flexible, less prescriptive approach requires ongoing cooperation between the grantor, grantee and funding entities as well as significant technical assistance. In the long-term, however, this approach to conservation easements and management plans is more likely to offer greater value to the public than highly prescriptive easements that lock land into today's socio-economic and ecological conditions.

Suggestion: OWEB recognize the importance of conservation easements that are adaptable to future ecological and socio-economic changes, and evaluate the tradeoff between short-term enforceability and accountability versus the long-term ability to ensure that conservation objectives will continue to be met. Work with land trusts and funders (NRCS, BPA) to develop a coordinated approach to conservation easements, management, monitoring and adaptive management plans.

Combining Multiple Funding Sources

As agencies and organizations move towards land preservation and restoration at a landscape and ecosystem scale, they are dealing with larger parcels of land, multiple landowners, political jurisdictions, and regulatory agencies. These projects typically require years of planning and cost many millions of dollars. Except for BPA, there is no funding entity that can meet all of the needs of these large-scale projects, thus requiring organizations to piece together funds from many different sources.

Funds for working land conservation easement acquisitions are administered by a number of state and federal agencies, each with different purposes, policies and procedures. Land trusts find it difficult to combine funds from these various sources due to:

- insufficient overlap of funding program goals and priorities
- differences in grant cycle timing
- incompatible match certification timing requirements
- delays in review of appraisals and conservation easements
- differences in approaches and requirements for conservation easement content

Overcoming these obstacles can be costly in staff time and legal fees and lead to project delay, landowner frustration, loss of a funding opportunity, and sometimes the loss of a potential acquisition. Although coordination between state and federal funders in Oregon is better than the other states reviewed for this report, there are a number of improvements that can be made. They are addressed in later sections of the report.

Approach to easement scope and design. Land trust representatives suggested four approaches to conservation easements when combining acquisition funds from more than one funding source:

1. *One easement.* Develop a single conservation easement that meets all of the funders' needs. The grantee and each funder could be a co-holder of the easement, or the grantee could hold the easement with funders holding third-party enforcement rights. Grant agreements would elaborate what each funder is "purchasing" with their funds. An example is the Green Island project, which is owned in fee by the McKenzie River Trust, with OWEB holding a conservation easement and BPA third party rights. (If a land trust purchases a property in fee, a second entity should hold a conservation easement as a safeguard in the event that the land trust is faced with bankruptcy due to a law suit.)
2. *Separate non-overlapping easements*. Divide the parcel into zones reflecting the purpose of the different funding sources, for example a zone for grazing and a zone for riparian protection, with a separate conservation easement for each funder for each zone.
3. *Separate overlapping easements.* Develop a separate conservation easement on the entire property, one for each funding source, reflecting the conservation values being acquired by each. Attempt to share as much information and easement language as possible, such as the baseline documentation, and develop a memorandum of understanding between the funders and grantee on monitoring, evaluation, reporting, and enforcement. For example, the Zumwalt Prairie land was acquired in fee by The Nature Conservancy. The two primary funders—OWEB and BPA—each hold a conservation easement on the property.
4. *Purchase ecosystem services.* Each funder would provide funds for a bundle of ecosystem services, which could be sold as units of function or units of land. This would make it clear what each funder was purchasing. If and how conservation easements would be used to ensure perpetuity and enforceability, and how ecosystem services are valued would have to be determined. Purchase of ecosystem services is discussed in more detail below.

Land trust representatives indicated that no single approach will work for every situation, and that the land trusts and funders should be able to work together to develop the best approach for any given acquisition.

Suggestion: OWEB, in collaboration with land trusts and funders such as NRCS and BPA, investigate ways to make conservation easement requirements more consistent and develop policies and guidelines

for each of the above approaches to easement design. One way to accomplish this is to jointly agree on one or more pilot acquisition projects to serve as an on-the-ground laboratory.

Funding Gaps

In meeting with land trust representatives and administrators of the various state and federal funding programs, the following gaps were identified:

- funding for planning large, landscape- and ecosystem-scale acquisition and restoration projects that involve multiple landowners, funders, political jurisdictions, stakeholders and regulatory agencies
- up-front money for surveying, appraisals, and landowner agreements
- funding for developing management, monitoring, and adaptive management plans
- funding for stewardship, monitoring and adaptive management, including endowments
- programs for ensuring the future of agriculture and forestry beyond just protecting the land
- resources to help land trusts to be more strategic in identifying projects and partners and leveraging resources

Suggestion: OWEB meet with representatives of land trusts, watershed councils and funding entities to identify under-funded areas related to protection of ecological values on working land and propose ways to address needs.

OWEB Policies on Prioritizing Funding for Working Land Conservation Easements

Land trust representatives and other individuals interviewed for this report pointed out the desire for clear OWEB policies on land acquisition, conservation easement acquisition, and especially on conservation easements on working land. Potential applicants for funding indicated that they did not have enough guidance to determine whether it was worth applying, if their projects would be competitive, and whether OWEB requirements would make it possible to combine OWEB funds with other funding sources. In addition, some respondents perceived a lack of enthusiasm on the part of staff and Review Team members regarding conservation easements on working land in general.

A specific area of uncertainty on the part of potential applicants was how community priorities and values are taken into consideration when evaluating grant applications. From the perspective of land trusts, these values are important in building community support (and diffusing opposition) for a project and for future conservation efforts. However, from the scientist's perspective, respondents were concerned that consideration of non-scientific values could result in acquiring an easement of lower ecological value, thus wasting scarce resources and setting a precedent for paying landowners for things that could be accomplished voluntarily with lower-cost technical assistance. In addition, scientists were concerned that it will not be possible to keep agricultural activities from negatively impacting ecological values.

Suggestion: OWEB adopt a clearer policy on protecting ecological values on working land using conservation easements. The policy should include: goals and objectives; eligibility and evaluation criteria; requirements for easements; and requirements for management plans, monitoring, and adaptive management.

- When evaluating applications for working land conservation easements, OWEB consider if the easement will help build landowner and community support for future conservation efforts. Land of minimal conservation value (low ecological value and threat) should not be funded just because it would build local support for future acquisition. On the other hand, if there are parcels with important ecological values that would also help build future community support, these should have some additional consideration.
- Review Teams be given clear direction regarding the consideration of community goals, values and priorities. A social scientist or natural resource economist could be added to the review teams.
- Policy on restoration be clarified. Are conservation easements intended only to protect pristine habitat areas, or should they be used to protect areas that will be functional sometime in the future if and when restoration has been accomplished?
- OWEB consider working with other funders to develop a consistent policy on sale of ecosystem services on lands previously encumbered by an easement.

Suggestion: Consider the following criteria suggested by respondents for acquiring conservation easements on working land. Note that some respondents believe that the criteria used to evaluate ecological values on working land should be more rigorous than those used for fee simple acquisition of non-working land due to the inherent difficulties of managing conflicts between agricultural and forestry practices and environmental protection. Proposed criteria include:

- the property have one or more of the following:
    - an ESA threatened or endangered species
    - species listed as "critical" on the Oregon Sensitive Species List
    - species listed as "critically imperiled" on the Oregon Natural Heritage Information Center (ORNHIC) list
- the property also have other species of concern ("vulnerable" on Oregon Sensitive List, a USFS species of concern, or Oregon Natural Heritage Information Center (ORNHIC) "imperiled" or "vulnerable")
- consider genetic diversity of targeted species and biodiversity in general
- consider habitat connectivity
- consider buffers
- consider whether the property helps protect watershed functions and processes that are important for ecosystem resilience and adaptability to long-term environmental changes
- the ecological values of the property be threatened and sensitive to threat
- the area be a priority on a regional or state database such as: Oregon Conservation Strategy ; Oregon Natural Heritage Information Center; Northwest Forest Plan; Interagency Special Status Sensitive Species Program (ISSSSP), Oregon Wildlife Explorer or regional explorers
- the evaluation also consider non-scientific priorities such as: building partnerships, leveraging resources, building landowner and community support for future conservation efforts, providing a pilot or demonstration project for community education and outreach or to test new approaches

- the landowner and grantee are committed to developing a management plan that will lead to improvements in habitat and other ecosystem services, resolve conflicts between production and conservation, allow for future social, economic and ecological changes, and provide for monitoring, evaluation, and adaptive management
- the intent of the easement be to protect healthy ecosystem functions and processes. If restoration is necessary, it should be funded as part of the project or be accomplished prior to acquisition. Only acquisitions that are absolutely necessary to accomplish restoration—such as dike and levy setbacks—should receive consideration prior to restoration
- the acquisition allows multiple contiguous parcels to be managed together
- opportunities at voluntary conservation actions, including use of technical assistance programs available to working landowners, have been exhausted, are not available, or are not appropriate
- the grantor or grantee must demonstrate the ability to provide for long-term stewardship

Incentives for Working Landowners to Sell or Donate a Conservation Easement

As mentioned above, appraisals of conservation easements on working lands are often low due to low density zoning. Although land with a conservation easement is eligible for reduced proper taxes,[23] donating an easement may not result in a substantial federal income tax deduction and selling an easement may not result in a price that makes the transaction worthwhile.

Suggestion: Investigate additional incentives for landowners to donate or sell a conservation easement. Possibilities include: a greater property tax deduction; alternative appraisal methods (discussed above); an income tax deduction that could be transferrable and could be carried forward for two or more years;[24] allowing sale of ecosystem services not already protected by the easement; or payments over time, such as Maryland's installment purchase agreements which provide installment payments for up to 30 years.[25]

Purchase of Ecosystem Services

All of the land trust representatives interviewed were aware of the movement towards purchase of ecosystem services (PES) as a way to compensate landowners for conservation,[26] although few were ready to venture into that arena. Examples of ecosystem services include water filtration, flood control, habitat provision, carbon storage, and improved water quantity and quality (including temperature).

Issues around PES abound: selling several ecosystem services from the same protected parcel of land ("double dipping"), valuation methodology, stacking versus bundling services, and if and how the purchased services are memorialized in a conservation easement. The SB513 Working Group has been grappling with these and many other related issues.[27]

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[23] ORS 308A.453

[24] *State Conservation Tax Credits: Impact and Analysis.* The Conservation Resource Center, Boulder, CO 2007

[25] Installment Purchase Agreement Fact Sheet, American Farmland Trust 2008, http://www.farmlandinfo.org/documents/27752/IPA_07-20081.pdf

[26] Stuart, Don. *How Ecosystem Markets Can Transform Agriculture and Protect the Environment.* American Farmland Trust

[27] Oregon Sustainability Board, *Senate Bill 513 Ecosystem Services and Markets*, December 2010.

Suggestion: OWEB consider:

- refining policies on sale of ecosystem services on land protected by a conservation easement, allowing sale of ecosystem services not specifically protected by the easement or that add to the level of protection provided by the easement
- evaluating the use of PES as an approach to conservation on land with multiple conservation values and acquisitions with multiple funding sources
- working with other agencies in Oregon to develop tools for identifying ecosystem services appropriate for conservation, such as the Pinchot Institute's Landserver.[28]
- funding a pilot PES project in collaboration with INR, the SB513 workgroup (if it continues), and other funders (NRCS, BPA, NFWF, USFWS). The cooperating agencies could put out an RFP to propose a suitable parcel of land, partnerships, ecosystem service valuation methodology, monitoring, and a method to evaluate the results of the pilot.

Coordination of Funding Programs

As discussed above, large ecosystem-scale projects typically require funding from more than one source. There were a number of suggestions regarding how to improve coordination of the various state and federal funding programs to make existing dollars go further, foster partnerships, reduce applicants' workload, and leverage resources.

Suggestion: Work with NRCS (FRPP, GRP), BPA, FLP, NFWF and administrators of other relevant funding programs to:

- explore a more formal, ongoing method of coordination. Options could include: regularly scheduled meetings of program representatives (a "council of funders"); appointing staff members as an official liaison to other programs; sharing staff.
- identify funding gaps and explore solutions to meeting funding needs
- identify barriers to combining funds
- agree on an approach to a more flexible conservation easement that can ensure that conservation goals and objectives continue to be met but allow for adaptation to long-term economic, social and ecological changes. Factors to consider: accountability and transparency; enforceability; criteria for conservation easement amendment and termination; criteria and process for developing and amending a management plan, monitoring, and adaptive management.
- consider alternative appraisal methodologies, agree on appraisal standards, and commit to review timelines
- develop consistent policies on future sale of ecosystem services on protected property
- jointly offer workshops for potential applicants for conservation easements on working lands
- develop sample management plans

[28] Pinchot Institute for Conservation, http://www.pinchot.org/gp/LandServer

- share tasks in order to improve efficiency and to reduce duplication (for example, easement closure)

As a way to accomplish some of the above suggestions, choose a working land easement acquisition project with important ecological and community values that would be a good local or regional demonstration project. One approach would be for several funding agencies to jointly issue a request for grant proposals.

State Strategy to Preserve Farming, Ranching and Forestry

Preserving farm, ranch and timber land does not ensure future farming, ranching and logging. The future of those activities also depends on preserving the complex infrastructure necessary to keep them viable (transportation, lending institutions, equipment dealers, processing facilities, and markets) and landowners aspiring to be farmers, ranchers and foresters.

Suggestion: The State of Oregon should consider developing an overarching policy on preservation of agriculture and forestry, including: infrastructure; economic and social factors; environmentally sustainable practices; coordination of state regulatory, planning, technical assistance funding programs; tax incentives; and development of new funding sources. The purpose of new funding sources could include: working land acquisition programs; mentoring programs and low interest loans for first-time farmers, ranchers and foresters; and development of county-level working land preservation strategies. Maryland's statewide plan[29] and Wisconsin's Working Lands Initiative[30] are examples from other states.

[29] *A Statewide Plan for Agriculture and Resource Management,* Submitted By the Maryland Agricultural Commission to Secretary Lewis Riley, June 2006

[30] http://datcp.state.wi.us/workinglands/index.jsp

IV. SUMMARY OF FINDINGS

Much of the privately owned land in Oregon is working land. Preserving and restoring ecological values on working land will become increasingly important as conservation efforts focus at a landscape scale—"ridgetop to estuary"—in order to preserve water quantity and quality, riparian and migration corridors, ecosystem resilience, and other ecosystem functions and processes.

Suggestion: OWEB continue to provide grants for acquisition of conservation easements on working land. Possible policy statement:

> *While the protection of farm, ranch and forest land is not specifically a part of OWEB's constitutional charge, many of these lands contain important plant, fish, and wildlife habitats and other ecological values that OWEB is charged with restoring and protecting. Agricultural and forest landowners will be key partners in developing and achieving conservation goals as OWEB works to accomplish its mission of restoring and protecting high priority habitat, water quality, and other watershed functions and processes.*

Taking into consideration community priorities and values when evaluating a proposed project can offer significant benefits.

Suggestion: When evaluating proposals for protecting high priority ecological values on working land, OWEB consider the importance of community priorities and values that would not only make the project more successful, but also help build community and elected official support for future conservation efforts.

Land trusts play a vital role in preserving and restoring ecological values on working land.

Suggestion: OWEB consider providing support for land trust capacity, focused specifically on resources needed to be successful in strategic landscape- and ecosystem-scale preservation and restoration efforts. This could include direct financial and technical support to land trusts; OWEB support of database, modeling and decision support systems; development of model working land conservation easements, monitoring and adaptive management plans; and support of pilot projects intended to evaluate new techniques and approaches.

Ecological and socio-economic systems are connected and are dynamic rather than static.

Suggestion: When evaluating a proposal for acquisition of a conservation easement, OWEB consider not only at the importance of habitat and species assemblies on the parcel, but also the contribution of that parcel to watershed ecosystem health and resilience and the ability of land managers to modify how the land is managed to take into consideration changing ecological and socio-economic conditions.

Appraisals of conservation easements on working land can be low because, as a result of low density zoning, the land does not have high development potential. Thus, landowners do not have sufficient financial incentive to sell or donate an easement.

Suggestion: Investigate alternative approaches to conservation easement appraisal. Possibilities include: appraising ecosystem services protected by the easement; valuing the easement based on lost income resulting from the easement; valuing the easement based on income producing potential from agricultural activities on easement-encumbered property.

Publicly financed conservation easements must have clear public value and be enforceable. However, highly prescriptive easements that lock land into today's environmental and socio-economic conditions may, in the long term, fail to be effective in meeting the easement's goals and objectives.

Suggestion: OWEB evaluate the tradeoff between short-term accountability and enforceability versus the long-term ability to ensure that conservation objectives will continue to be met. Work with land trusts and funders (NRCS, BPA) to agree on an approach to conservation easements, management, monitoring and adaptive management plans.

When combining funding from more than one funding source, four approaches to conservation easement design were identified: a single easement utilized by all funders, multiple non-overlapping easements, multiple overlapping easements, and purchase of ecosystem services.

Suggestion: OWEB, in collaboration with land trusts and other funders such as NRCS and BPA, investigate ways to make conservation easement requirements more consistent and develop policies and guidelines on each of the above approaches to easement design. One way to accomplish this is to jointly agree on one or more pilot acquisition projects to serve as an on-the-ground laboratory.

There are a number of needs associated with protecting ecological values on working land that are under-funded.

Suggestion: OWEB meet with representatives of land trusts, watershed councils and funding entities to identify under-funded areas related to protection of ecological values on working lands and propose ways to address funding needs.

Additional incentives are needed for landowners to sell or donate conservation easements on working land.

Suggestion: Investigate additional incentives for landowners to donate or sell a conservation easement. Possibilities include: a greater property tax deduction; alternative appraisal methods; an income tax deduction that could be transferrable and could be carried forward for two or more years; payments over time, such as Maryland's installment purchase agreements which provide installment payments for up to 30 years; and the ability to sell ecosystem services that have not already been acquired as part of the conservation easement.

Funders' grant managers are constantly faced with decisions on things like project element eligibility and timeline extensions. Grant managers who are new at their job tend to be risk-adverse in interpreting policies and procedures. Grant managers with more experience know how to work within the gray areas of policies and procedures in order to improve the quality of projects, wave requirements that don't apply, facilitate project evaluation, and ease applicants' anxieties.

Suggestion: Foster longevity in grant managers so they become experienced in knowing when it is appropriate to be more flexible in decision making.

The negotiating and drafting of conservation easements on working land, especially when involving multiple partners and funding sources, is extremely complex.

Suggestion: Assign one OWEB staff person as a lead "specialist" in working land conservation easements. That person would understand the needs and concerns of landowners, requirements of

other funding agencies, appraisal methodology, conservation easement design, working land management plans, monitoring strategies and adaptive management.

Working landowners are often wary of a government entity holding or co-holding a conservation easement on their property.

Suggestion: Consider other methods to ensure the accountability of public funds and enforceability of easements, such as third party rights of enforcement, notice of grant restriction, or assignment of rights.

OWEB has funded a number of conservation easements on working land using a variety of approaches and involving different partners and funding sources.

Suggestion: Conduct a review of OWEB easements on working land to evaluate their success in protecting ecological values and maintaining viable agricultural and forestry practices. Included would be review of management plans, monitoring practices, and the relationship between landowner and easement holder.

Appendix I: Summary of Major Farm Bill Conservation and Forestry Programs*

	Program	Purpose	Who is Eligible to Participate?	What Land is Eligible?	Payments and Incentives	When are Applications Accepted?
Land Protection Programs						
Easements	**Farm and Ranchland Protection Program (FRPP)**	Permanently protect agricultural land	Legal owner; Land trusts, tribes, state and local government can hold easements	Private agricultural land, including non-industrial forest land, that contains at least 50% prime, unique, statewide or locally important farmland; Forest land cannot exceed 2/3rds of the easement area	NRCS provides up to 50% of the cost of the easement; land trusts are responsible for at least 25% of the purchase price; remainder can be in cash or through land donation.	Continuously. Applications selected one-two times per year
Easements	**Healthy Forests Reserve Program (HFRP)**	Permanently protect and restore forests for recovery of listed species, improve biodiversity and enhance carbon sequestration	Legal owner; Land cannot already be under conservation ownership	Private or tribal forest land that protects listed species and biodiversity or enhances carbon sequestration	1) Permanent Easements: 75%-100% of the easement value; 2) 30-yr Easement: up to 75% of the easement value; 3) 10-yr Cost-Share: 50% cost-share to establish practices	During designated sign-up periods announced by the state
Easements	**Wetlands Reserve Program (WRP)**	Permanentely protect, restore and enhance wetlands	Legal owner, including land trusts	Private or tribal former wetlands that were farmed or converted prior to 1985; adjacent land on which enrollment will maximize wildlife and wetland values and functions	1) Permanent Easements: 100% of easement value and restoration costs; 2) 30-year Easements/Contracts: 75% of easement value and restoration costs; 3) Restoration agreement: 75% of restoration costs	Continuously. Applications selected one or more times annually
Easements and Rentals	**Grassland Reserve Program (GRP)**	Protect grazing land and biodiversity through permanent easements and short-term rental contracts	Rental program: legal owner or operator for the duration of the agreement; Easements: legal owner; Land trusts can hold easements	Private or tribal grasslands or grazing lands; expiring CRP acres	1) Easements through NRCS: 100% of easement value and 100% restoration cost-share; 2) Easements through land trust partner: 50% of easement value from NRCS and 50% through other sources, including land donations; 3) Rental contracts: rental rates equal to 75% of the grazing value plus 50% restoration cost-share	Continuously. Applications selected one to two times annually
Easements and Rentals	**Conservation Reserve Enhancement Program* (CREP)**	Restore and protect environmentally sensitive lands, such as streamside buffers, in state or regional priority areas	Legal owners and/or operators, including land trusts	Agricultural lands within state-identified priority areas	Same as CRP (below) with added incentives that may include additional cost-share, rental payments, tax incentives, signing bonuses, easements and more.	Continuously.
Rentals	**Conservation Reserve Program (CRP)**	Protect highly erodible land by restoring whole fields or portions of fields to natural cover through 10-15 year rental contracts	Legal owner and/or operator for duration of the agreement, including land trusts	Highly erodible land, wetland, streamside areas in pastureland that have been planted 4 of the previous 6 years to crops. Land in an EPA-designated well-head area also eligible under Continuous CRP	Annual rental rates and 50% cost-share to restore land; Other incentives may apply for certain CRP practices and additional incentives are available for CCRP contracts	General CRP: during designated sign-up periods once per year; Continuous CRP: continuously
Aquisition	**Community Forest and Open Space Conservation Program**	Protect environmentally or economically important forest lands at risk of conversion	Local governments or non-government organizations such as land trusts purchase private land from willing sellers	Private forest lands threatened with conversion	Federal cost-share of 50% of the acquisition cost; Remaining 50% can be cash or in-kind	TBD
Restoration and Management Programs						
Restoration Payments	**Wildlife Habitat Incentives Program (WHIP)**	Create or improve wildlife habitat on agricultural land	Legal owner or operator of the land for duration of the agreement, including land trusts.	Private or tribal agricultural or non-industrial forest land that is currently or has the potential to produce forest or agricultural products	Cost-share up to 75%; Historically underserved producers and certain practices in long-term contracts can receive up to 90% cost-share.	Continuously
Restoration Payments	**Environmental Quality Incentives Program (EQIP)**	Improve farming practices that benefit agricultural production and soil, air, water and wildlife resources	Legal owner or operator of the land for the duration of the agreement	Private or tribal land where agricultural or forest products are produced; Public land that is managed as part of a private agricultural operation.	Cost-share up to 75% and up to 100% of income foregone; Historically underserved producers eligible for up to 90% cost-share and for advance payments up to 30% of the cost to install practices.	Continuously with ranking occurring one or more times per year
Green Payments	**Conservation Stewardship Program (CSP) (formerly Conservation Security Program)**	Provide incentive payments to reward landowners for maintaining or adopting new conservation activities on agricultural land	Legal owner or operator of the land for the duration of the agreement	Private or tribal agricultural land, and incidental non-industrial forest land that has been in cropland 4 of the 6 years prior to 2008.	Annual payments for costs incurred, income foregone and environmental benefit. Bonus payments for adopting resource-conserving crop rotations.	Continuously

* from: Conserving Habitat Through the Federal Farm Bill: A Guide for Land Trusts and Landowners. Defenders of Wildlife, 2010

Appendix II
Great Outdoors Colorado Trust Fund

Background
The Great Outdoors Colorado (GOCO) Trust Fund was established by Colorado voters in 1992. GOCO's mission is "To help preserve, protect, enhance, and manage the state's wildlife, park, river, trail, and open space heritage."[1] Since 1994, conservation easements funded by the program have protected more than 850,000 acres of open space in perpetuity.

Funding
The GOCO Trust receives up to 50% of the Colorado Lottery proceeds, capped at $35 million in 1992 dollars adjusted for inflation.[2] In FY 2009, GOCO received $54.3 million. The remainder of the lottery proceeds is divided between the Conservation Trust Fund and Colorado State Parks. If GOCO's share of lottery funds exceeds the cap, the remainder goes into the State Public School Fund.

GOCO allocates funds in approximately equal amounts to four categories:

- *Wildlife*, administered by the Colorado Division of Wildlife
- *Outdoor recreation*, administered by the Colorado Division of Parks and Outdoor Recreation
- *Local government*, administered by GOCO staff, for open lands and parks
- *Open space*, administered by GOCO staff, for open space and natural areas of statewide significance

Most grants for acquiring conservation easements on working lands are funded through the open space program, although "legacy" projects—large landscape-scale projects having a wide range of public benefits—may receive funds from other categories.

The Open Space Program distributes about $8 million annually in two grant rounds. Typically there are 10-15 applications each grant round with 7-9 grants awarded. In FY2009, the open space program awarded 26 grants, helping protect 67,000 acres. The number of grants awarded in 2010 may decrease as a result of the GOCO Trust Fund Board eliminating an $800,000 cap and thus potentially increasing average project cost.

Governance
The Trust Fund is an independent entity (not a state agency) overseen by a 17-member board appointed by the Governor, subject to confirmation by the state senate:

- Two members from each of Colorado's seven congressional districts; for each district, the two cannot be from the same political party.
- The executive director of the Colorado Department of Natural Resources
- A representative from the Colorado Board of Parks and Outdoor Recreation
- A representative from the Wildlife Commission

[1] Great Outdoors Colorado 2010 Strategic Plan.
[2] Article XXVII of the Colorado Constitution.

One member of the Board must represent agricultural interests and two members must live west of the Continental Divide.

Purpose

The Open Space Program "... helps protect greenways and stream corridors, community separators, agricultural land, urban open space, natural areas, nongame wildlife habitat, and buffers around and inholdings in State Parks, state wildlife areas and other state lands."[3]

Projects must fit one or more project types:[4]

1) Buffer/Inholding. A buffer adjacent to, or inholding within, a public land area, including, but not limited to, a state park, state wildlife area, national park, national forest, national recreation area, national wildlife refuge, national monument, local park, or local open space area.

2) Greenways/Stream Corridors. Lands that connect communities along river or stream corridors, railroad and utility easements, or link outside edges of urban development and activity to outlying recreational facilities, parks, and open space, including but not limited to, riparian, trail, and open space corridors.

3) Community Separators. Lands that provide physical and visual open space buffers between cities, towns, and developed areas that may help retain the unique identity of a developed community.

4) Agricultural Land. Land currently being used for the production of food or fiber, including but not limited to, ranchland, irrigated pasture, and cropland.

5) Natural Areas and Non-game Wildlife Habitat. A natural area, defined under the Colorado Natural Areas Act as a "physical and biological area which either retains or has reestablished its natural character, although it need not be completely undisturbed, and which typifies native vegetation and associated biological and geological features or provides habitat for rare or endangered animal or plant species or includes geologic or other natural features of scientific or educational value," *OR* a habitat for non-game wildlife species, defined by state law as "mammals, birds, reptiles, amphibians, mollusks and crustaceans" that may not be hunted, fished, or trapped.

6) Scenic Viewshed: Lands that provide for the "scenic enjoyment of the general public," as defined in Treasury Regulations § 1.170A-14(d)(4)(ii)(A) including "a scenic panorama that can be enjoyed from a park, nature preserve, road, water body, trail, or historic structure or land area, and such area or transportation way is open to, or utilized by, the public."

Strategic Approach

GOCO does not formally evaluate whether a project, or the project's benefits, are addressed in a plan or strategy. Nor does GOCO target specific areas of the state or specific conservation values. Instead, applicants are expected to bring forward the best projects. The mix of conservation values of a particular project often varies with the mission of the applicant.

"While the protection of agricultural land is not part of GOCO's constitutional charge, many of these lands contain the wildlife habitat, scenic view corridors, and/or community separators that GOCO is

[3] Great Outdoors Colorado 2010 Strategic Plan.
[4] 2010 Instructions for GOCO's Open Space Application.

charged with protecting. Agricultural landowners will be a key partner in developing and achieving any land and water conservation goals as GOCO works to accomplish its land protection mission."[5]

Eligible Grant Recipients
The Colorado Divisions of Parks and Outdoor Recreation and Wildlife, counties, municipalities and other political subdivisions of the state, and non-profit land conservation organizations are eligible to receive grants. GOCO will fund up to 75% of a project's eligible cost. Matching resources may only cover eligible project costs and must come from non-GOCO sources. GOCO does not fund routine stewardship.

Evaluation Process
Grant applications are evaluated by the Open Space Program coordinator and three outside evaluators, typically representing land trusts and local government, with geographic diversity. The three outside evaluators' scores are averaged, and the resulting scores averaged with those of the GOCO staff lead. Projects are evaluated in six categories.

Evaluation Criteria
The benefits of the project are based on overall significance and importance. Specific ecological and socio/economic values are not scored separately. It is exceedingly rare that a project having only agricultural values is submitted or funded[6]. Figure II-1 shows the 2010 open space score sheet.

Relationship to Land Use Planning
Zoning is considered in evaluating project urgency, and if a project addresses priorities in a local, regional, or state-wide plan, evaluators may take that into consideration when assessing the projects benefits[7].

Conservation Easements
Conservation easements represent about 85% of the acquisitions funded in the Open Space Program. GOCO provides a model easement, 18 pages long, with required elements. However, each easement is tailored to the particular project. Only perpetual easements are allowed. Since GOCO cannot hold interests in land, grant recipients acquiring property in fee are required to have a third party hold a conservation easement.

Monitoring and Stewardship
Monitoring is left to the grant recipient. GOCO staff becomes involved if the property is being sold or transferred, the easement is being amended, or if there are enforcement issues.

Public Involvement
GOCO utilizes town meetings around the state and public opinion surveys to assess the public attitudes towards GOCO programs. In 2009, the Board undertook a strategic planning effort, which included holding 14 public meetings around the state. The new strategic plan was posted on the GOCO website in April of 2010.

[5] Great Outdoors Colorado 2010 Strategic Plan.
[6] Kathleen Staks, Open Space Program Coordinator, interviewed April 9, 2010.
[7] Ibid.

Relationship with Other Funding Sources

NRCS. GOCO staff has established a close working relationship with Farm and Ranch Land Protection program staff, and many open space grants have been match in whole or part by FRPP funds. The Open Space Program coordinator routinely sends a list of applications to NRCS to see if there are opportunities for joint funding. Synchronizing grant cycles has been challenging. For 2010, NRCS set a February 19 closing date for FRPP grant applications and GOCO set a February 22 deadline for open space grant applications. However, because FRPP applicants have to have their match in place, this round of GOCO grants was too late for FRPP funding. Later FRPP deadlines will be set when sufficient applications and sufficient funding are available.

NRCS had approximately $3.6 million available federal fiscal year 2010. There were 11 applicants; eight projects will be funded, six of which had GOCO funds for match. Applications are evaluated by three NRCS staff using state criteria and required federal criteria.

Forest Legacy. The Forest Legacy Program is run through Colorado State University. GOCO staff does not work directly with Forest Legacy staff. One GOCO project has received Forest Legacy funds. In 2005, the Colorado State Forest Service, in partnership with the Conservation Fund and GOCO, was awarded funding for a conservation easement on approximately 8,000 acres on the Banded Peaks Ranch in southern Colorado. A grant from GOCO matched approximately $3 million in FLP funds.

GRP. For the current federal fiscal year, Colorado has been allocated $1.1 million for three conservation easements. The GOCO Open Space Program Coordinator does not recall any GOCO grants matched by GRP funds[8]. The NRCS Easements Coordinator believes that there may have been one.[9]

Other funding sources cited were: National Fish and Wildlife Foundation, NAWCA, and the Duke and Packard Foundations.

Program Administration

The Open Space Program coordinator solicits grant applications, makes a site visit for each application, and, with the three outside reviewers, evaluates the grants. After the Board awards grants, two other GOCO staff oversee the "due-diligence" process, including reviewing appraisals, baseline assessments, and conservation easements. There are a total of three FTEs, with no support staff. Over 15 years, administrative expenses averaged 3.59%.

Miscellaneous

Colorado grants an income tax credit to landowners that donate a conservation easement. The credits can offset the landowner's income tax or can be sold to another Colorado taxpayer. Independent tax credit brokers help connect sellers and buyers and oversee the transaction.

The GOCO Open Space Program is not suited to a PES approach. However, every year the GOCO Board sets aside funds for periodic funding of legacy projects. These projects are typically at a "landscape" scale, for example addressing a river corridor for habitat, open space, and recreational trail values. In 2009, GOCO awarded $10.4 million in legacy funding in addition to the open space program grant rounds.

[8] Ibid.

[9] Gary Finstad, NRCS, interviewed April 13, 2010.

Sources of Information

Kathleen Staks, Open Space Program Coordinator, interviewed April 9, 2010.
Gary Finstad, Easements Coordinator, NRCS (Colorado), interviewed April 13, 2010.
GOCO website.

Figure II-1

GOCO Open Space Program Score Sheet

Selection Criteria-Question	Possible Points
A) ***Project Description and Quality:*** What is the status of the transaction? Are the conservation values/natural values well-described and worthy of protection? Are there any issues with the current and proposed uses or with any other aspects of the transaction that might impact the conservation values? Are the proposed reserved rights reasonable for the size and conservation values of the property? How well has the applicant described any special circumstances (mineral rights, environmental hazards, development rights) and has the applicant proposed solutions to any outstanding issues? Does this project include public access or water rights if either are necessary or appropriate?	35
B) ***Project Urgency:*** What makes this project urgent? What is the degree to which the parcel is threatened by conversion to another use? Sale? Zoning? Attributes threatened? How immediate is the threat? What makes this a special opportunity now?	15
C) ***Project Benefits:*** What is the significance of the parcel and its importance to the community, region, and state? To what degree will the project contribute to conservation of open space and/or natural resources in the area or region? How is this project a catalyst for new conservation projects in the area?	20
D) ***Leveraging of Funds:*** Level of match that is above and beyond funds required to meet the minimum match. Is the applicant bringing the diversity of matching funds appropriate to this project? Have all potential funding sources been explored? Is the landowner donating a portion of the value?	15
E) ***Partnerships and Non-Monetary Support:*** Extent to which the application demonstrates partnerships and support for the project. Has the applicant demonstrated community support for the project?	10
F) ***Ability to Accomplish Goals*:** Has the applicant demonstrated that it has completed similar projects in similar timeframes? If the applicant is new to the process, has it formed partnerships to help through the grant process? (GOCO staff will also assess whether the applicant has outstanding GOCO grants that are past due without having received an extension.) Has the applicant demonstrated that the landowner is familiar with the information in the application?	5

Appendix III
Maryland Agricultural Land Preservation Foundation

Background
The Maryland Agricultural Land Preservation Foundation (MALPF) was established in 1977 by the Maryland General Assembly. The Foundation is part of the Maryland Department of Agriculture. It purchased its first conservation easement in 1980. As of January 1, 2009, easements had resulted in preservation of 275,000 acres. Of that, 77,000 acres (28%) are forested.

Maryland has two other land preservation programs. The Rural Legacy Program (RLP), established as part of Maryland's Smart Growth legislation in 1997, provides funding to acquire conservation easements for agricultural, forest and natural areas subject to development pressure, and fee interests in open space where public access and use is needed. Projects must be in county-designated rural legacy areas. Projects typically have a wide range of conservation values. Funds often work in concert with the MALPF farmland preservation funds. The Rural Legacy Program is administered by the Maryland Department of Natural Resources.

The Maryland Environmental Trust, Maryland's oldest land conservation program, was established by the General Assembly in 1967. It protects agricultural, forest, and natural resource land through voluntary donation of conservation easements. If a landowner donates an easement to the Trust, the property is exempt from state property taxes for 15 years.

Funding
MALPF receives a portion of the state's real estate transfer tax—a tax assessed on all real estate property transfers. The Foundation also receives a portion of the agriculture transfer tax, which is collected when farmland is sold and converted to another land use. In FY2008, $45.0 million was available for easement offers. An additional $16.3 million was provided from local matching funds.[1]

Each fiscal year, the Foundation Board sets the maximum number of applications that will be accepted. Because the available funding for FY2009 fell to about $25 million, the Board set the maximum number of applications to 16 for each of the 23 counties.

Governance
MALPF is governed by a thirteen-member Board of Trustees composed of four ex officio members (the Comptroller, the Treasurer, and the Secretaries of Agriculture and Planning) and nine Governor-appointed members. The Governor's appointed members include representatives of the Maryland Farm Bureau, the Maryland Grange, the Maryland Agriculture Commission, the Young Farmer's Advisory Board, and the State's forestry industry. The Board attempts to achieve diversity based on geography, gender, race, and type of farming operation.

Purpose
"The mission of the Maryland Agricultural Land Preservation Foundation is:

- To preserve productive farmland and woodland for the continued production of food and fiber for all of Maryland's citizens (statutory goal);

[1] Maryland Agricultural Land Preservation Foundation FY 2008 Annual Report

- To curb the expansion of random urban development (statutory goal);
- To help curb the spread of urban blight and deterioration (statutory goal);
- To help protect agricultural land and woodland as open space (statutory goal);
- To protect wildlife habitat (ancillary goal); and
- To enhance the environmental quality of the Chesapeake Bay and its tributaries (ancillary goal)."[2]

Strategic Approach
Program policies and guidelines are established by the Board. Solicitation, evaluation and ranking of projects occur at the county level. Counties are in the process of designating Priority Preservation Areas, which will influence preservation priorities. Overall state agricultural policy is guided by *A Statewide Plan for Agricultural Policy and Resource Management*, prepared by the Maryland Agricultural Commission in 2006.

Eligible Grant Recipients
The property subject to the conservation easement must be 50 contiguous acres or more. Subject to Board approval, however neighboring landowners can join together if the total land is 50 acres or more. Land must currently be producing food or fiber or have the capability to do so. In addition, at least 50 percent of the land must have Class I, II or III soils or, for forest land, Woodland Group 1 or 2 soils. Agricultural land must have an approved soil conservation plan, and forest land must have a forest stewardship plan. Counties have the authority to impose additional requirements.

Evaluation Process
In each county, a volunteer advisory committee evaluates and prioritizes applications using a county ranking system that was developed under state guidelines and approved by the MALPF Board.

Evaluation Criteria
"Generally, properties are ranked based on the relative quality of their soils, their relative size, their contiguity to already preserved properties, and their strategic importance to the county's land-use objectives."[3] Offers are made to applicants in priority order until funds allocated to that county are fully committed. Counties do not take into consideration ecological values of the proposed acquisition.

Relationship to Land Use Planning
Agricultural zoning differs greatly from county to county. The level of zoning protection can enter into the assessment of threat of conversion and on the value of the conservation easement when appraised using the "before and after" methodology. MALPF's appraisal method reduces the influence of zoning on conservation easement appraisals (see below).

[2] Maryland Agricultural Land Preservation Foundation Overview (1), April 21, 2010. http://www.malpf.info/overview.html
[3] Maryland Agricultural Land Preservation Program, Fact Sheet 2: The Easement Acquisition Process. April 12, 2010. http://www.malpf.info/facts/fact02.pdf

Conservation Easements
Conservation easements must be perpetual. Easements are provided by MALPF and are not tailored to the individual project. The easement is nine pages long if no NRCS funds are involved and 15 pages if NCRS-required language is included.

The value of an easement is the appraised market value of the property minus its agricultural production value, which determined by MALPF staff using a formula that calculates land rent based on the soil productivity or the five-year average cash rent in the county, whichever is lower. The maximum price that MALPF can pay for an easement is the landowner's asking price, the easement value, or a cap set by the county in which the land is located, whichever is the lowest.[4]

Monitoring and Stewardship
MALPF attempts to visit every easement property every ten years. Easements with NRCS funds are required by federal law to be visited annually. Monitoring occurs informally at the county level as a result of land use planning review actions and local knowledge. MALPF has one full-time staff person dedicated to coordination of monitoring and reporting. The Foundation does not provide funding for local monitoring or stewardship.

Public Involvement
MALPF seeks input from stakeholders, including environmental groups and agricultural organizations, during policy development. Board meetings are open to the public. Most Board policies are formalized as regulations, and thus go through a series of reviews and hearings before becoming law.

The requirement of formal public notice of a proposed acquisition was dropped several years ago. Public involvement occurs by way of the volunteer advisory committee and attendance at meetings of the county commission or council.

Relationship to Other Funding Sources

Farm and Ranch Land Protection Program. Since 1997, MALPF has funded about 150 easements with FRPP match, and there are about 40 in process. Recently, however, the relationship between MALPF and NRCS has been less than could be desired but is improving. This is due, in part, to program incompatibilities, differences in how states are treated by the national NRCS office, and differences in how state NRCS offices implement the FRPP.[5] The following issues were identified in a MALPF five-year report:[6]

- Appraisals: USPAP used by MALPF vs. the federal "yellow-book;"[7] timing requirements
- Easement valuation: MALPF method vs. "before-and-after" required by NRCS. This has resulted in NRCS paying less than half of the cost of the easement, typically between 30% and 40%, rather than 50%
- Forestry: many MALPF parcels have a high percentage of forest land; FRPP requires less than 50%[8]

[4] Maryland Agricultural Land Preservation Program, *Fact Sheet 2: The Easement Acquisition Process.* April 12, 2010. http://www.malpf.info/facts/fact02.pdf
[5] James Conrad, interviewed April 13, 2010.
[6] The Maryland Agricultural Land Preservation Foundation Five-Year Report for FY 2003 through FY 2007.
[7] The new FRPP rules will not require yellow book standards for appraisals.

- Impervious surface: not addressed by MALPF; FRPP limits to 2-6%
- Title review: duplicative requirements
- Easement enforcement: duplicative requirements

Forest Legacy Program. The Forest Legacy program, administered by the Maryland Department of Natural Resources, is available only in seven counties where there are areas identified in Maryland's Forest Legacy Assessment of Need. Under "annual accomplishments," seven easements in three counties totaling 1,246 acres are listed.[9] MALPF has found it difficult to combine Forest Legacy funding with MALPF grants.[10]

Rural Legacy Program. Land trusts have combined FRPP and RLP funds to acquire conservation easements. However, excessive delays occur due to attorneys negotiating conservation easement language (representing the landowner, RLP, FRPP and the land trust) and appraisal reviews, leading to problems getting future RLP grants and causing huge efforts on the part of land trust staff. Lack of coordination between RLP and MALPF at the state level was blamed on the programs being administered by different state agencies (Natural Resources and Agriculture).

Maryland Environmental Trust. MET depends on landowners' donation of conservation easements. There have been situations where donated easements have worked in concert with acquisitions on adjacent parcels.

Program Administration

A staff of seven administers the Foundation's programs, plus a half-time litigator in the Attorney General's office, a full-time attorney in General Services and two part-time attorneys in the Department of Agriculture. The staff deals primarily with supporting the Foundation Board and addressing legal disputes, formal rulemaking, issues around appraisal appeals, and legislation.

Solicitation, evaluation and prioritization of projects take place at the county level. Depending on the county, there may be anywhere from a part-time coordinator to a staff of two or three dedicated to farmland preservation. Evaluation teams are composed of volunteers.

Miscellaneous

Maryland land trusts generally do not utilize MALPF grants, which are administered and matched by counties. Land trusts depend on funding from the FRPP, Rural Legacy Program, USFWS Section 6 grants and fundraising. There seems to be little communication, let alone coordination, between the state funding programs and state and federal programs (MALPF, RLP, NRCS). Coordination does seem good at the local level between land trusts, counties and funding programs. MALPF has recently expressed a desire to improve coordination and involvement of land trusts.

The Eastern Shore Land Conservancy reports difficulty in combining RLP and NRCS funds, not due to issues around the relative ecological and working values of the land, but rather due to delays in appraisal review and problems negotiating conservation easement language with attorneys representing

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[8] MALPF considers forests as an agricultural crop and prioritizes easements primarily on soil type.

[9] http://www.dnr.state.md.us/forests/programapps/legacy2.html

[10] James Conrad, interviewed April 13, 2010.

the land trust, state, NRCS and landowner. These delays in closing acquisitions have led to penalties in receiving RLP grants, which give preference to applicants that have been effective in spending prior grant funds expeditiously.

Sources of Information

Maryland Agricultural Land Preservation Foundation website.
Maryland Rural Legacy Program website.
Maryland Environmental Trust website.
James A. Conrad, Executive Director, Maryland Agricultural Land Preservation Foundation, interviewed April 13, 2010.
Tiffany Davis, NRCS Farm Bill Program Specialist, interviewed April 23, 2010.
Sandra Edwards, Land Protection Specialist (Northern Region), Eastern Shore Land Conservancy, interviewed June 2, 2010.
Mark Rose, Acting Program Manager, Farm and Ranchland Protection Program, NRCS, and former Maryland FRPP Coordinator, interviewed June 4, 2010.

Appendix IV
Washington State Recreation and Conservation Office

Background
The Washington State Farmland Preservation Program (FPP) was established by the Legislature in 2005. It is part of the Washington Wildlife and Recreation Program, established by the Legislature in 1990, which provides grants for outdoor recreation and habitat protection in a number of different funding categories (urban wildlife habitat, state land habitat, riparian habitat, critical habitat, and natural areas).

Washington's Salmon Recovery Funding Board's (SRFB) grant program was established by the Legislature in 1999 to provide grants for salmon habitat restoration and protection and to support watershed-based salmon recovery groups called lead entities and regional salmon recovery boards. Both programs are administered by the Washington State Recreation and Conservation Office (RCO).

Funding
The Washington Wildlife and Recreation Program (WWRP) receives funding for grants in the biennial capital budget. The funds are exclusively from sale of tax-exempt general obligation bonds, which has resulted in some restrictions due to Internal Revenue Service regulations. In the 2009-2011 capital budget, WWRP received a total of $70 million, of which $37 million went to habitat protection grants and $6 million to the FPP. WWRP statutes allow three percent of the capital budget appropriation to be used for administration of the grant programs.

The Salmon Recovery Funding Board (SRFB) receives about one-third of its grant budget from general obligation bonds in the biennial capital budget and two-thirds from the federal Pacific Coast Salmon Recovery Fund. In the 2009-2011 capital budget, the SRFB received $10 million.

Governance
The WWRP is governed by the Recreation and Conservation Funding Board. The Board consists of three state agency directors and five citizens appointed by the Governor. In appointing the citizen members, the Governor attempts to achieve a geographic and gender balance and a diversity of interests. However, citizen members do not represent specific organizations or constituencies. The Board sets policy for the grant programs and makes the final decision on grant awards.

The SRFB is composed of ten members: five non-voting state agency directors and five citizens appointed by the Governor. The citizen members do not represent specific organizations or constituencies. However, over the history of the program, Governors have always included at least one county commissioner and one person affiliated with one of Washington's 28 Native American tribes. Governors have also attempted to maintain a gender and geographic balance.

Purpose
The mission of the Recreation and Conservation Funding Board is to "Provide leadership and funding to help our partners protect and enhance Washington's natural and recreational resources for current and future generations."[1] "The farmland preservation grant program provides funding to cities, counties, and

[1]Recreation and Conservation Funding Board Strategic Plan, 2008.

others to buy development rights on farmlands to ensure the lands remain available for farming in the future."[2] Funds can also be used for habitat restoration on the protected property.

The mission of the SRFB: "The Salmon Recovery Funding Board provides funding for elements necessary to achieve overall salmon recovery, including habitat projects and other activities that result in sustainable and measurable benefits for salmon and other fish species."[3]

Strategic Approach

WWRP habitat protection projects compete state-wide for funding. Entities submitting grant applications are required to have a plan in place that identifies and prioritizes conservation needs. Plans vary in approach and complexity depending on the eligible entity. The statewide geographic prioritization scheme developed by the Washington State Biodiversity Council is beginning to be used in planning and project selection.[4] Geographic distribution of grant funds across the state is determined by the ranking of the competing projects.

The Farmland Preservation Program projects also compete state-wide for funding, but the program is not guided by a state-wide agricultural land preservation strategy or, in most cases, a local strategy. The statutes creating the program provide a long, unprioritized list of physical, economic and social evaluation criteria. Projects that address priorities in an applicant's farmland preservation plan receive up to 5 points (out of 133). To date, several land trusts and less than a quarter of Washington's 39 counties have such plans. Geographic distribution of grant funds across the state is determined by the ranking of the competing projects.

Unlike WWRP, the SRFB grant program depends on local and regional organizations to develop plans and strategies, identify and prioritize projects, and submit them to the Board for funding. The local, watershed-based groups called lead entities assess scientific priorities and social values in the watershed and develop a strategy for undertaking habitat restoration and protection actions. Six of the seven regional salmon recovery boards, each representing an evolutionary significant unit (ESU), have developed salmon recovery plans under the federal Endangered Species Act. These recovery plans and lead entity strategies guide the selection and ranking of restoration and protection projects submitted to the SRFB for funding. Each lead entity and each regional organization develops its own ranking system. Before each grant round, the SRFB decides how much funding will be allocated to each of the seven regions.

Eligible Grant Recipients

State and local governmental agencies and tribes are eligible for WWRP habitat grants. Only counties, cities and land trusts are eligible for FPP grants. State and local governments, tribes and non-profit organizations are eligible for SRFB grants.

Evaluation Process

WWRP habitat and farmland preservation grants are evaluated by ten-member evaluation teams—one for each funding category. Teams are composed of volunteers with expertise in the subject area and with a range of perspectives (local government, state agencies, and landowners). The evaluation team

[2] Recreation and Conservation Office website.
[3] Salmon Recovery Funding Board Strategic Plan, 2009.
[4] Washington Biodiversity Council, *The Conservation Opportunity Framework: Guiding Investments on the Ground,* 2007.

for the Farmland Preservation Program consists of farmers, people who are involved with farm infrastructure, and representatives from agricultural organizations.

Evaluation of SRFB projects is done at the lead entity level by a citizens and science committee. A state science technical panel ("review panel") also reviews each regional list of projects as a final level of oversight to ensure each project is technically sound before the Board makes its funding decision.

Evaluation Criteria

WWRP habitat grants are scored and ranked based on ecological and biological factors, species and communities with special status, manageability and viability (including immediacy of threat), and public benefit.

The Farmland Preservation Program grants are scored and ranked based on agricultural values (51% of the total points), environmental values (17%), community values and priorities (9%), and other factors (23%) such as cost-benefit, match, and whether the easement is perpetual. The summary scoring sheet is shown in Figure IV-1. Criteria, but not weighting factors, are set by statute:[5]

- Community support
- A recommendation as part of a limiting factors or critical pathways analysis, a watershed plan or habitat conservation plan, or a coordinated regionwide prioritization effort
- The likelihood of the conversion of the site to nonagricultural or more highly developed usage
- Consistency with a local land use plan, or a regional or statewide recreational or resource plan
- Benefits to salmonids
- Benefits to other fish and wildlife habitat
- Integration with recovery efforts for endangered, threatened, or sensitive species
- The viability of the site for continued agricultural production, including, but not limited to:
  - Soil types
  - On-site production and support facilities such as barns, irrigation systems, crop processing and storage facilities, wells, housing, livestock sheds, and other farming infrastructure
  - Suitability for producing different types or varieties of crops
  - Farm-to-market access
  - Water availability
- Other community values provided by the property when used as agricultural land, including, but not limited to:
  - Viewshed
  - Aquifer recharge
  - Occasional or periodic collector for storm water runoff
  - Agricultural sector job creation
  - Migratory bird habitat and forage area
  - Educational and curriculum potential

[5] Revised Code of Washington 79A.15.130(9).

Relationship to Land Use Planning
The Washington State Growth Management Act requires counties to designate agricultural zones of "long term economic significance" and protect agricultural uses in those zones. Some counties have done better than others in designating appropriate agricultural areas and enforcing zoning regulations. In evaluating FPP grant applications, consistency with local land use plans and whether a proposed project assists with the implementation of a local land use or shoreline plan must be considered.

Conservation Easements
The RCO provides a 46-page model agricultural conservation easement for FPP projects. However, sponsors may tailor the easement to the particular parcel as long as required elements are included. RCO staff and the Attorney General's office review each easement. Although the model easement is long and complex, the RCFB believes it is advantageous to be able to address allowed and prohibited uses in depth so that the landowner is clear exactly what can be done on his or her property. If the FPP grant is matched with a federal FRPP grant, language meeting federal requirements is included in the easement.

Monitoring and Stewardship
RCO staff attempt to visit every site funded with RCO funds once every five years. Grant recipients must demonstrate the ability and commitment to provide necessary stewardship and easement holders are expected to monitor and enforce easements. However, the RCO has third-party enforcement rights, and would also become involved if there is a proposed amendment to the easement or sale of the property.

SRFB restoration and protection project sponsors are not required to provide effectiveness monitoring, although many do at the sponsor's expense. A random sampling of SRFB projects is selected every year for effectiveness monitoring by an independent consulting firm. The SRFB will provide funds for maintaining a site for up to the five-year term of the grant.

Public Involvement
Both funding boards use advisory committees in grant program policy development and circulate proposed policy changes to a list of interested parties in addition to posting on the RCO website. Board meetings are open to the public and public input is invited for every agenda item. Grant evaluation team meetings are also open to the public.

Relationship to Other Funding Sources
FPP projects require a 50% match or greater. Matching funds can come from in-kind contributions but typically are from a county's Conservation Futures Tax (CFT)[6] or the FRPP. RCO staff work with NRCS staff to identify projects that are a good fit to both programs. Over the history of the program, 39% of the projects had a match from FRPP grants and 23% from CFT revenues.

WWRP grants from the Riparian Habitat category may be used to extend expiring Conservation Reserve Enhancement Program (CREP) leases but no applications have been received to date.

[6] Counties can, without a vote of the people, levy a property tax (of up to 6-1/4 cents per thousand dollars assess valuation) that can be used for conservation land acquisition. Thirteen out of Washington's 39 counties have levied the CFT.

SRFB grants require a minimum of a 15% match. Match can be in-kind, although match typically comes from the state, local or tribal grant recipient's funding sources.

Program Administration

With several exceptions, RCO does not dedicate specific staff to specific funding programs. Grant managers typically oversee grants for several grant programs for specific geographic areas of the state. Fiscal staff oversee reimbursements, and policy staff oversee program policy changes. The Farmland Preservation Program requires, on average, about 0.5 FTE to oversee about 20 applications per biannual grant cycle and 15-20 projects that are in progress. Workload is distributed between grant managers, fiscal staff, and, when needed, policy staff.

Sources of Information

Recreation and Conservation Office website.
Revised Code of Washington.
Kammie Bunes, FPP Project Manager, RCO, interview May 11, 2010 and subsequent email.
Leslie Ryan-Connelly, Acquisition Specialist, RCO, interview May 11, 2010.

Figure IV-1
Washington Farmland Preservation Program Evaluation Criteria Summary[7]

Criteria	Points
Agricultural Values Importance: Soil types; suitability for producing agricultural products; size; economic productivity; fit of the project to local priorities Viability: On-site production and support facilities; farm to market access; proximity to roads and utilities (croplands only); carrying capacity (rangelands only); water availability; drainage; presence of other features that could hinder or restrict use for agriculture; zoning; likelihood that the farm will remain in agriculture; immediacy of threat to conversion to non-agricultural uses; likelihood that the region will continue to support agriculture	68
Environmental Values (Acquisition only projects) Species and habitat support: Description of supported species; reliance of species on the property; quality of habitat provided; impact to the species if the habitat were converted. Bigger picture: Fit of the project with local, regional, and statewide conservation priorities Agricultural productivity: Consider how production activities benefit the environment **OR** **Environmental Values (Combination acquisition + restoration/enhancement projects)** Species and habitat support: Description of supported species; reliance of species on the property; quality of habitat provided; how restoration/enhancement will benefit the species Bigger picture: Fit of the project with local, regional, and statewide conservation priorities Likelihood of success: Likelihood that restoration/enhancement will achieve the anticipated benefits to species and habitat; results of any past stewardship activities Agricultural productivity: Consider how restoration or enhancement will promote productivity	22
Community Values and Priorities Community support for the project; consistency with a local land use or a regional or statewide recreational or resource plan Other community values: Viewshed; aquifer recharge; occasional or periodic collector for storm water runoff; floods; agricultural sector job creation; educational and curriculum potential; historic value; buffer to public lands, demonstration	12
Other Cost benefit; local match; sponsor's ability to acquire, manage, monitor, and enforce conservation easements, term	31
Total Points Available	133

[7] From Manual 10f, Washington Wildlife and Recreation Program, Farmland Preservation Program. March 2010.

Appendix V
Columbia Land Trust

Overview
The Columbia Land Trust was formed in 1990. The Trust has conserved approximately 11,000 acres, better than 90% of it through fee simple acquisition. The Trust's geographic scope includes portions of 14 counties in Washington and Oregon, from east of the Cascades as far as the John Day River to the Pacific Ocean. In addition to the main office in Vancouver, Washington, the Trust has offices in Hood River and Astoria and contemplates an office in the Portland area since recently combining with the Three Rivers Land Conservancy.

"Columbia Land Trust works to permanently conserve the natural resources of the Columbia River region. We conserve, restore, and manage signature landscapes, vital habitats, and working farms and forests in Oregon and Washington from east of the Cascade Mountains to the Pacific Ocean. These lands are at risk from overdevelopment, unsustainable practices, and other threats. By working positively with landowners and local communities we can sustain the unique qualities of the Pacific Northwest for our children and future generations."[1]

Mission, Goals and Objectives
Mission: "Conserve and care for vital lands, waters, and wildlife of the Columbia River region. We focus our work from the John Day River east of the Cascades to the Pacific Ocean, reaching about 50 miles from the Columbia into both Oregon and Washington."[2]

Goals:[3]

- Conserve the most important and threatened lands in our region
- Sustain and enhance the conservation values of protected properties in perpetuity
- Build strong relationships to grow active involvement in our work
- Build and maintain organizational systems that ensure conservation forever

Standards and Practices
Columbia Land Trust has adopted LTA's Standards and Practices.

Administration
The Trust employs about 19 full-time staff and generally has four Americorps workers. Because they strive to own most of the Trust's land in fee and engage in restoration projects on those lands, there is more emphasis on project management, stewardship and development. Staff includes:

- four in administration, finance and operations
- eleven in conservation and stewardship
- four in development and outreach

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[1] Columbia Land Trust website
[2] Columbia Land Trust Strategic Plan 2011-2015
[3] Ibid

Approach to Targeting Acquisitions
The Trust has four conservation initiatives:

- Habitat land
- Forest land
- Farm and ranch lands, and
- Urban greenspaces

For each conservation initiative, the Trust has developed criteria and established focal areas. Criteria include:

- Importance of the resource
- Threat of loss or damage
- Public and private funding
- Partners and partnerships
- Community support
- Role for Columbia Land Trust
- Contributes to a larger system
- Provides additional organizational benefits

Within focal areas, watershed (6th field) priorities are established and individual properties identified. At this scale, contribution of a property to a larger system of conserved lands is also considered.

For the habitat initiative, the Trust has quantified biodiversity and threat (of conversion to non-conservation uses) using a GIS-based analysis.

The farm and ranch lands initiative's primary focus is on the Hood River Valley in Oregon and the Trout Lake Valley in Klickitat County, Washington, for agricultural lands and Mt. St. Helens and Mt. Adams forestlands for conservation of forest land. Conservation easement acquisitions on agricultural land in the Hood River focus area has not been successful because land use zoning has resulted in low appraisals of conservation easements and landowners are waiting to see if Measure 37 claims are successful. However, in some counties "spot zoning" and lack of enforcement has not convinced Trust staff that adequate protection exists.

Trust staff has considered possible affects of ecosystem changes resulting from long-term climate change and are avoiding preservation of small patches of habitat and keeping conservation easements flexible enough that they can accommodate change without amending the easement.

Trust staff looks at the likely future of a working land property to see if it will still have habitat value if economics make it impractical to farm in the future.

Evaluation Criteria and Process
Properties within focal areas and priority watersheds are targeted for acquisition. When a property becomes available, it is evaluated internally and through an External Lands Committee.

Stewardship and Monitoring
Because the majority of conservation land protected by the Trust is owned in fee, staff is directly involved in stewardship activities. For forest land, this could include sustainable forestry if it is compatible with managing for habitat. Stewardship also includes addressing invasive species and fire prevention.

Community Participation and Outreach, Stakeholder Support
The Trust has 2,000 members. Trust staff have maintained good relations with land owners and elected officials. Opting to pay property taxes on land owned in fee and commit to managing for fire prevention and invasive weeds has helped earn the support of county elected officials. Community outreach includes holding community meetings.

Conservation Easement
The Trust values conservation easements, especially for working landscapes such as farms and forests. The Trust prefers conservation easements that are not too specific and prescriptive—that provide flexibility but with standards. For example, an agricultural conservation easement would not include requirements for farming practices such as pesticide use, details about structures, certifications, recreational use (ATVs, hunting), and roads due to difficulty in monitoring. An approach used in one project was to establish zones within the property where certain activities (conservation, farming, and building) are either allowed or not allowed. Where the goal is exclusively for habitat preservation the Trust prefers fee simple ownership so that the Trust can best manage the property for its conservation values.

Funding Sources
In addition to support from private donors and foundations, the following funding sources have assisted with acquisition: BPA, Forest Legacy, FRPP, LCRP, NAWCA, Neotropical Migratory Bird Conservation Act, OWEB, FRPP, USFWS Section 6 ESA, Washington Salmon Recovery Funding Board, Washington Wildlife and Recreation Program, Yakama Nation Fisheries

What can working land easements contribute to watershed conservation in Oregon?
Working lands can make a significant contribution especially where threat of converting to houses and other types of development is high. Additionally, if the property is managed in a way that agricultural and forestry practices do not adversely impact the conservation values of the property, working landscapes can greatly contribute to landscape scale conservation protecting water quality and habitat corridors.. Effective conservation easements require monitoring, enforcement, and landowner acceptance of prescriptions.

Sources of Information
Cherie Kearney, Columbia Land Trust Forestry Initiative & Special Projects, interviewed May 11, 2010 and subsequent email.
Columbia Land Trust Strategic Plan 2011-2015.
Columbia Land Trust website.
Columbia Land Trust, *Conservation Planning: Prioritization Criteria and Process for Conservation Initiatives.* February 2007.

Appendix VI
Deschutes Land Trust

Overview
The Deschutes Land Trust (DLT) was established in 1995. The Trust has conserved 8199 acres—2745 in fee and 5454 acres in conservation easements—in the Deschutes river basin, including the Deschutes, Little Deschutes, Whychus, Metolius, Crooked, and Warm Springs Rivers.

Mission, Goals and Objectives
"The Land Trust's mission is to work cooperatively with landowners to conserve land for wildlife, scenic views and local communities."[1]

Vision

The Trust's vision:[2]

- Healthy lands that support diverse populations of native plants and wildlife.
- Communities that are closely engaged with the land, that value the natural world, treat it with respect and are invested in its futures.
- A region that, even as it grows, retains its natural attributes forever.

"The Deschutes Land Trust protects lands that meet rigorous conservation criteria. From important wildlife habitat, to sustainable working lands, to open space for scenic enjoyment, each of our protected lands is critical to the health and future of Central Oregon."[3]

Standards and Practices
The DLT is accredited by the Land Trust Alliance and has adopted an Ethics Policy and implemented standards and practices in the DLT's Policies and Procedures.

Administration
DLT has eight FTEs: Executive Director, Conservation Director, Development Director, Development Assistant, Stewardship Director, Land Steward, Office Manager, and Outreach Manager.

Approach to Targeting Acquisitions
DLT acquisition priorities are based on information and priorities from numerous plans and studies. Priorities for the next three years are to protect and restore habitat needed to support salmon and steelhead in the upper Deschutes basin (Whychus Creek, Crooked River and tributaries); acquire the Skyline Forest as a community forest; and respond to other opportunities to protect significant conservation lands in the Deschutes basin, including oak woodlands in the lower part of the basin. Larger properties are preferred in order to achieve large-scale habitat restoration.

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[1] Deschutes Land Trust Website
[2] Ibid.
[3] Ibid.

Evaluation Criteria and Process
Priorities for a given reach are based on level of threat, ability to acquire major contiguous properties on a stream, ongoing or proposed restoration, habitat value, soil quality, opportunities to protect ecosystem resilience, and priorities in applicable plans and studies. Protection offered by zoning is not a consideration, due to the lack of certainty of future changes. The Land Trust lacks sufficient information on the specific local implications of long-term climate change, so as an interim strategy it is addressing climate change through acquisitions and restoration actions that bolster ecosystem resilience.

Stewardship and Monitoring
The DLT establishes an endowment fund for each preserved parcel to ensure ongoing funding for monitoring, stewardship and enforcement. The Trust develops a stewardship plan for every acquisition. Staff formally monitors each preserve at least every two years and each easement annually.

Community Participation and Outreach, Stakeholder Support
DLT has a person in charge of outreach and has printed and electronic newsletters and public events. The Trust works closely with watershed councils.

Conservation Easement
DLT believes that conservation easements are well suited to prohibiting actions that could degrade a property but less useful as a means of ensuring restoration of a degraded property (i.e., it is easier to prevent someone from acting than it is to compel them to act and achieve a specific result). The Trust believes conservation easements could play a role in securing OWEB restoration program investments.

Funding Sources
DLT relies on membership fees, donations and foundation grants to support operational expenses. Donations and foundation grants also assist with specific acquisitions, along with grants from state and federal funding programs.

DLT has used NRCS Farm and Ranch Land Protection Program funds for two acquisitions. Delays in easement appraisal review posed a significant problem on one of the projects.

OWEB funds have been useful in acquiring easements on working lands that have significant conservation values. However, it remains to be seen whether OWEB's needs and those of agricultural landowners are compatible in the context of conservation easements. Specifically, OWEB must determine whether it can, from a philosophical perspective, invest in agricultural easements as a means of achieving its stream and habitat protection goals.

The DLT has received a grant of Forest Legacy funds to acquire the Skyline Forest.

What can working land easements contribute to watershed conservation in Oregon?
Most of the publicly-owned land in the Deschutes basin is working land. The DLT believes that watershed conservation in central and eastern Oregon cannot be accomplished without protecting ecological values on working land.

Information Source.
Brad Nye, Conservation Director, DLT, interviewed April 27, 2010, and subsequent email.
Deschutes Land Trust website
Unpublished draft of the 2010-13 Strategic Plan

Appendix VII
Greenbelt Land Trust

Overview
The Greenbelt Land Trust (GLT) was established in 1989 by a group of citizens seeking to preserve a greenbelt adjacent to the City of Corvallis. Trust worked to conserve lands within Benton County, with a focus on lands within and adjacent to the cities of Corvallis and Philomath, but later expanded to include all of Benton, Linn, Polk and Marion Counties in the mid-Willamette Valley..

The trust currently holds twelve easements on land with a variety of conservation values totaling 912 acres and three properties in fee, totaling 374 acres.

"If you look closely at Greenbelt Land Trust's mission statement, you will notice that we are committed to protecting *native habitats and working lands*. With over 600 of our currently 1,300 protected acres in some level of agricultural production, we continue to develop management plans for our properties that conserve both fragile and endangered native habitats, as well as working landscapes throughout the Willamette Valley." from: *Living With Nature*, Greenbelt Land Trust, Summer 2010

Mission, Goals and Objectives
"The mission of the Greenbelt Land Trust is to conserve and protect in perpetuity native habitats, working lands and lands of natural beauty, which provide a connection to the natural world for the residents of the Mid-Willamette Valley."[1]

"Our efforts will focus on the following objectives:

- Protection of selected lands of significance to the communities of Corvallis and Philomath with scenic and/or recreational value
- Conservation and restoration of key ecosystem components, such as floodplain connections and wetland and riparian areas
- Conservation and restoration of at risk and rare habitats and species, such as upland prairies
- Conservation and restoration of lands adjacent to public lands. Examples are conservation projects adjacent to the three wildlife refuges in the mid-Willamette Valley; Finley, Ankeny, and Baskett Slough
- Conservation and restoration of high priority lands along the middle reach of the Willamette River between Harrisburg and Buena Vista and north to the Yamhill River
- In partnership with landowners, designing conservation projects that restore and maintain important habitats within working landscapes of farms and forests
- Partnering with a variety of other organizations and agencies to maximize the impact of our conservation work and building a conservation ethic within the communities where we work"[2]

"Over the next five to ten years, the Greenbelt Land Trust will continue to work on two types of projects - conservation of properties of ecological significance in the mid-Willamette Valley and the protection of properties of community-wide value, particularly scenic properties in and near Corvallis and Philomath. While other activities such as trail development and education will be

[1] Greenbelt Land Trust Strategic Plan 2008-2012.
[2] Greenbelt Land Trust Conservation Plan, 2007

pursued, they are secondary to our primary mission of protecting ecologically valuable lands in perpetuity."[3]

Standards and Practices
Greenbelt Land Trust is an accredited by the Land Trust Alliance and has adopted its Standards and Practices.

Administration
GLT has 5 full-time and 2 part time staff: Executive Director, Office Administrator, Development Coordinator, Stewardship Program Coordinator, Education Coordinator, Administrative Assistant and a Special Project Coordinator, .

Approach to Targeting Acquisitions
The GLT is highly strategic in targeting acquisitions, drawing on a number of plans and studies that apply to the Willamette Valley. The Trust's Conservation Plan, adopted in 2007, targets specific areas, listing conservation objectives and recommended actions. The Plan also prioritizes specific species and habitat types. The plan draws on past assessments such as the Willamette Basin Synthesis Project, the Oregon Conservation Strategy, the Northwest Power and Conservation Council's Willamette Subbasin Plan and The Nature Conservancy's Eco-regional Assessment.

Lone Star Ranch Conservation Easement

In 2008, Greenbelt Land Trust (GLT), with the help of BPA funding, acquired a conservation easement on the 199-acre Lone Star Ranch in Willamette Valley. The easement protects endangered upland prairie and oak woodland habitat and at the same time allows low-intensity rotational grazing. The management plan divides the ranch into five management zones for conservation of oak woodlands, oak savanna, and upland prairie; grazing and agricultural production; ranch operations and home sites.

"Lone Star Ranch is an example of how responsible ranching can be one of many management tools to enhance the conservation values of native prairie landscapes." – Michael Pope, GLT Executive Director, quoted in *Living With Nature*, Greenbelt Land Trust, Summer 2010.

Evaluation Criteria and Process
Figure VII-1 shows the GLT project selection criteria.

Stewardship and Monitoring
GLT staff provide long term stewardship and restoration management for all of its properties. They have substantial obligations to maintain and/or enhance the ecological values for key native habitats on their properties. Currently the Trust funds most of their conservation projects through external grants that cumulatively average about $400,000/year. All of the significant properties have management plans (or will have management plans) that describe goals and objectives for the species and habitats on the properties. The Trust has identified the need to build adaptive management into its monitoring and evaluation policies.

Community Participation and Outreach, Stakeholder Support?
GLT collaborates with the Benton County Soil and Water Conservation District, County and City Parks and Recreational Departments, Willamette Riverkeeper, local Watershed Councils, Oregon Watershed Enhancement Board, the U.S. Fish and Wildlife Service, Oregon Department of Fish and Wildlife, Oregon State University, and local landowners in evaluating conservation planning for lands along the

[3] Ibid

Willamette River and associated tributaries between Salem and Harrisburg. GLT participated in the stakeholder involvement process for Benton County Habitat Conservation Plan (HCP) for upland prairies.

Conservation Easement
GLT easements are not too prescriptive, and instead depend on management plans and adaptive management to address changing conditions.

Funding Sources
In addition to private contributions and foundation grants, GLT has obtained acquisition funds from BPA, OWEB, and NAWCA.

What can working land easements contribute to watershed conservation in Oregon?
Working lands are important to watershed conservation. Much of land in Willamette basin is privately owned and in agricultural production. However, difficult to make various funding sources work together: each has different goals, need for accountability, application and evaluation timeline, unanticipated delays, requirements for conservation easement content and institutional barriers.

Sources of Information
Michael Pope, Executive Director, interviewed May 4, 2010, and subsequent email.
Greenbelt Land Trust Conservation Plan, 2007.
Greenbelt Land Trust Strategic Plan 2008-2012.
Greenbelt Land Trust website.

Figure VII-1
Greenbelt Land Trust Project Selection Criteria[4]

A. Physical Characteristics of the Site

1. View Qualities

- Prominent feature of the skyline
- Land possessing outstanding scenic qualities visible from public roads, rivers used by the public for recreation, or from park areas designated for public use
- Hilltops or other high areas, which offer panoramic views

2. Habitat Protection

- Habitats of species at risk or land containing endangered, threatened or rare species
- Natural communities that are characteristic of our region (e.g. oak savannas, native grasslands, conifer forests, riparian areas, and wetlands)
- Ecosystems of educational and/or scientific value
- Aquatic ecosystems that enhance and protect the quality and quantity of ground and surface water
- Perennial and intermittent streams and their riparian areas

3. Agricultural and Forest Resource Lands

- Forest lands
- Lands of significant agricultural importance and value

4. Lands of Historical, Cultural and Educational Importance

- Lands containing significant cultural features including: historic buildings, sites of historic value or resources of significant archaeological value
- Lands adjacent to sites of historical or archaeological value necessary for their protection
- Important community resources with a history of use by residents for recreation

5. Corridors

- Trails and bikeways not adjacent to roads
- Lands which serve as a connector between existing or proposed trails, parks, viewsheds or other open space preserves
- Wildlife corridors that allow for movement of animals, birds, insects and plant dispersal between larger areas necessary for their continued viability
- Waterways that provide for aquatic life and, if appropriate, human recreational uses.
- Railway rights of way
- River corridors

6. Ecosystem Services Lands

- Lands providing essential ecosystem services such as flood control, pollination, purification of air and water, decomposition and recycling of wastes, generation and renewal of fertile soils
- Aquatic ecosystems, including streams, wetlands, flood plains, ponds, and riparian corridors, that enhance and protect the quality and quantity of ground and surface water

7. Landscape Buffers and Gateways

- "Gateways" that enhance the entrance points into our communities

[4] Greenbelt Land Trust Conservation Plan, 2007.

- Lands that help maintain a visual buffer between urban areas already developed or with the potential to be developed
- Lands that serve as a buffer between urban development and uses of resource lands

8. Accessibility

- The ease of access to the site by the general public by road, bike, or foot trail
- Ease of access by children, the elderly or those with limited mobility
- Proximity to existing open space and existing residential areas
- Suitability for low impact recreation use, such as walking or high impact recreation use, such as sports fields

B. Geographic Focus

1. Tier One: Greenbelt Home

- The historic core of GLT activity, centered on the Corvallis-Philomath communities and the Urban Growth Boundaries in Benton County

2. Tier Two: Greenbelt Web

- All of Benton County, western Linn County, eastern Lincoln County, southern Polk County and western Marion County

3. Tier Three: Greenbelt Outreach

- Eastern Linn County, Polk and parts of Yamhill and Marion Counties

C. Acquisition Potential

1. Importance of public ownership.

- Whether public ownership is necessary to conserve the habit values and other characteristics of the property or provide public access. Conservation easements may serve the same purpose but at a lower cost.

2. Willingness of owners to relinquish whole or partial interest in property

- Purchase full fee title or enter into a conservation easement on a property

3. Urgency

- Dictated by impending sale of property or actions by landowners, agencies or developers that may change the conservation characteristics of the property

4. Ease of ownership

- Determined by the lack of legal impairments and the availability of clear title

5. Cost of acquisition

- Evaluate whether acquisition of a high cost property would diminish our ability to protect other significant properties

6. Cost of long-term stewardship and restoration (if necessary)

- Monitoring of conserved values, rehabilitation, and maintenance of the property

7. Viability of long-term ownership

- How adjacent land uses or land use designations may alter the long-term open space or conservation value of the site

Appendix VIII
McKenzie River Trust

Overview
The McKenzie River Trust was formed in 1989 to protect critical habitat and scenic lands in the McKenzie River basin. The Trust's current geographic scope includes watersheds in Lane and Douglas Counties: McKenzie River; Siuslaw River; Long Tom River; mainstem, middle and coast forks of the Willamette River; and the Umpqua River.

The Trust holds conservation easement on 20 properties totaling 1578 acres and owns nine properties in fee, totaling 1323 acres.[1] About one third of the easements and one fee property were donations.

Mission, Goals and Objectives
Mission: "The McKenzie River Trust protects special lands in Lane and Douglas Counties for their habitat, water quality, and scenic values."[2]

The Trust's conservation goals are to:

1) "Increase the availability of spawning and rearing habitat for salmonids and other native aquatic species by protecting and restoring riparian and wetland habitats so that historic river dynamics can again function in the floodplain.
2) Protect and manage remaining examples of native uplands, including oak woodland and savanna, and wet prairie ecosystems, and restore landscape-level connections among them when feasible.
3) Implement habitat conservation actions to complement agency and community scenic, open space, and farmland conservation projects."[3]

Standards and Practices
The McKenzie River Trust is accredited by the Land Trust Alliance and has adopted the LTA's Standards and Practices.

Administration
McKenzie River Trust staff is composed of six and a half FTEs: Executive Director, Development Manager, Land Protection Manager, Land Steward, Upper Willamette Project Manager, Green Island Project Manager, and Office Manager (part-time).

In addition, there is a contract bookkeeper and often one or more interns. Some services are also contracted, such as baseline documentation, environmental assessments, and development of management plans. Legal advice has been *pro bono*.

The Trust averages about 3 acquisitions per year.

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[1] McKenzie River Trust newsletter, *Currents*, Spring/Summer 2010.
[2] McKenzie River Trust 2005-2009 Strategic Plan , updated September 2008
[3] Ibid

Approach to Targeting Acquisitions
The Trust's primary conservation targets, in order of importance, are:

1. Salmon-bearing rivers and tributaries, focusing on their riparian areas, side channels, and floodplain.
2. Intact and restorable estuary.
3. Wetlands, wet prairies, vernal pools, and non-salmon bearing rivers and tributaries.
4. Oak savannas and oak woodlands.
5. Working forestlands.
6. Community open spaces.

For each watershed, the Trust identifies key conservation targets. Within each watershed, the Trust identifies and ranks priority sub-basins, and within priority sub-basins the Trust selects priority areas.

Zoning is a consideration only as it affects appraisals and relates to the level of threat. However, the likelihood of future zoning changes and the level of local enforcement is also a consideration.

Part of MRT's acquisition strategy is to "Manage and restore properties owned by MRT in collaboration with partners to encourage dynamic ecosystem processes and landscape level habitat connections."[4] This includes targeting larger parcels and making ecosystem resiliency a guiding principle.

Evaluation Criteria and Process
Potential acquisitions are scored using a project assessment matrix (Figure VIII-1) that assigns points to various conservation values. Cost/benefit, management challenges, and restoration potential are also considered.

Stewardship and Monitoring
MRT's Land Steward visits every property at least once a year to ensure terms of easements are being met and assess biological status.[5]

Community Participation and Outreach, Stakeholder Support
In addition to newsletters, MRT sponsors events, has booths at festivals, and floats in parades.

Conservation Easement
The Trust prefers conservation easements that address conservation goals, leaving details to the management plan. The management plan is cited in the conservation easement, and is approved by Trust staff.

Funding Sources
In addition to support from private contributions and foundations, MRT has received grants for acquisitions from: OWEB, USF&W, NAWCA, NFWF, BPA, and the Eugene Water and Electric Board.

[4] Ibid
[5] McKenzie River Trust newsletter, *Currents*, Fall 2009

What can working land easements contribute to watershed conservation in Oregon?
Conservation working land is important for preserving ecological values and for meeting community goals. However, it is more difficult to negotiate easements on working lands, especially if there are multiple funding sources. Management plans are more complex and more difficult to monitor and enforce.

Sources of Information
Joe Moll, Executive Director, interviewed May 4, 2010.
McKenzie River Trust 2005-2009 Strategic Plan, updated September 2008.
McKenzie River Trust Conservation Plan 2004-2009, updated September 2008.
McKenzie River Trust website.

Figure VIII-1
McKenzie River Trust - Property Evaluation Form

Section I: Is this a priority site?				
			Y/N	**Comments and references**
1	Within an area identified as strategic or priority? (*List appropriate reference*)			
2	Scarce critical species or habitats for watershed health in evidence? (*List species or habitats, and reference*)			
3	Is immediate action needed to ensure conservation of this site? (*List threats, if any*)			

Section II: Does this site have healthy ecologic and hydrologic function?				
	Function /Value	**Rating**	**Score**	**Comments**
	Habitat			
1	Habitat Diversity	Low – Medium – High 1 - 5		
2	Connectivity	Low – Medium – High 1 - 5		
3	Size of Parcel Area	5 Ac – 20Ac – 50+Ac 1 - 10		
4	Presence of Sensitive Species	Absent - 1/2 spc. - 3+ 0 - 10		
5	Potential for Beneficial Natural Disturbance	Low – Medium – High 1 - 5		
6	Invasive Species Cover	<1% - 1-20% - >20% 5 - 1		
7	Vegetation Diversity	Low – Medium – High 1 - 5		
8	Stream/River Course Function	N/A - Low - Medium - High 0 - 1 - 5 - 10		
9	Wildlife Diversity	Low – Medium – High 1 - 5		
10	Other Water Feature	N/A-Small-Medium-Large 0 - 1 - 5 - 10		
	HABITAT VALUES SCORE			
	Scenic Values			
1	View from Site	Low – Medium – High 1 - 5		
2	View to Site	Low – Medium – High 1 - 5		
3	Scenic Corridor/Buffer	Low – Medium – High 1 - 5		
4	Pastoral Setting/Farmland	Low – Medium – High 1 - 5		
	SCENIC VALUES SCORE			

	Threats			
1	Existing Land Use	Low – Medium – High 2 - -2		
2	Potential Land Use	Low – Medium – High 2 - -2		
3	Surrounding Land Use	Low – Medium – High 2 - -2		
4	Evidence of Hazardous Materials	Low – Medium – High 2 - -2		
5	Evidence of Dumping and/or Urban Debris	Low – Medium – High 2 - -2		
6	Existing Structures	Low – Medium – High 2 - -2		
7	Slope Stability/Erosion	Low – Medium – High 2 - -2		
8	Water Quality/Quantity	Low – Medium – High 2 - -2		
9	Stewardship Needs	Low – Medium – High 5 - 1		
	THREATS SCORE			
	TOTAL SCORE			

Section III: Does this site have appropriate logistical characteristics?				
(Score may range from –2 to +2, note potential deal killers)		**Rating**	**Score**	**Comments**
1	Willing Seller	Low – Medium – High - 2 - 2		
2	Reasonable Timeframe	Low – Medium – High -2 - 2		
3	Affordable (baseline is $2500/acre)	Affordable–Unaffordable 2 - -2		
4	Within an Urban Growth Boundary or designated rural community	Yes - No -2 - 0		
5	Leveraged funding opportunity	Low – Medium – High - 2 - 2		
6	Executable management plan	Low – Medium – High -2 - 2		
7	Compatibility with surrounding land uses and relevant land use plans	Low – Medium – High -2 - 2		
8	Management costs covered	Low – Medium – High - 2 - 2		
9	Partnership opportunity (public relations or political opportunity or liability)	Low – Medium – High -2 - 2		
10	Site needs mitigation for human disturbance	Low – Medium – High 2 - -2		
	LOGISITICS SCORE			

FINAL ACQUISITION MATRIX SCORE

Other relevant qualitative evaluation considerations:

Overall significance of property with respect to MRT's mission, conservation priorities, and existing capacity to engage in land protection:

Appendix IX
Oregon Rangeland Trust

Overview
The Oregon Rangeland Trust (ORT) was created by the Oregon Cattlemen's Association in 2001. It is aligned with that organization but not a formal part of it. ORT acquires conservation easements on privately owned working landscapes in Oregon and Washington.

Members of the board of directors must be members of the Oregon Cattlemen's Association and a majority of the board must be producers.

ORT currently holds three conservation easements, all on working landscapes in Oregon, totaling about 12,000 acres. One easement was identified as a priority because it allows irrigation water for the Wallowa Valley to be delivered to approximately 9,000 acres.

Mission, Goals and Objectives
"The mission of the Oregon Rangeland Trust is to help Oregon and Washington ranch and farm landowners protect and conserve the long-term viability of their ecologically significant private lands."[1]

Standards and Practices
ORT is a member of the Land Trust Alliance, although not accredited, and has adopted LTA's Standards and Practices.

Administration
ORT has one paid staff, the Executive Director, and depends on nine volunteer board members.

Approach to Targeting Acquisitions
To date, acquisitions have been opportunistic, based on landowner contact with ORT or one of the board members. However, ORT is highly selective in choosing what parcels to pursue. Proposed acquisitions must have significant agricultural and ecological values and be viable (landowner family support and likelihood of being funded).

Evaluation Criteria and Process
When a landowner approaches ORT to propose sale or donation of a conservation easement, the landowner is asked to fill out a *Project Questionnaire*. The questionnaire asks for details of land characteristics, ownership, and productivity. The responses are evaluated using a checklist of eight basic criteria and if the project appears viable, it is evaluated using the ORT's scored set of criteria and conservation plan. Board members make an on-site visit and meet with all identified owners and family members to assess commitment to the project.

Proposed acquisitions are evaluated using a scored series of criteria:

- potential for successful funding (20 possible points)
- agricultural values (30)

[1] Oregon Rangeland Trust website

- biological/habitat values (50)
- development pressure (20)
- scenic values (40)
- opportunities to work with neighboring properties (20)
- business potential (likelihood that the ranch will remain in business (30)

Stewardship and Monitoring
The ORT Executive Director and board members monitor easements and present the results annually at a meeting of stakeholders (the landowner, easement holder, entities with third party right of enforcement, and funders).

Community Participation and Outreach, Stakeholder Support
Community outreach is done primarily by contact with landowners and with elected officials at public meetings. ORT has established working relationships with a number of organizations involved in land conservation including the Trust for Public Land, the National Fish and Wildlife Foundation, OWEB, Natural Resource Conservation Service, Sustainable Northwest, Oregon Department of Fish and Wildlife, Ducks Unlimited, the Partnership of Rangeland Trusts, the California Rangeland Trust, and others.

Conservation Easement
All ORT easements are in perpetuity. They are comprehensive in terms of being clear about goals and objectives. Details regarding management and monitoring are contained in a management plan, agreed on by the grantee, grantor and funder(s). ORT recognizes that unanticipated changes will occur in the future and flexibility is ensured through management plan amendments. The easement provides for a mechanism for amendment if ORT determines that the proposed action will not significantly impact the agricultural productive capacity and identified conservation values. ORT's model conservation easement is twelve pages long, not including exhibits.

Drew's Valley Ranch Conservation Easement

In 2004 the Oregon Rangeland Trust purchased a conservation easement on the 11,400 acre Drew's Valley Ranch in Lake County. Purchase of the easement was accomplished through the cooperation of The National Fish and Wildlife Foundation and the Trust for Public Land and was funded through the Oregon Watershed Enhancement Board, the Farm and Ranchland Protection Program and a donation from the landowners. The conservation easement will be held and monitored by ORT. The easement provides for continued ranching, limits future development, and protects wildlife habitat and open space. The easement requires that OWEB and ORT approve a conservation and restoration plan and ORT submit a written report to OWEB every five years. OWEB holds a third party enforcement right.

Funding Sources
ORT has used grants from the Oregon Watershed Enhancement Board and Farm and Ranchland Protection Program, along with landowner donations, to acquire easements. The major issue with OWEB funding has been uncertainty over what OWEB will and will not fund and communications with OWEB staff. NRCS funding has been problematic due to the FRPP's requirement that the non-federal match be in hand when the grant is awarded. ORT has also used NAWCA funds, through participation of Ducks Unlimited. Trust for Public land has assisted with one acquisition and the National Fish and Wildlife Foundation provided a planning and technical assistance grant to assist with ORT's first acquisition, the Drew Valley Ranch.

What can working land easements contribute to watershed conservation in Oregon?
ORT identifies two benefits. First, that the vast majority of privately-owned land is working land. Watershed conservation targeted only at non-working land and public land will be insufficient in terms of the potential land base to be addressed. Secondly, working land parcels tend to be larger, and thus offer greater potential for watershed conservation at a landscape scale.

ORT believes that easements are the best solution to keeping land in private ownership and meeting landowner goals, ensuring potential for agricultural production, and providing for stewardship and monitoring by the landowner and local entities.

Information Source
Frank O'Leary, Executive Director, interviewed July 9, 2010, and subsequent email.
Tom Price, Board Chair, interviewed July 9, 2010.
Oregon Rangeland Trust website.

Appendix X
Southern Oregon Land Conservancy

Overview
The Southern Oregon Land Conservancy was founded in Ashland in 1978. The Conservancy currently holds donated conservation easements on 42 properties (8,280 acres total) and owns one property in fee (30 acres). All together, over 8,300 acres of land have been protected.

The Conservancy has acquired easements on open space, habitat, working farms and ranches, and park land.

The Conservancy's geographic scope is the Rogue River Basin, including Jackson, Josephine, Curry, Coos and South Douglas Counties. The Conservancy is currently concentrating on Jackson and Josephine Counties.

Mission, Goals and Objectives
"The Mission of the Southern Oregon Land Conservancy is to protect special lands in the Rogue River Basin and surrounding areas for present and future generations by working cooperatively with landowners and communities."[1]

Standards and Practices
The Conservancy has adopted LTA's Standards and Practice and is working towards accreditation.

Administration
Staff consists of an Executive Director, Conservation Coordinator, Development Director, Office Manager (part time), and attorney (part time).

In addition, a 17-member Lands Advisory Board provides technical assistance on an as-needed basis. The conservation coordinator spends most of his time working with landowners and monitoring conservation easements. Volunteers also help to visit easements.

Occasionally the Conservancy contracts for special services, most recently to develop a conservation plan.

The Conservancy acquired easements on two parcels in 2009, and two in 2008. The average is about three acquisitions per year, although staff expects that to drop as the Conservancy becomes more strategic, targeting specific areas and properties and acquiring easements through purchase as well as donation.

Approach to Targeting Acquisitions
Up until now, acquisition has been opportunistic, and all conservation easements have been donated. The new conservation plan, which is under development, will target priority areas and specific types of projects. The Conservancy hopes to work closer to where its core constituency lives (Josephine and

[1] Southern Oregon Land Conservancy website.

Jackson Counties) in order to build community support and to find a “signature” property to acquire in fee so public can visit it.

Setting priorities is assisted by plans and assessments from other entities and organizations. Conservancy staff meets monthly with the US Forest Service, Nature Conservancy, BLM, Rogue Valley Council of Governments, the Conservation District and landowners do discuss priorities. The Conservancy tries to prioritize connectivity, expanding on currently protected lands, and cultural and recreational values.

At this time, the only affect of zoning on acquisition priorities has been impacts on easement appraisals and implications related to the landowner's property taxes.

Evaluation Criteria and Process
The acquisition priorities are:

- agricultural land
- river and stream corridors
- natural habitats including viewsheds
- wildlife corridors
- parkland

Stewardship and Monitoring
Every year Conservancy staff and volunteers visit each property to monitor its condition, maintain relationships with land owners, and review management plans. Landowners are asked if there are any anticipated changes, including plans to sell the property. Landowners are required to notify the conservancy of an intended sale. Conservancy staff attempt to meet with prospective owners and have information packets for landowners and realtors to provide to possible buyers.

Community Participation and Outreach, Stakeholder Support
The Conservancy, with the assistance of a consultant, conducted five focus groups sessions around the basin to provide input into the 2007-2009 Strategic Plan. Preserving agricultural land was the top priority expressed in these sessions. The results of the focus groups was used as a basis for a facilitated planning retreat of the board and advisory groups. The resulting conservation plan is in progress.

Conservation Easement
The Conservancy has an 18-page conservation easement template. The staff-approved management plan covers a ten-year duration and is the vehicle for addressing changing ecological and socio-economic conditions.

Funding Sources
As noted above, all acquisitions to date have been donations. The Conservancy did receive an OWEB technical assistance grant for acquisition-related expenses associated with the Eagle Mill Farm project and US Fish and Wildlife funds to cover transaction costs on a ranch with vernal pools. Fundraising and foundation grants help support administrative costs and costs associated with some projects.

The Conservancy has not taken advantage of NRCS or Forest Legacy grant programs. However, as the Conservancy becomes more strategic in targeting acquisitions, staff intends to explore all funding sources that are applicable. Easements on working land are a top priority.

What can working land easements contribute to watershed conservation in Oregon?
A huge percentage of privately owned land in the Conservancy's geographic area of interest is in agricultural production. Much of this land has ecological value and potential for preserving viewsheds and offering recreational opportunities.

Sources of Information
Diane Garcia, Executive Director, interview May 3, 2010, and subsequent email.
Southern Oregon Land Conservancy Strategic Plan 2007-2009.
Southern Oregon Land Conservancy website.

Appendix XI
The Wetlands Conservancy

Overview
The Wetlands Conservancy (TWC) was founded in 1981 to permanently protect and conserve Oregon's most biologically important wetlands. The Conservancy owns more than 1,870 acres, primarily in the Portland metropolitan area and southern Oregon coast but is active throughout the state.

Mission, Goals and Objectives
"The Wetlands Conservancy is the Leading Voice for Oregon's Greatest Wetlands-
Promoting Conservation, Collaboration, and Stewardship.

"The Wetlands Conservancy (TWC) is the only organization in Oregon dedicated to promoting community and private partnerships to permanently protect and conserve Oregon's greatest wetlands – our most biologically rich and diverse lands.

- TWC designs and implements collaborative strategies to sustain the health of wetlands.
- TWC works with local communities, land trusts, watershed councils, individual landowners and resource managers to promote local stewardship, restoration and acquiring properties.
- TWC trains, educates and provides assistance directly to landowners, citizen groups, and businesses to increase local conservation and restoration of key wetlands."[1]

Standards and Practices
The Wetlands Conservancy has adopted LTA's *Land Trust Standards and Practices*.

Administration
Staff consists of an Executive Director, Operations Director, Office Manager, Urban Property Steward, Coastal Steward, Wetland Ecologist, and GIS Analyst.

Approach to Targeting Acquisitions
TWC and the Institute for Natural Resources have developed the Oregon Wetland Explorer, a database that includes information on wetlands and act as a portal to support conservation efforts. Working with partners, TWC has established a map of Oregon's biologically important wetlands and is developing conservation plans for wetlands in targeted areas: midcoast, Deschutes Basin, and Lower Columbia River estuary.

Community Participation and Outreach, Stakeholder Support
TWC has developed partnerships and collaborations with watershed councils, landowners, businesses, agencies, land trusts. Outreach includes a newsletter and various events. TWC works closely with land trusts and watershed councils and has developed partnerships and collaborations with many businesses and public agencies.

[1] The Wetlands Conservancy website.

Funding Sources
In addition to private donations and foundation support, TWC has received funding from the National Coastal Wetlands Conservation Grant Program, EPA, OWEB, and NAWCA

What can working land easements contribute to watershed conservation in Oregon?
"The majority of Oregon's wetlands are privately owned—much of it adjacent to agricultural operations. To truly restore and protect these fragile landscapes, TWC is working to establish local partnerships that can positively influence community values."[2]

Sources of Information
Esther Lev, Executive Director, interviewed June 11, 2010.
The Wetlands Conservancy website.

[2] Guidestar report

Appendix XII
Individuals Interviewed For This Report

Kammie Bunes, Washington Recreation and Conservation Office, May 11, 2010

Nancy Chase, former land acquisition specialist for METRO; board member of the Lower Nehalem Community Trust, August 30, 2010

Michele Connor, Cascade Land Conservancy, May 12, 2010

Jim Conrad, Executive Director, Maryland Agricultural Land Preservation Foundation, April 13, 2010

Rick Craiger, OWEB staff, Redmond, July 31, 2010

Brent Davies, Ecotrust, July 21, 2010

Tiffany Davis, Maryland Natural Resources Conservation Service, April 23, 2010

Tim Deboodt, OSU/Crook County Extension Service and OWEB Review Team member, August 11, 2010

Sandy Edwards, Eastern Shore Land Conservancy, June 2, 2010

Gary Finstad, Colorado Natural Resources Conservation Service, April 13, 2010

Diane Garcia, Executive Director, Southern Oregon Land Conservancy, May 3, 2010

Derek Johnson, The Nature Conservancy, June 8, 2010

Cherie Kearney, Columbia Land Trust, May 11, 2010

Esther Lev, Executive Director, Wetlands Conservancy, June 11, 2010

Meta Loftsgaarden, Partnership Liaison, Oregon Natural Resources Conservation Service, April 29, 2010

Cathy Macdonald, The Nature Conservancy, June 8, 2010

Joe Moll, Executive Director, McKenzie River Trust, May 4, 2010

Brad Nye, Conservation Director, Deschutes Land Trust, April 27, 2010

Frank O'Leary, Executive Director, Oregon Rangeland Trust, July 1, 2010

Peter Paquet, Manager, Wildlife and Resident Fish, Northwest Power and Conservation Council, September 30, 2010

Todd Peplin, Farm Bill Specialist, Natural Resources Conservation Service, October 22, 2010

Michael Pope, Executive Director, Greenbelt Land Trust, May 4, 2010

Tom Price, Board Chair, Oregon Rangeland Trust, July 1, 2010

Cara Rose, National Fish and Wildlife Foundation, July 22, 2010

Mark Rose, Natural Resources Conservation Service, national office, June 4, 2010

Leslie Ryan-Connelly, Washington Recreation and Conservation Office, May 11, 2010

Kathleen Staks, Open Space Coordinator, Great Outdoors Colorado, April 9, 2010

Bruce Taylor, Executive Director, Oregon Habitat Joint Venture, July 22, 2010

Dorothy Welch, Fish and Wildlife Administrator, Bonneville Power Administration, August 23, 2010

Bari Williams, Easement Specialist, Natural Resources Conservation Service, August 31, 2010

Mary Wahl, Cape Blanco Challenge, landowner, November 1, 2010

Krystyna Wolniakowski, Northwest Office Director, National Fish and Wildlife Foundation, July 22, 2010

Appendix XIII
Acronyms Used in This Report

AON	Assessment of Need (Forest Legacy Program)
BLM	Bureau of Land Management
BPA	Bonneville Power Administration
CFT	Conservation Futures Tax (Washington State)
CLT	Columbia Land Trust
CREP	Conservation Reserve Enhancement Program
CRP	Conservation Reserve Program
CSP	Conservation Stewardship Program
DLT	Deschutes Land Trust
EPA	Environmental Protection Agency
EQIP	Environmental Quality Incentives Program
ESU	Evolutionarily Significant Unit
FLP	Forest Legacy Program
FMV	Fair Market Value
FOTG	Field Office Technical Guide
FPP	Farmland Preservation Program (Washington State)
FRPP	Farm and Ranchland Protection Program
FSA	Farm Service Agency
FSC	Forest Stewardship Council
GLT	Greenbelt Land Trust
GOCO	Greater Outdoors Colorado
GRP	Grassland Reserve Program
HFRP	Healthy Forest Reserve Program
INR	Institute for Natural Resources (Oregon)
IPA	Installment Purchase Agreement
ISSSSP	Interagency Special Status Sensitive Species Program
LCREP	Lower Columbia River Estuary Program
LIP	Landowner Incentive Program
LTA	Land Trust Alliance
MALPF	Maryland Agricultural Land Preservation Foundation
MET	Maryland Environmental Trust
MRT	McKenzie River Trust
NAWCA	North American Wetlands Conservation Act
NFWF	National Fish and Wildlife Foundation
NMBCA	Neotropical Migratory Bird Conservation Act
NRCS	Natural Resources Conservation Services
ODFW	Oregon Department of Fish and Wildlife
ORNHIC	Oregon Natural Heritage Information Center
ORT	Oregon Rangeland Trust
OWEB	Oregon Watershed Enhancement Board
PES	Purchase of Ecosystem Services
RCO	Recreation and Conservation Office (Washington State)
RLP	Rural Legacy Program (Maryland)
SOLC	Southern Oregon Land Conservancy

SRFB	Salmon Recovery Funding Board (Washington State)
TNC	The Nature Conservancy
TPL	Trust For Public Land
TWC	The Wetlands Conservancy
USDA	United States Department of Agriculture
USFWS	United States Fish and Wildlife Service
WHIP	Wildlife Habitat Incentives Program
WREP	Wetland Reserve Enhancement Program
WRP	Wetland Reserve Program
WWRP	Washington Wildlife and Recreation Program (Washington State)