



LANDOWNER GUIDE TO
CONSERVATION EASEMENTS

Foreward

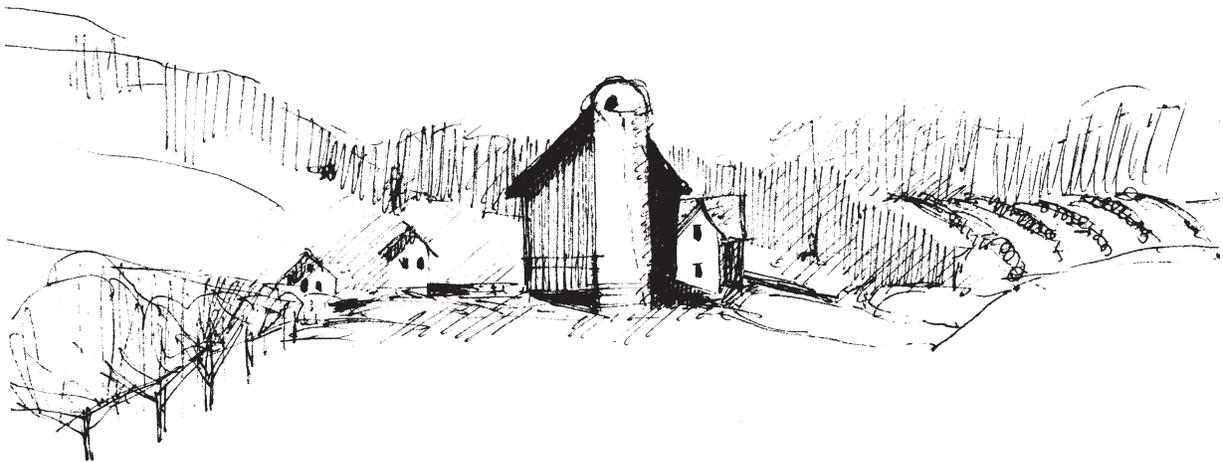
In December 2010 President Obama signed into law a bill that extended many of the Bush era tax cuts, including a provision that extended through the end of 2011 the expanded tax incentives in place since 2006 which have spurred conservation easement donations, protecting some of the most significant conservation lands in the US. This booklet is designed to help landowners understand this very important opportunity to make conservation gifts while making a prudent financial decision in the best long-term interests of family members.

These federal tax provisions, coupled with significant property tax advantages available to donors of conservation easements (See Page

2 a Quick Primer on Property Taxes applied to Conservation Easement Lands), provide major incentives that private landowners should understand if they are interested in protecting their land, and if those lands have particular ecological significance such as wetlands, shorelines, or high quality forests.

This booklet is designed to explain in simple terms what a conservation easement is, how the new tax incentives apply to Leelanau County situations, and how to work with the Leelanau Conservancy. I hope you'll consider this opportunity to protect your precious land for future generations.

—Brian Price
Executive Director
Leelanau Conservancy



Introduction

As a Leelanau County property owner, you know that your land is special. Whether you own a farm or wetland, shoreline or dunes, the landscapes that give Leelanau its unique rural character are unlike any other.

Like many other landowners, you may be concerned about the future of your property. Will the next owner care for it the way you do? Can your children and grandchildren afford to keep the property?

The good news is that landowners now have the tools they need in the form of great tax breaks to protect forever the conservation values of the lands they love.

Who We Are

The Leelanau Conservancy is a 501 (c) (3) non-profit organization that was formed in 1988. Our mission is to Conserve the Land, Water and Scenic Character of Leelanau County. We achieve this mission by entering into conservation easement agreements with private property owners, accepting donations of property and by purchasing land.

We are a small, committed and highly professional staff with an office in Leland. We have a dedicated board of directors, an army of volunteers and 4,600 donors who care tremendously about protecting the places that make Leelanau County so unique. Together we have preserved land in each of our 11 townships—places like the Narrows on Lake Leelanau, Whaleback, Kehl Lake, the Crystal River, the DeYoung and Swanson Farms and many more special locales. Over 8,000 acres and 33 miles of shoreline have been protected since 1988, including 21 Natural Areas and Preserves that, collectively, represent so much of what we love about Leelanau. The Conservancy

has also worked with over 135 private landowners to permanently protect the natural features of their land for future generations by creating individualized legal agreements that place certain development restrictions on the property called conservation easements. Conservation easements can result in significant tax benefits for donors who then still enjoy private ownership of their property, including the right to prohibit public access.

“Shortly after we purchased the 47 acres that became Charter Sanctuary, we stood at the top of the hill surveying the mix of habitats spread before us. I said, ‘Just think, after we’re gone, this will all belong to our birds.’ However, without someone to ensure that this place actually is preserved in the way we want it to be, it might not have always been there for the birds. And that someone is the



Leelanau Conservancy, which, with every easement it signs, agrees to see that the terms of the agreement - which the owner stipulates - are carried out in perpetuity.

Through our gift of a conservation easement, we have been provided with a way to keep our dream alive.”

—Kay Charter, who with her husband, Jim, preserved 41 acres near Omena, known today as Saving Birds Thru Habitat.

Learning More: A Quick Primer on the New Tax Rules

Tax Rules Governing Gifts of Conservation Easements

If you own land with important natural resources, voluntarily donating a conservation easement can be one of the smartest ways to conserve land you love while maintaining your private property rights and realizing significant federal tax benefits. Considering the donation of a conservation easement can be a very important part of a comprehensive family estate plan, avoiding potentially contentious disputes among children or other heirs. The incentives now extended through 2011 allow modest income landowners, like working farmers, to deduct much more than they could under the income tax rules in effect prior to 2006, bringing additional fairness to the tax code.

1. Deduct up to 50% of your adjusted gross income based on the appraised value of the donated conservation easement;
2. Allows the donor to carry-forward the tax deductions for a conservation easement for up to 15 years; and
3. Allows qualifying farmers to deduct up to 100% of their taxable income (e.g., potentially pay no federal income tax).

As you read on in this booklet, we will provide specific examples from Leelanau County of how these tax law changes can benefit local landowners.

Impact of Federal Tax Changes on Conservation Easement Donations

	Prior to 2006	After 2006
Individuals		
Adjusted Gross Income Limitation	30%	50%*
Carry-forward of Unused Contribution	5 years	15 years
Corporations		
Taxable Income Limitation	10%	50%*
Carry-forward of Unused Contribution	5 years	15 years

*100% for qualified farms

Note that if your family land is in a corporation, the previous tax law made it very difficult to get the full value of the deduction from a conservation easement gift. That has changed. Under the Pension Protection Act of 2006, corporations are treated equally with individuals. Also, under the new law, qualified farms can offset up to 100% of annual adjusted gross income for the gift of a conservation easement. Lands held in a corporation or as part of a qualified family farm are special but important cases, and we encourage you to contact the Conservancy directly as well as to seek professional advice if you qualify under these rules.

Learning More: A Quick Primer on the New Tax Rules

Changes in State Tax Law: PA 446 - Elimination of the “Pop-up Tax” on Conservation Easement Land

When the State of Michigan reformed its school financing system in 1994, sweeping changes were made to the property tax system in the state. The changed property tax law included a provision that limited the rate of increase in real estate valuation on which an individual's property taxes are based to 5% per year or the annual rate of inflation, whichever is less.

However, Michigan Property Tax law states that the basic rate on which taxes are levied (the State Equalized Value or SEV) is to be set at 50% of the Fair Market Value (FMV) of the property. FMV is established based on sales of similar properties each year. So while Taxable Values cannot rise at a rate in excess of 5% per year, from the mid-90's until the last couple years, the State Equalized Value for a given parcel was rising at a rate based on the local real estate market, usually well in excess of 5% each year. If you own land in Leelanau County, where market forces have been driving a rapid run-up in real estate values for several decades, the average Taxable Value of most parcels is just a fraction of their State Equalized Value.

What does this mean to you? First, if you've owned your property for many years, a look at your tax bill will undoubtedly show that your State Equalized Value is much higher than your Taxable Value. Your actual property taxes in a given year are based on multiplying the lower Taxable Value by the prevailing millage rate in your township. Now here comes the problem. When you transfer the land to a new owner, whether by sale or by a bequest or gift to your children, the property tax law states that the taxes come uncapped. They must “pop-up” to the State Equalized Value, which is set at 50% of Fair Market Value. What it means for you as a property owner is that your heirs or whoever you may sell to will usually be paying 3 to 5 times the annual property taxes that you've been paying. This simple fact has created a log-jam of family lands that cannot be transferred from one generation to the next because the new owners simply cannot afford the vastly increased property taxes. You may be one of these property owners.

Now to the point: Michigan law now exempts from the “pop-up” tax lands subject to a qualified conservation easement. The law as previously written allowed certain types of transfers to be made without taxes popping-up. For instance, a husband could transfer land to his wife without the tax increasing. With the passage of PA 446 in late 2006, a property owner can prevent property taxes from skyrocketing when land is passed down in the family by donating a conservation easement over qualifying land.

To understand what this might mean in your situation, simply consult your tax bills to check the difference between Taxable Value and your State Equalized Value. As you read on, we will give specific examples of the impact of this legislation, and how, especially when coupled with the new federal income tax provisions, it presents a great opportunity to lock-in both tax deductions and lower property taxes going forward.

Definitions

State Equalized Value (SEV): by definition 50% of the Fair Market Value of your property. This number is based on comparable sales of similar land in your locale.

Taxable Value (TV): The State Equalized Value of land, since 1994 or the last date of transfer, plus annual adjustments for the rate of inflation or 5%, whichever is less. Your tax bill in a given year is based on this number.

Millage Rate: The rate at which local taxes are levied for various services such as schools, local and state government, and other extra-voted services. $\text{Taxable Value} \times \text{Millage Rate} = \text{Annual Property Tax}$

A Landowner's Story

“A Vehicle for Us to Meet our Objectives”

When Bob and Eleanor Miller bought their 160 acres in Centerville Township back in 1977, there were only a handful of people living year round in their neighborhood. Bob, a psychiatrist, had just taken a job at the Traverse City State Hospital. Eleanor, who has a Master's in social work, had strong ties to the area; her family had carried on a tradition of summering in Leland that had begun with her ancestors in the early 1900s.

Although they considered themselves “city people,” the Millers fell in love with the land and the idea of living just up the hill from South Lake Leelanau. They hoped for children eventually and viewed their 160 acres as a “quiet, safe place where kids could just be immersed in nature,” says Eleanor. The weathered barn on the property was also a selling point: Eleanor had grown up with horses and wanted them in her life again.

They lived in a circa 1900 farmhouse on the property for eight years. A woodstove sufficed for heat; the house had no insulation. In time, they had a son, then a daughter, and built a simple, energy-efficient ranch house up a slight rise behind the farmhouse, but in a valley where it is protected from the winds. Eleanor got her horses, (there are now 11 in the barn) and began to volunteer as a 4-H leader. The old logging trails on the property made for good riding and wildflower hikes. Today, 4-H kids bunk in the old farmhouse for the week-long summer riding camps Eleanor hosts.

Among the land's other features: spectacular views of Lake Leelanau provided by many vantage points on their property, along with a mature and ecologically diverse northern beech-maple hardwood forest. A tributary of Rice Creek, which drains into South Lake Leelanau, runs through the Millers' northwestern corner. The creek provides valuable habitat for many species of plants and animals. “All of these features combined make it a significant contributor to the health of the Lake Leelanau Watershed,” says Matt Heiman, Conservancy Land Protection Specialist.

The Millers' part of the county was so unpopulated when they first moved here that they weren't even on the school bus route. That would soon change. “All of a sudden Rosinski Road got developed and paved,” says Eleanor.

Bob and Eleanor Miller donated two conservation easements on 120 acres in Centerville Township.



“Houses started going up and we saw how quickly and easily land can be divided and developed.”

They knew from the start that they wanted most of their land to remain undisturbed forever. As time passed and they saw more land around them developed, the Millers knew they wanted to do something that would permanently protect a large portion of their land.

In 2001 they donated a conservation easement on 60 acres and donated a second 60-acre easement in 2005, “so we could take the tax benefits in phases,” says Bob.

Though not the impetus for protecting their land, the tax benefits that come with giving up development rights were an added plus, says Bob. He adds that they are leaving 40 acres unrestricted to keep their options open.

“It was a no-brainer when the Conservancy emerged, and we realized we could have someone advocate for our wishes,” says Bob. “When you are younger you think you are going to be here forever. But we're not, and we like that the Conservancy can provide a structure to protect the land long after we're gone. It became the vehicle for us to meet our objectives.”

The Millers say they would be happy to talk to any landowner who wants to ask questions of someone who has done a conservation easement. “Our experience over the 10 years we have worked with the Conservancy is that they have been really flexible,” says Bob. “The easement allows you to use the land in the way you want. What I'd like to see is a concerted effort of neighbors working together to protect large blocks of land. If we don't, this will all end up subdivided into a sea of houses.”

Getting Started: Understanding Conservation Easements

A conservation easement is a legal agreement between a landowner and the Leelanau Conservancy that permanently limits a property's uses in order to protect its conservation values. These agreements are not a new concept in property law, as similar agreements have been in force all across the United States since the late 1800's. However, conservation easements were a rarity in Michigan before 1990. They are not a rarity any longer, and the Leelanau Conservancy has received over 90 conservation easements since its founding in 1988.

How Conservation Easements Work

When you own land, you also "own" many rights associated with it. These property rights include the right to harvest timber, build structures, grow crops, and so on (subject to zoning or other land use restrictions). When you grant a conservation easement to the Conservancy, you permanently give up some of those rights and retain others. For example, you might give up the right to build additional residences while retaining the right to grow crops or harvest timber. Future owners are also bound by the conservation easement's terms.

Conservation easements can be used to protect a wide variety of land including farms, forests, wildlife habitat, and properties with scenic views. Conservation easements are drafted in a detailed legal format that spells out the rights and restrictions on the owner's uses of the property as well as the rights and responsibilities of the Leelanau Conservancy.

"I would recommend that anyone who is considering protecting their land should not hesitate to work with the Conservancy. They have a great staff and working with them has been a rewarding experience for us."

—Roger Newton, who with his wife, Coco, protected 88 acres of farmland on Jelinek Road near Gills Pier that overlooks the Manitou

Key Advantages of Conservation Easements

- Leaves the property in private ownership, and owners may continue to live on it, sell it, or pass it on to heirs.
- No public access.
- Flexible, can be written to meet the particular needs of the landowner while protecting the property's resources.
- Permanent, remaining in force when the land changes hands.
- Can provide very significant income tax, property tax, and estate tax benefits – often making the difference between families being able to retain land in their ownership, or being forced to sell because of high property and/or estate taxes.

Easements Are Flexible

The landowners and the Conservancy tailor the easement terms to protect the land's conservation values and to meet the needs of the landowner. Thus, each easement is a unique document. Generally, limitations are made on the number and location of structures and types of land use activities that can take place.

The Conservancy cannot accept an easement that does not meet our conservation standards. And, in order to receive the federal and state tax benefits from donation of a conservation easement, the gift must meet a "conservation purposes" test codified in federal law. The good news is that Conservancy acceptance criteria are developed to comply with the federal conservation purposes test, and the standards are met in different ways on different properties. For example, a farm might be protected by an easement that allows continued farming and additional clearing of woodlands for agriculture. For a property containing habitat for a rare species, an easement might prohibit development of any kind. Conservation easements typically allow for sustainable timber harvesting under the guidance of a forest management plan.

The following are examples of common easement problems.

Commonly Reserved Rights

- The right to use the property for all purposes not inconsistent with the purposes of the easement.
- The right to sell, give or otherwise convey the property (subject to the easement).
- The right to replace or add on to the existing buildings.
- The right to construct specified and limited additional structures.
- The right to harvest timber under an approved forest management plan.

Common Restrictions

- No buildings allowed except those specified above.
- Tree cutting restricted to removing dead, diseased or dangerous trees or exotic and nuisance species.
- No draining or filling of wetlands.
- No surface mining.
- No industrial or commercial use of the property. (In-home commercial use acceptable)
- No dumping trash or hazardous waste.
- No advertising billboards.
- No further division of the property (except under guidelines set out by the landowner).
- No motorized off-road vehicles (except under guidelines set out by the landowner).

A conservation easement can serve as a flexible tool in a family's financial planning. The easement may apply to just a portion of the entire property, and it can allow some building within the area under easement, if that is compatible with the easement's conservation objectives. More can be learned by calling or emailing the office and talking with a land protection specialist (Matt Heiman, Yarrow Wolfe or Tom Nelson).

Donating a Conservation Easement

Once a landowner has indicated an interest in conveying a conservation easement to the Leelanau Conservancy, a number of steps are required to complete the transaction. Some key steps are:

- Tour the property to determine whether an easement is appropriate.
- Conservancy staff and board conduct preliminary evaluation.
- Landowner advised to consult appropriate legal and tax counsel.
- Negotiate restrictions and draft conservation easement document.
- Obtain basic title and mortgage information.
- Prepare baseline documentation (a summary report on the condition of the property).
- Obtain a "qualified appraisal" to substantiate the value of the donation.
- Sign and record final version of conservation easement document.

All conservation easements require action by the Conservancy's Board of Directors. Generally, the whole process from initial contact to signing takes from two to six months. As the landowner you need to make key decisions and it is recommended that you consult with your personal legal and financial representatives. but the majority of the work is performed by Conservancy Staff.



"We have to recognize that wetlands are the most endangered type of land form in Michigan and throughout America. ...We have laws that are supposed to protect them in theory, but as individuals we need to do it ourselves. Tax relief wasn't my primary motivation, but (placing a conservation easement on our property) certainly turned out to be advantageous. Let's just say it made my tax accountant very happy."

—Phil VonVoigtlander, who with his wife, Barbara, and neighbors Al and Betty Kohler, protected 30 acres of prime wetland near Northport.

Getting Started: Understanding Conservation Easements

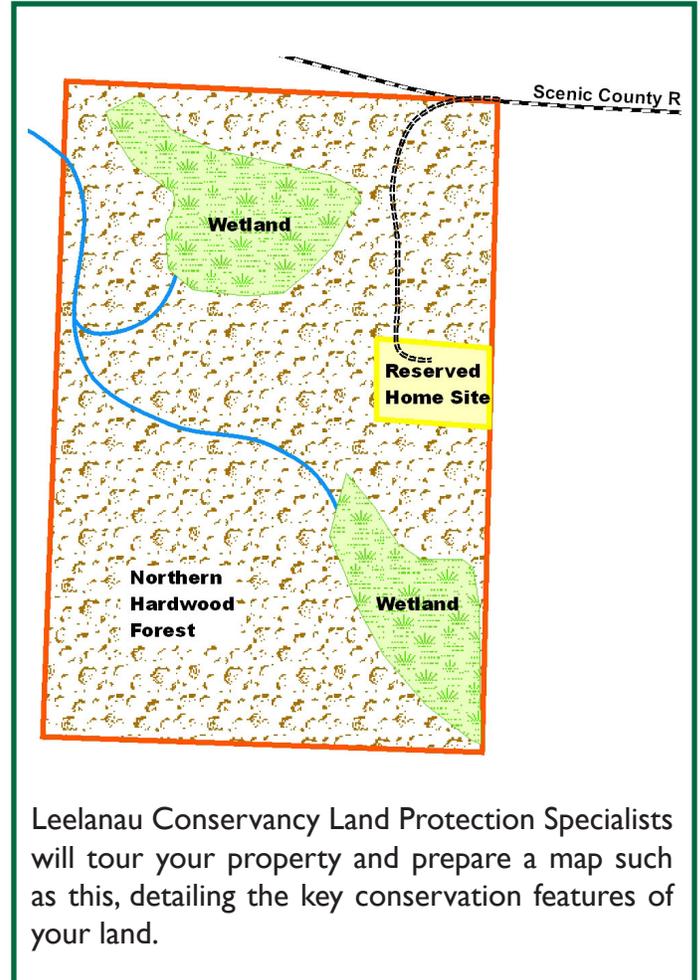
Qualifying for an Income Tax Deduction

The donation of a conservation easement must meet certain requirements of the tax code to qualify under the law as a tax-deductible gift. These requirements include a provision that the easement must be donated in perpetuity. It must also be donated to a qualified charitable organization, such as the Leelanau Conservancy. In addition, it must be donated exclusively for conservation purposes, such as the protection of natural habitat for wildlife or the preservation of farmland or forestland which provides a significant benefit to the public. In essence, the income tax deduction is reserved for the protection of significant conservation resources.

The Size of the Income Tax Deduction

The value of the easement is the difference between the appraised value of the land “as is” and its appraised value with the conservation easement restrictions, otherwise known as the “before” and “after” values. These values must be determined by an experienced real estate appraiser qualified to perform conservation easement proposals. When Congress passed the new legislation in 2006, providing for greatly expanded incentives for conservation easement gifts, it also tightened up the rules for appraisals. It is extremely important to have a highly qualified real estate appraiser establish the value of the gift and to thoroughly document the appraisal procedure. Fortunately, our region has a number of experienced appraisers capable of valuing conservation easements. We would be happy to provide a list.

To understand how the gift of a conservation easement might affect your federal income tax, or future property tax rates in a particular situation, you have to “run the numbers.” There is no substitute for detailed tax planning with professional help. However, it is quite possible to use examples from real life situations in Leelanau County to begin to get a grasp of how these tools can be used to protect your family land while saving money on taxes over many years.



“The peace and beauty of the land is what attracted everyone to it, and made them want to preserve it. The magic was there; it was just waiting to happen. It was wonderful working with the Conservancy. (Director Brian Price) just never pushed but he was always available, and urged us to take our time. We feel like we have a very good easement plan.”

—Carol Waters and friends preserved 109 acres in Kasson Township that includes most of Gilbert Lake.

Case Study – Eighty Acre Woodlot

The Jacksons own eighty acres of forested land in Lee-lanau County which was purchased in 1975. Over the years the land has appreciated in value from the \$600-per-acre purchase price to a value of \$8,500 per acre today. The Jacksons live nearby, hunt in the fall, cut firewood from the woods, and carefully manage the property for selective harvest of timber every 15 years or so. Current property taxes are \$750 per year.

Now in their early 60's, the Jacksons have grown to love this family property and would like to pass it along to their three children. However, property taxes would be around \$6,000 per year if the land is passed on to the children

with all development rights intact. Harvest of timber from the property will help pay for some of the taxes, but there will be little if anything left over. In order to make sure that there is value in the land once it is transferred to the children, the Jacksons would always want to reserve one homesite.

The Jacksons looked at donating a conservation easement several years ago, but found that they would not be able to fully use the tax deduction available under the old rules. Is now the right time?

Below, you can see how these landowners benefit from the new tax law:

Eighty Acre Woodlot - Impact of Conservation Easement Gift on Federal Income Tax

<u>Facts</u>	<u>Value of Property</u>		
Filing Status: Joint	Highest and Best Use:		\$680,000
Adjusted Gross Income (AGI): \$100,000	Conserved with		
Marginal Tax Rate: 25%	One Home Site:		<u>\$240,000</u>
Property Size: 80 Acres (Non-Farm)	Charitable Contribution:		<u>\$440,000</u>
<u>Calculations</u>	<u>Prior to 2006</u>	<u>After 2006</u>	<u>Difference</u>
Adjusted Gross Income	100,000	100,000	0
Limitation on Charitable Cont	30% AGI	50% AGI	
	(\$30,000)	(\$50,000)	+20,000
Year 1 Contribution Deduction	30,000	50,000	+20,000
Year 2 Contribution Deduction	30,000	50,000	+20,000
Year 3 Contribution Deduction	30,000	50,000	+20,000
Year 4 Contribution Deduction	30,000	50,000	+20,000
Year 5 Contribution Deduction	30,000	50,000	+20,000
Year 6 Contribution Deduction	30,000	50,000	+20,000
Year 7 Contribution Deduction	not	50,000	+20,000
Year 8 Contribution Deduction	available	50,000	+20,000
Year 9 Contribution Deduction		40,000	+40,000
Total Deduction	<u>180,000</u>	<u>440,000</u>	<u>+260,000*</u>
Income Tax Rate	x 25%	25%	
Tax Savings	<u>45,000</u>	<u>110,000</u>	<u>\$65,000 **</u>

* Old law: Unused Contribution = \$260,000 Deductions may be carried forward for only five years beyond the initial year.

New law: Deduction maximized after 9 years. If needed, deductions could be taken for up to 16 years.

**Additonal Tax Savings Under New Law \$65,000

Case Study – Eighty Acre Woodlot (con't)

Note that under the old law a gift valued at \$440,000 would have generated \$65,000 in real tax savings, but \$260,000 in unused deduction was a major disincentive. Under the new law the gift is entirely deductible (even if the Jackson's income level declines) for an additional tax savings of \$65,000.

But let's not stop there. The biggest problem for the Jacksons in being able to transfer the property to their children is the fact that taxes will "pop-up" upon transfer to about five times the current rate. The children may not be able to afford to own the property without having to sell at least a portion, if not all, of the property to pay future taxes. PA 446 helps to solve this problem because

it allows a landowner – through the gift of a conservation easement – to "lock-in" future property taxes at the present rate plus the annual adjustment for inflation. In effect, the children (or any other subsequent owner) get the same tax treatment that the current owner enjoys.

How much is this worth? In effect it has the same value as an annuity or other income-generating instrument that would pay out \$5,250 per year. Accountants deal with this all time so we asked one to run the numbers, assuming an annual benefit of \$5,250 for 25 years.

Here is where PA 446 comes in. The following are real numbers, only slightly rounded off for simplicity:

80 Acre Woodlot - Impact of Conservation Easement Gift on Future Property Taxes		
<u>Facts:</u>		
Property Size: 80 Acres (Non-Farm)		
Taxable Value: \$43,000		
State Equalized Value (SEV): \$340,000		
Current Property Taxes: \$750		
	Prior to 2006	After 2006
Annual Property Taxes After Transfer	\$6,000	\$750
Annual Savings from New Law:	\$5,250	
Property Tax Savings Over 25 Years:	\$140,000	

Now lets put the two major tax incentives together.

- The Jacksons can expect to save about \$110,000 in income taxes from the gift of a conservation easement (see page).
- The present value of reduced property taxes over 25 years is estimated to be about \$140,000.
- Therefore the gift of a conservation easement which reduces the value of land by \$440,000 would generate real tax savings of \$250,000.

A Landowner's Story: A Love Affair With the Tip

The year was 1963. Dick and Rosemary "Posy" Shuster were expecting their third child, and hadn't taken a vacation in seven years. "We didn't have a lot of money," says Dick, a retired judge from Hastings, Michigan. "A friend told us we ought to go on up to the Leelanau State Park, and said, 'Why, if you enjoy it, leave a contribution with George Anderson at the IGA there,'" adds Dick. "That sounded good to me."



The Shusters loved the peace and solitude at the tip of the Peninsula. Labor Day weekend, they went back, this time with a new baby and two other families in tow.

One afternoon, the men wandered off on a hike. They found themselves on a spectacular little peninsula, just a stone's throw from the then-operational Grand Traverse Lighthouse. The Fox Islands lay before them; to the east stretched miles of rocky shoreline, strewn with Petoskey stones. On their way to the beach they'd passed a hardwood forest filled with rare wildflowers and a coastal marsh flush with blue heron and songbirds. "It was like a little piece of heaven," says Dick.

On the way back to camp, the men spotted a for-sale sign. Dick was possessed with the thought of buying the land. He arrived at their tent and told Posie: "I've found something perfect for both of us."

"You can look at nothing but the lake," he told his wife, "and I can watch the island and the freighters going past." Later that day, Dick went to town to see about the property.

That was the beginning of a 40-year love affair with the land – a love affair that endures today. Over time, the Shusters would acquire 1,000 feet of shoreline, 23 acres – and two land contracts.

"I was a struggling young lawyer with three kids and a wife," says Dick, "trying to start a country law practice."

When the land contract payments came due every year, inevitably he had to borrow the money. Somehow, they always managed to pay the loan payments. "We did it a dollar at a time," says Posy.

What they got in return is decades of family memories spent camping on the land. Among them: digging a "bathtub" for the kids near the shore that would fill with lake water and be warmed by the sun, roasting fresh sweet corn over a bonfire, making dribble

castles with the kids on the narrow strip of sand at the water's edge, collecting Petoskey stones.

Even when the Shusters could afford to build a home there, it was never in their plans. "One of my least favorite things in life is keeping house," says Posy, "and I'm not about to do it on vacation!" She and Dick are adamant that the land be left just as they found it 40 years ago. "Our intention is for this place to remain natural for the critters and the plants and for our family to get away from an electronic world," says Posy.

In 1996, with the help of the Leelanau Conservancy, the Shusters put about a third of the property into a conservation easement. In 2001, they added another third. The rest of the land was permanently protected in 2003. The Shusters' easement specifies that no structures may ever be built on the property.

The tents of the old days have given way to a more comfortable motor home, and the Shusters come North with their kids and grandkids as often as they can. "We are so grateful to have the land," says Posy, "and to be able to protect it. More and more, we see all the places we enjoyed as children and they are no longer open spaces. That is just devastating to us. One of the problems of the world, I think, is that people need to get away and look at life from a little farther distance. They need to be able to get to a place like this where life isn't quite so instant."

Case Study – Shoreline Property with Cottage

Tom and Ellen Spencer have a cottage on a smaller inland lake that has been in Ellen’s family since the early 1900’s. Originally part of a farm that stretched down to the water’s edge, the cottage property still has 1,200 feet of shoreline on the lake. About half of this shoreline is wetlands under the law, but there are at least three potential lakefront homesites in addition to the one where the old cottage sits.

Tom and Ellen don’t want to sell or develop any of the property. They have two children, and aren’t sure whether the children will live close enough to the area to keep the cottage in the family, or whether they will sell

it. The Spencers enjoy fishing and sailing on the lake, and when they look back at ¼ mile of wild shoreline in their ownership, they get great satisfaction from knowing that they are protecting irreplaceable wildlife habitat and fish spawning areas. Now in their 50’s, with an annual income of \$125,000 per year, the Spencers look forward to retirement when they can spend at least six months every year on the lake. But, can they afford to keep the land undeveloped?

They wonder about whether it may be necessary to sell off more lots.

Shoreline Property with Cottage Impact of Conservation Easement Gift on Federal Income Tax

Facts

Filing Status: Joint

Adjusted Gross Income: \$125,000

Marginal Tax Rate: 25%

Property Size: 45 acres, including
1,200 feet of shoreline

Value of Property:

Before Easement Value: \$1,500,000

Restricted to no further development:

After Easement Value: \$500,000

Calculations

Prior to 2006 (30%) After 2006 (50%)

Year 1 AGI	\$125,000	\$125,000
Year 1 Contribution Deduction	37,500	62,500
Year 2 Contribution Deduction	37,500	62,500
Year 3 Contribution Deduction	37,500	62,500
Year 4 Contribution Deduction	37,500	62,500
Year 5 Contribution Deduction	37,500	62,500
Year 6 Contribution Deduction	37,500	62,500
Year 7-16 Contribution Deduction		625,000
Total Deduction	225,000	1,000,000
 Tax Savings	 56,250	 250,000
 Unused Contribution	 775,000	 -
 Additonal Tax Savings Under New Law	 \$193,750	

Case Study – Shoreline Property with Cottage (con't)

The first thing to note is that, under the old rules, the Spencers could not come even close to using the full value of their very large conservation easement deduction. But under the new rules the full deduction is used up over the course of the total of 16 years. The total tax savings is \$250,000.

As to the property taxes, the situation is not quite as simple as in the first example, where the land would be totally undeveloped at time of transfer. PA 446 exempts

from the “pop-up” in property taxes vacant land subject to a conservation easement, but not houses and other buildings. In this case, 1/3 of the Fair Market Value of the property is attributed to the cottage, while the remaining 2/3 is attributed to the vacant land. After transfer, the cottage value “pops up”, while the vacant land taxable value remains capped. See how the numbers work out for the shoreline property owner below:

Similar to Example 1, but adding the value of the Income

Shoreline Property with Cottage Impact of Conservation Easement Gift on Future Property Taxes

Facts:

Property Size: 45 acres, including 1,200 feet of shoreline

Taxable Value: \$162,000

SEV: \$660,000 (1/3 Allocated to Cottage, 2/3 to Vacant Land)

Current Property Taxes: \$4,100

	<u>Prior to 2006</u>	<u>After 2006</u>
Annual Property Taxes After Transfer		
Cottage	\$5,568	\$5,568
Land	\$11,136	\$2,733
Total	\$16,704	\$8,301
Annual Savings from New Law	\$8,403	
Property Tax Savings Over 25 Years	\$158,000	

Tax Deductions to the Value of the limitation on property taxes, we can see that the gift of a conservation easement valued at \$1,000,000 will produce real tax savings of approximately \$408,000.

“Personally, I would have been sick if there had been 40 houses put on this land. There’s a beautiful hillside on the north end where I like to plant my backside and watch the world go by. Because of my arrangement with the Conservancy, I’ll still be able to do that. We’ll just leave it alone, let the trees grow. If it’s well managed, our sons will be able to come out here and have as much fun as I did when I was a kid. To be honest, I thought the Conservancy was just a bunch of tree huggers who want to lock down the land where you can’t even use it. But the more I talked to Matt (Heiman, land protection specialist with the Leelanau Conservancy), I found out I can do what I want. I just can’t develop it.”

–Dennis Buffum with his wife, Misty, protected 80 acres of old growth forest shading the headwaters of several small streams near Cedar.

Some Other Important Factors in Considering the Donation of a Conservation Easement

Reduction in Estate Taxes

Throughout the 1980's and 1990's, estate taxes posed an enormous problem for landowners. It became a fact of life that simply passing land on from one generation to the next would prove impossible for many families. At the time, any land with development potential could drive up the value of an estate beyond the \$600,000 exclusion available to an individual, and trigger serious estate tax consequences.

In 2000, the individual exclusion was raised, until in 2010 there was no estate tax at all. However, the tax was due to re-set to its earlier exclusion and rates, until congress and President Obama acted to set a new rate in late 2010. With this legislation, the exclusion is set at \$5,000,000, with any value over that amount taxed at a rate of 35%. Now ownership of a valuable parcel of land might still trigger estate taxes, but it is less often an issue. One way to reduce the value of land so transfer will not be subject to estate taxes is to place a conservation easement on the land, and many gifts of conservation easements were driven in whole or in part by the need to reduce estate taxes. However, this area is complex and very uncertain, and if you think that estate taxes will play into a decision about land, you should seek good legal advice.

Sales of Conservation Easements

Conservation easements customarily are donated by landowners who are motivated to protect land for its intrinsic value, and sometimes because they want future generations to enjoy the land and its wildlife as the donor has. However, a conservation easement is an interest in real estate, and like other interests in real estate it can be purchased as well. There are several situations where conservation easements are often purchased rather than donated.

Farmland preservation programs generally buy conservation easements from willing farmers. This is most often called Purchase of Development Rights (PDR). These agricultural conservation easements are usually purchased

because working farmers are seldom in a position to donate conservation easements, and yet communities find that there is great value in preserving working landscapes and a stable local food supply.

Watershed protection is another community goal where purchase of conservation easements may be employed. In these cases critical water supplies and natural waterways may be of such great importance to communities that it makes sense to buy easements to protect wetlands and groundwater recharge areas rather than have to replace water sources in the future or spend money on expanded water filtration plants. Locally, the Clean Michigan Initiative has provided money for the Leelanau Conservancy to purchase conservation easements on critical wetlands in the Lake Leelanau, Glen Lake and Grand Traverse Bay watersheds.

The Leelanau Conservancy is one of the nationwide leaders in working with the federal Farm and Ranchland Protection Program (FRPP) to purchase conservation easements from willing farmers, and with the funding from the federal Clean Water Act, passed along by the Michigan Department of Environmental Quality (DEQ) to buy conservation easements over wetlands and other critical parcels that protect our local lakes and streams. Feel free call the Conservancy if you might be interested in selling a conservation easement.

Bargain Sales of Conservation Easements

In special circumstances, conservation easements can be purchased at fair market value, however, the vast majority are purchased for less than the appraised value – producing what is known as a bargain sale. For tax purposes a bargain sale is treated as a “part sale/part donation.” When a conservation easement is sold at less than fair market value it can combine the income producing benefit of a sale with the tax-reducing benefit of a donation. The difference between the conservation easement's value as established by an appraisal and its sale price is considered a charitable donation and can be claimed as an income tax deduction.

The charitable donation component of the bargain sale of a conservation easement is treated exactly the same as an outright gift under federal income tax rules. Since whether by sale or donation land restricted by a conservation easement is not subject to the “pop-up tax” under PA 446, the property tax advantages are identical to an outright donation.

For a bargain sale to be completed, the Conservancy or a unit of government must have money dedicated to buy conservation easements for a specific purpose. When funding is available, these situations can be very attractive arrangements for a landowner, providing income while at the same time providing tax benefits to shelter the income.

IRC Section 2031 (c)

The Taxpayer Relief Act, passed in 1997, added a significant incentive for the donation of conservation easements on family lands. Under Internal Revenue Code (IRC) Section 2031(c) a qualified conservation easement donation allows for an additional exclusion of up to 40% of the value of the protected land for estate tax purposes up to a cash value of \$500,000. It also provides the opportunity for a qualified conservation easement to be donated by the heirs after the death of a loved one, but before the estate tax return is filed. For complete information on all aspects of this IRC section, landowners should consult a qualified tax advisor.

Conservation Buyers

Sometimes land is restricted by a conservation easement as part of, or in close proximity in terms of timing, to the sale of property. These transactions usually involve either a seller who wants to protect property from over-development even though he or she needs to transfer property for financial reasons, or a buyer who has identified property that he or she wants to own and protect because of its conservation

values. On occasion, the Conservancy may step in to buy property (for instance, land adjacent to a Natural Area), and then re-sell it with a conservation easement so the land remains protected.

If you are considering selling or buying land that you feel should be protected by a conservation easement, you are encouraged to contact the Conservancy to discuss how to structure such a transaction properly and to confirm that the land and the contemplated conservation easement would meet established acceptance criteria.

A Word About Donating Land

This booklet is dedicated to a thorough explanation of conservation easements and the new income tax and property tax incentives for landowners to consider. However, in some cases, an outright donation of the owner’s entire interest in the property (the fee title) may be more appropriate. Once again, contacting the Conservancy and visiting directly with a Land Protection Specialist who can help you explore all the options is the suggested course of action.

“We had a wonderful experience working with the Conservancy. The idea of having our property split up into five or six lots was just unacceptable. Even if we had no tax break we would have done it anyway. It should look like that forever.”

–Vik Theiss, who with his wife, Susan, protected a 71-acre hillside near Glen Arbor.

Farmland Program

Leelanau County is home to a unique agricultural resource and contains some of the best orchard land in the world. Because of our unique microclimate and well-drained soils, Leelanau County is nationally and globally important in the growing of cherries and other tree fruits. Local farms drive our regional economy. Leelanau farms bring in more than \$30 million each year in direct sales and generate an additional \$3.6 million from processing.

Development pressure on Leelanau County farms threatens the economic sustainability of both individual farms and agriculture in general. The central problem is the disconnect between the value of farmland for residential development and its underlying value for growing food, with the result that otherwise profitable farms are simply no longer financially viable. Removing this development premium from farmland – and supporting efforts to boost farm profitability – is the only way to keep family farms in production. Farmers cannot afford to give their land away to their children. Often, they have several adult children, some of whom do not wish to farm. Paying farmers to preserve their lands is a viable alternative. It can help ensure their retirement, allow the transfer to the next generation and provide for non-farming adult children.

The Conservancy's mission continues to be the permanent preservation of the land-based agricultural resource for farming and the family farm paradigm. With current limited funding sources and the enormity of land values for farmland, the Conservancy is addressing the questions of preserving the family farm in two ways: continued fundraising for permanent preservation and the new FarmAbility Program.

Tom Nelson is our Director of Farm Programs. To learn more about permanent farmland protection or our FarmAbility Program contact Tom at tnelson@theconservancy.com

Stewardship Program

The story of a permanently protected property begins with acquiring land or protecting it via conservation easement, but our work does not end there. A great deal of planning and management goes into the “behind the scenes” work of the Conservancy, whether providing for an enjoyable hike or managing a conservation easement. Conservancy-owned natural areas and preserves and privately-owned conservation easements have unique yet overlapping management needs. We call the broad umbrella of care “Stewardship”.

Our Stewardship Director, the Volunteer Stewardship Network, and our Board Stewardship Committee work hard to accomplish all of the essential tasks that keep our natural areas, preserves, and conservation easements beautiful and pristine.

We have strong relationships with our volunteers and foster rewarding experiences as they help care for and enhance our natural areas and preserves. Last year hundreds of volunteers logged thousands of hours monitoring, restoring, and educating on behalf of the Conservancy. Our tight-knit volunteer program allows us to use our trail stewards, docents, and work bees efficiently, effectively increasing the value we get from Stewardship funds.

The next two pages will describe what happens AFTER you permanently protect your property.



What happens after your land is protected?

Protection begins with the signing and recording of the easement, but continues long beyond. There are a number of necessary obligations and important actions on the part of both the landowner and the Leelanau Conservancy to ensure a successful easement program. Most important are a good relationship with open communication and an ethical commitment to ongoing protection of the land in accordance with the terms of the easement.

Baseline Documentation Report

A baseline documentation report is created for every new conservation easement as part of the land protection process. This document records the physical condition of the land at the time the property is protected. It consists of written text, maps, and photos and is reviewed and signed by both the easement landowner and the Conservancy. It is required by law, and is a necessity in case there is a tax audit. The baseline functions to assure both the Leelanau Conservancy and the easement landowner that the requirements of the easement can and will be upheld. Conservancy Stewardship staff who are charged with the management of land and monitoring of easements, use the baseline each year when monitoring your property.

Both the Conservancy and the landowner receive an original copy of the baseline. We suggest that you keep your copy in a safe but easily accessible location so that you can use it to determine prohibited actions or reserved rights that you are allowed, and to see when the Conservancy requires notification or approval for your activities.

Monitoring

Monitoring is critical to the continued protection of the natural resources safeguarded by the conservation easement. Monitoring establishes a record of responsible stewardship, detects violations early, and helps maintain good Conservancy and landowner relations.

Conservancy policy requires staff to visit each easement property, observe the boundaries and interior of the easement property, and document any changes. We monitor conservation easements annually. The Leelanau

Conservancy notifies easement landowners by mail well before the monitoring visit. Landowners are welcome to accompany staff on monitoring visits. Monitoring reports are created and sent to the landowner as well as kept in our internal office files.

Funding

Accepting conservation easements on property is a long-term commitment by the Conservancy. It requires the professional and financial ability to guarantee continued protection of the natural resources which easements are designed to protect.

The Leelanau Conservancy has established a stewardship fund to ensure the financial ability to manage, monitor, and enforce its conservation easements. Landowners are encouraged to contribute to this stewardship fund to help ensure the Conservancy's financial viability for the long-term stewardship of every easement property. While an endowment contribution is not required in order to place an easement on a property, a contribution based on ability is highly appreciated. Endowment contributions can be made at the time the easement is donated, or an amount can be pledged and paid over a period of years. Donors can also make contributions to the Conservancy's endowment fund in their Will.

Exercising Reserved Rights

All conservation easements allow certain basic rights to be retained by the landowner, and some easements may include additional reserved rights. Examples include the ability to divide the property, construct additional buildings, create or maintain trails or roads, manage timber, or farm the land. Every easement is unique. In many cases, prior consent by the Conservancy is required before the landowner builds structures, harvests timber, or exercises other reserved rights. Often the landowner is required to submit plans to the Conservancy describing the activity. The Conservancy reviews the plans to make sure that the activities comply with the terms of the easement, and, if they are not in compliance, we will work with the landowner to refine the plans. It is very important for the landowner to contact the Conservancy before exer-

cising reserved rights, as it is often during these times of modification of the land that misunderstandings occur and violations of the easement can result. All exercised reserved rights are photographed, documented, and kept in a permanent file.

Violations

Careful monitoring and strict, consistent, and fair enforcement of the provisions of conservation easements is necessary to protect the conservation values of the easements entrusted to us. Open communication with conservation easement landowners – rather than restoration, mitigation, or litigation – after a violation occurs is the most effective way to ensure the long-term protection of our easements' conservation values. Even so, easement violations will undoubtedly occur.

Because each easement is unique, violations can take many forms, from minor, inadvertent infractions like dumping leaves or placing signs, to major issues like extensive tree cutting, excavation, or building in the wrong spot. Violations are sometimes committed by 3rd party trespassers. We strongly encourage landowners to read the easement carefully and encourage anyone to contact us if you need help interpreting the easement. We take violations very seriously and in most instances will ask for voluntary restoration or reparation, but will resort to litigation when necessary. It is our utmost goal to communicate and cooperate with easement landowners, and we have found that in almost every case violations can be resolved amicably.

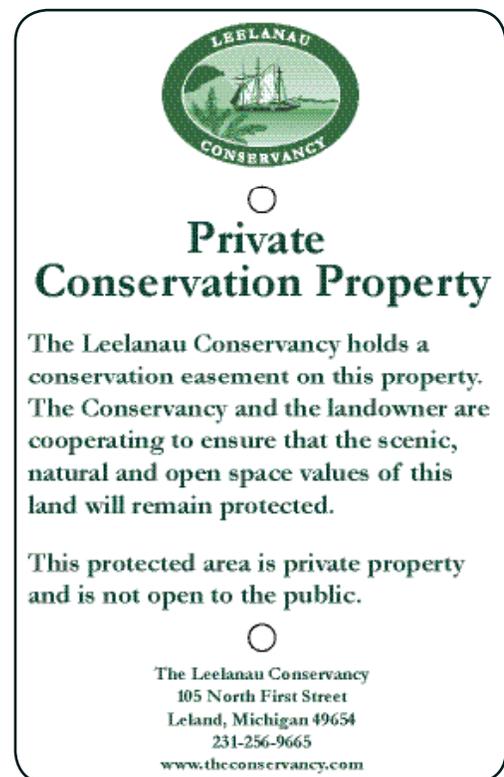
Changes in Ownership

As time passes, more and more conservation easement properties will change ownership. In order to provide continuity and ensure the best safeguards for the conservation easement the donors placed on their land, landowners conveying their property should inform the Conservancy that their easement property has been sold and provide the names of the new owners. The baseline documentation report should be transferred to the new landowners as well. It is very important that prospective or new landowners of property with a conservation easement

in place are fully aware of the easement, what it means, its restrictions, and the Conservancy's monitoring procedure. When the new landowners are identified, the Conservancy will contact them, introduce the organization, make certain the conservation easement is understood, explain our stewardship program, and answer any questions the new owners may have.

Boundaries

Establishing the boundary location of a conservation easement property and associated areas where additional construction is allowed is essential to ensuring all parties understand the land area covered by an easement. This is also critical for preparing the baseline report and for annual monitoring purposes. The Conservancy utilizes new and existing survey lines and markers, county parcel data, maps, field visits, aerial photos, compass, and GPS for locating easement boundaries during field visits. Marking the boundaries facilitates easement monitoring and allows current and subsequent landowners – and neighbors – to know where the easement borders are. Landowners are encouraged to assist in marking property boundaries.



Steps to Donating a Conservation Easement

What follows is a brief outline of the steps involved with donating a conservation easement. We have found it helpful to inform landowners ahead of time about the conservation easement process so they know what to expect and can ask any questions they may have about the process.

Introduction of Land Protection Specialist and Landowner

This is an opportunity for landowners to share with the Land Protection Staff their goals, needs and interests regarding their property. Staff will explain the role of the Leelanau Conservancy and how conservation easements work.

Property Visit

Visiting the property first hand is very important. This helps the Land Protection Specialists become familiar with the different features of the property and identify the conservation values.

Determination of Conservation Easement meeting Tax Deductibility

There are certain criteria a project must meet to ensure the property meets the IRS requirements for an income tax deduction. Conservancy staff evaluates these criteria to determine if the project is eligible for an IRS tax deduction and whether or not the project meets the Conservancy's land protection criteria.

Draft initial documents and begin negotiations

Conservancy staff-person prepares the first draft of the conservation easement document for discussion with landowner and their legal counsel. This can require a significant amount of time depending on the complexity of an easement. The Conservancy staff is in frequent contact with landowners, or their representative, in order to create a mutually acceptable easement document.

Review by Stewardship Staff and Land Protection Committee

All potential conservation easement projects are discussed with our Stewardship staff, which is an integral part of the process. The project is also brought to the Land Protection Committee which generally meets every other month.

Leelanau Conservancy Board Approval

Once a project is recommended by the land protection committee, it is brought to the Conservancy's Board Directors for discussion and approval. The timing depends on next scheduled meeting which is generally every other month.

Commission "before-and-after" Appraisal

For most projects, a before and after appraisal is required, to determine the value of the development rights to be extinguished. The appraisal report is commissioned and paid for by the landowners in most cases. The final report must also be reviewed and approved by Conservancy staff person (as per IRS rules).

Obtain Land Survey (If necessary)

Often a survey will be needed to correctly determine the boundaries of the conservation easement.

Order Title Work (can be done concurrently with the appraisal)

The title works identifies any other easements or deed restrictions associated with the property. Depending on the results of the title report, it might be necessary to address certain issues such as existing mortgages, utility corridors or access easements.

Complete Baseline Report

The Baseline Report documents the condition of the property at the time the easement is signed and is required

for all conservation easements. The Conservancy staff produces these reports in house. IRS rules mandate that they be completed by the time the easement is signed. (NOTE: an “Interim Baseline Report” can be completed on or before closing if necessary.)

Signing of Final Conservation Easement

This can be done via mail or in person as long as all signatures are notarized.

Stewardship Donation

The Conservancy is obligated to monitor and enforce the conservation easement terms in perpetuity. Therefore, we ask conservation easement donors to assist with the cost of monitoring and enforcing the terms. The amount of these contributions varies depending on the complexity of the

conservation easement terms and is often tax deductible. Conservation Legacy Agreements are another tool for a landowner to contribute to the long term stewardship of their property.

Recording of the Conservation Easement

The signed conservation easement documents are recorded at the county courthouse. The original is then returned to the Leelanau Conservancy and a copy is sent to the landowner with the baseline documentation report.

Gift Substantiation Letter and IRS Form 8283

In order to qualify for IRS tax incentives under IRC 170(h), the Conservancy must provide the landowner with a gift substantiation letter. The Conservancy and the appraiser are also required to review and sign the 8283 tax form.



Leelanau Conservancy numbered stake marking property corner.



Rick Halbert, Stewardship minor, conducting annual monitoring visit.

Meet Our Land Protection and Stewardship Staff

If you would like to explore the possibilities of preserving the land you love, our seasoned land protection staff is here to serve you. Over the last several years, Matt Heiman, Tom Nelson and Yarrow Wolfe have worked closely with dozens of landowners like you to help them navigate the ins and outs of conservation easement projects. They approach each project with a “no-pressure,” collegial attitude and a sincere desire to help you achieve your conservation goals for your land. Give them a call and they will be happy to walk your property with you and listen to how your vision for your land can fit with the array of options and incentives discussed in this Handbook.

Tom Nelson, Director of Farm Programs

Tom’s interest in conservation began at an early age, spending uncounted days in the woodlands and farms around his boyhood home—a pheasant and quail farm in northern Ohio near Lake Erie. As a young adult, he



witnessed the nearly complete destruction of those woods and farms by massive, poorly planned development. In Tom’s view, his community lost not just the landscape that had once nourished him, but also the many farm families who had been his neighbors, classmates and teammates on Tom’s hometown football team. This profound sense of loss propelled Tom into conservation work.

Since joining the Leelanau Conservancy in 2004, Tom has worked with farmers and other landowners all over Leelanau County, helping them to permanently preserve thousands of acres of agricultural and natural lands. Tom was an integral part of the team that created the one-of-a-kind FarmAbility Program—a partnership of the Leelanau Conservation District, MSU Extension, the NW Michigan Horticultural Research Station and the Conservancy. The FarmAbility Program supports local farming by paying farm families to conserve their lands for ten years at a time while cost-sharing for estate planning and ag-related workshops and seminars.

Tom has a law degree from Marshall College of Law (OH) and graduated magna cum laude with a Master of Laws in environmental law and policy from Vermont Law School. In 2010, Tom married and relocated from his cabin at the Tip of the Peninsula to Centerville Township.

He takes great satisfaction that, once again, he resides in “farm country”—now with his wife, Stephanie, daughters Kira, Sophie and Ella, and their dogs, Lucy, Boomer and Ellie May.

Contact Tom at tnelson@theconservancy.com

Matt Heiman, Director of Land Protection.

Matt’s passion for fishing drives his desire to see Leelanau’s most critical habitat and ecologically sensitive areas protected. His educational background in



aquatic ecology (B.A. from Albion College (1994) and Master of Science candidate at CMU) helps him convey to landowners the value of protecting their land from more than just a financial perspective. Matt joined the Conservancy in 2001 as a Land Protection Specialist and has completed several major land protection projects. Matt also co-authored and/or contributed to MDEQ-approved watershed management plans for the Lake Leelanau, Glen Lake/Crystal River and West Grand Traverse Bay watersheds, which have allowed the Conservancy to receive over \$ 1,964,300 in Clean Michigan Initiative and Federal Clean Water Act funds to purchase conservation easements over wetlands and forested areas critical to maintaining Leelanau’s high water quality.

In 2008 Matt was appointed to Director of Land Protection, where his primary role continues to be working with private landowners to establish permanent conservation easements and partner with local units of government on collaborative conservation projects. Prior

Meet Our Land Protection and Stewardship Staff (con't)

to his work at the Conservancy, Matt worked as biological consultant performing stream restoration, fisheries population analysis, salmon spawning habitat restoration analysis, stream habitat mapping and macroinvertebrate

studies in Michigan lakes and streams. He happily resides in Traverse City with his wife and children.

Contact Matt at mheiman@theconservancy.com

Yarrow Wolfe is the newest addition to our staff and is primarily a land protection specialist. However, she also works closely with Jenee Rowe, Stewardship Director, to help with Baseline studies and other needs as they arise. Jenee works with all of our conservation easement landowners after a property is protected. She is also responsible for managing our Natural Areas and Preserves.

Yarrow Wolfe, Land Protection Specialist

Yarrow, a native of the U.P., joined our land protection staff in July 2008. Since then she has worked on the Lake Leelanau Watershed Protection Plan and completed several land acquisition projects including our most recent addition to the Kehl Lake Natural Area and adding 115 acres to our Cedar River Preserve.



Yarrow thoroughly enjoys working with landowners in Leelanau County to help preserve the rural character of the area and protect important plant and wildlife habitat. She focuses her work in and around the Solon Swamp south of Lake Leelanau and works on both natural land and farmland projects. Yarrow also does much of the Geographic Information Systems (GIS) mapping for the Conservancy.

She is a graduate of Antioch College with a B.S. degree in Environmental Science, and attended Antioch New England for an M.S. in Conservation Biology. Her background also includes environmental education, rare plant monitoring/identification, watershed planning, GIS mapping and grant writing. Yarrow lives in downtown Cedar and enjoys hiking and mountain biking with her golden retriever, cross country skiing, cooking, gardening, and knitting.

Contact Yarrow at ywolfe@theconservancy.com

Jenee Rowe, Stewardship Director

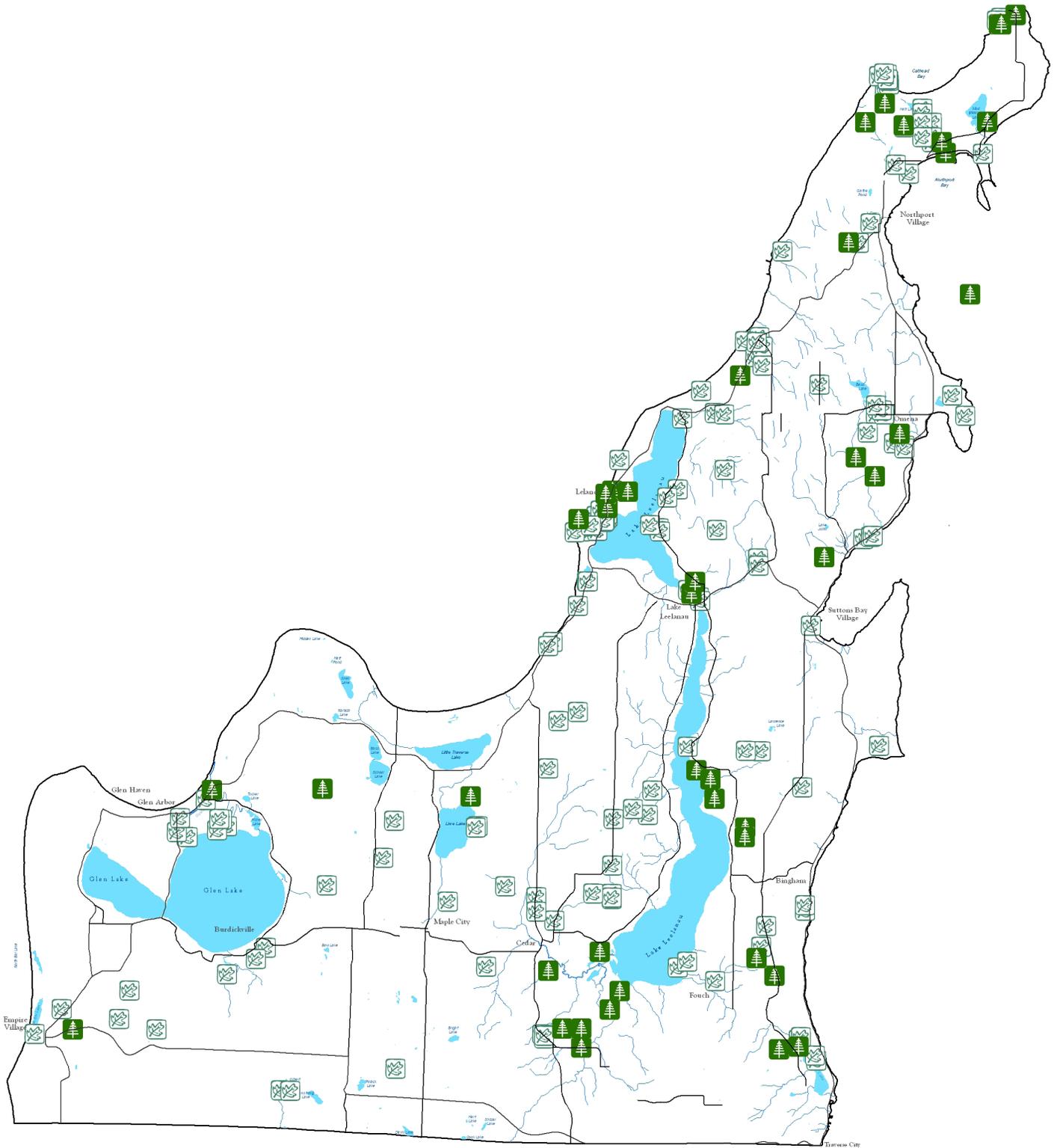
A native of Leelanau County, Jenee joined our staff to grow and nurture the Volunteer Stewardship Network, manage Conservancy properties and assist Land Protection efforts.

She worked for two years at Columbia University's Biosphere 2 Center as an earth system science teaching assistant before returning to the Great Lakes bioregion to work with Inland Seas Education Association, NMC's Water Studies Institute and the Benzie Conservation District. Jenee has a B.A. in Geology from Wisconsin's Lawrence University and a passion for fieldwork.



As a young mother, she is soaking up her sons Niles' and Kai's wonder in the quaking leaves, crunching pebbles and the blowing wind, which renews her own awe in her home, Leelanau County. Through Jenee's stewardship work, she wants to give back to the land and community where she was raised. Her parents were long-time fiber artists who actively involved their children in the family business and community. Their weavings drew inspiration from the changing view of Lake Leelanau out their window and Leelanau's landscapes. Growing up in a creative and environmentally conscious household gave Jenee the space to explore her artistic passions through pottery and watercolor painting. You may find her any given day sitting alongside the trail or amidst a beautiful view painting in her field notebook or digging her hands into the soil to test it for clay content.

Contact Jenee at jrowe@theconservancy.com



Natural Areas & Preserves



Private Conservation Easements

Leelanau Conservancy

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