



OPTIONS FOR CONSERVING YOUR LAND

Since 1990 the Eastern Shore Land Conservancy (ESLC) has helped landowners identify the right voluntary land protection tool to permanently preserve their lands for generations of landowners, farmers, foresters, hunters, and wildlife enthusiasts. ESLC partners with various public agencies, non-profits, and community groups to provide private landowners with the best possible tools to protect their land. ESLC can provide direction to landowners trying to navigate the many complicated factors that should be considered when deciding on the best option to protect their land, including family and financial considerations, estate planning issues, and overall conservation objectives. The following is a brief overview of some of the conservation options available to Eastern Shore landowners.

DONATED CONSERVATION EASEMENT: One common tool used on the Eastern Shore is the donated conservation easement. A conservation easement is a permanent agreement between a landowner and a qualified land trust (such as ESLC) that limits development on a property to protect the land's "conservation values". These agreements are designed to be flexible, and specific items such as forestry terms, habitat buffers, and reserved residential rights can be tailored to meet the goals and objectives of each individual landowner in accordance with ESLC policies and IRS guidelines (certain easement terms are required for the easement to be eligible for various tax benefits.) Therefore, each conservation easement is unique. Donated conservation easements can be completed quickly – often within four to six months. Purchased programs take much longer. The compensation for donated easements is in the form of potential tax benefits which include a federal income tax deduction, a state income tax credit, a Maryland property tax credit, and a reduction in estate taxes.

RURAL LEGACY: The Rural Legacy Program was created by the State of Maryland to protect large contiguous blocks of land and other strategic areas, such as important habitat areas and scenic vistas, from sprawl development. This program encourages local governments and private land trusts to identify Rural Legacy Areas and to apply for grant funds to permanently protect properties within these areas. In partnership with local county governments, ESLC created the Agricultural Security Corridor Rural Legacy Area consisting of three focus areas covering portions of five counties. Funds allocated by the State for this program must be used within a designated Rural Legacy Area. For more information, please contact ESLC, your local planning and zoning office, or visit Maryland's Rural Legacy Program website at www.dnr.state.md/us/rurallegacy/.

MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION (MALPF): The MALPF program was established by the Maryland General Assembly in 1977 and is part of the Maryland Department of Agriculture. MALPF purchases agricultural preservation easements on prime farmland and woodland. The MALPF program is one of the most successful programs of its kind in the country. To qualify for the program, a property must meet minimum size and soil eligibility criteria and be located outside of a ten-year water and sewer service area. Easement purchases are made through a competitive application process that is administered locally by each county with slightly different criteria. Each county has a designated program administrator who acts as the liaison between the agricultural community and MALPF. Landowners should contact their individual county administrator for specific details about the program. To find your local administrator, please visit MALPF's website at www.malpf.info/PAContact.html.

AGRICULTURAL CONSERVATION EASEMENT PROGRAM (ACEP) – This Federal Farm Bill program replaces the Federal Farm and Ranchland Preservation Program (FRPP). The new easement program is essentially the same as the old program in that it helps purchase agricultural preservation easements. The main difference is that more Farm Bill cost share programs have been lumped together within ACEP. The program is funded by the U.S. Department of Agriculture and provides up to 50% of the acquisition cost of the easement. Typically, the cooperating entity (land trust or local government) must provide at least a 25% cash match for the acquisition and additional funding to cover all of the incidental costs associated with the project. If the landowner is willing, the remaining 25% of the acquisition cost may be donated in the form of a bargain sale by the landowner (this bargain amount has the potential to qualify the seller for the donated tax benefits up to the amount of the discount), otherwise the cooperating entity must provide the full 50% cash match for the acquisition. In MD, a willing landowner can donate up to 90% of the match, leaving the land trust to provide only 10% in additional cash.

OTHER LAND PROTECTION OPTIONS: The programs mentioned here are the most commonly used land preservation tools employed on the Eastern Shore, but other alternatives exist. Each land protection project is unique and requires a slightly different approach to insure the individual landowner's goals for preservation are met. ESLC uses available resources to make a preservation project work. Such alternative options include U.S. Fish and Wildlife Service endangered species funds, Forest Legacy easements, local Purchase of Development Rights (PDR) programs, and Transfer of Development Rights (TDR) programs. ESLC also works to connect conservation minded sellers with likeminded buyers. All of these land preservation options are voluntary.

For more information, additional resources, or a confidential consultation, please contact Eastern Shore Land Conservancy at 410-690-4603.