

Michigan Department of Agriculture & Rural Development

Environmental Stewardship

CONSERVATION EASEMENT PROGRAM – 2015



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Legal Authority: Public Act 451 of 1994, as amended MCL 324.36101 et seq and Conservation and Historic Preservation Easement Act, Sub Part 11 of Part 21 of the Natural Resources and Environmental Protection Act, 1994 Public Act 451 as amended, MCL Sections 324.2140 *et seq.* and Public Act of 1994, as amended MCL 324.36201 *et seq.*

Description of the Program:

- A conservation easement is a voluntary agreement between a landowner and the State of Michigan keeping land available for agricultural or open space uses. Agricultural and open space conservation easements can be established on parcels over 40 acres, provided they are over 50 percent in agricultural use. Land less than 40 acres will be considered based on agricultural quality and productivity. Historically, the Michigan Department of Agriculture and Rural Development has coordinated financial incentives for entering into conservation easements with the United States Department of Agriculture's Farm and Ranchland Preservation Program, State Purchase of Development Rights, and grants to local agriculture preservation fund boards. However, currently only the tax incentives associated with the donation of conservation easements are available. Conservation easements are recorded in local registrar of deeds offices and remain with the land in the event of sale or ownership transfer. The Conservation Easement Program also monitors land use on enrolled parcels to ensure the conditions of the conservation easement are being followed.

Why it Matters:

- Michigan's farmland and open space lands are a finite resource of significant importance to the state's economy through the production of food, fiber, and forest products.
- Predicted reductions in water availability in the Imperial Valley of California and the Ogallala Aquifer in the Central Plains by 2030 will increase the economic importance of Michigan agriculture because of the availability of water in the Great Lakes Basin.
- Much of Michigan's prime farmland and open space can be located in close proximity to densely populated areas where it faces significant development pressure. A conservation easement is one way families can ensure that the land remains in agriculture or open space use for future generations.
- Landowners may itemize the value of the donation as a charitable contribution on their federal income tax. Land covered by a conservation easement is not subject to the uncapping of the taxable value when ownership changes. Landowners of farmland covered by a conservation easement may obtain tax credits when filing their state income tax return.

Key Stakeholders

- Michigan farmers
- Agri-business
- Consumers of Michigan grown food
- Those who enjoy the open space and farmland

Key Statistics

- 129 conservation easements
- 24,758 acres preserved since 1994
- 240 acres average parcel size

2015 Accomplishments:

- The Conservation Easement Program entered into five new agreements covering 656 acres in 2015.
- Staff completed on-site monitoring of 121 easements for prohibited land-use changes.
- One local conservation easement was transferred to the State of Michigan for monitoring and enforcement.
- The Conservation Easement Program obtained conservation easements in three new counties.

Measuring Success:

Metric	2011	2012	2013	2014	2015
New Conservation Easements					
Conservation easements recorded	4	5	3	6	5
Acreage enrolled	265	537	1,012	718	656
Program Total Conservation Easements					
Conservation easements recorded	110	115	118	124	129
Local conservation easements*	11	11	11	11	11
Acreage enrolled	22,288	22,553	23,090	24,102	24,758
Easement Monitoring					
Donated development rights	33	36	39	45	50
State purchase of development rights	48	50	50	50	50
USDA farm and ranch land	19	21	21	21	21
Total	100	107	110	116	121

*Local Conservation Easements are monitored by local governments.

Dashboards and Scorecards:

The Conservation Easement Program has a balanced scorecard item that appears on the division scorecard. The scorecard item measures the program's ability to close on seven conservation easements and complete all conservation easement monitoring on an annual basis. The five new easements and 121 sites monitored represent 71 and 100 percent of our annual scorecard goal respectively.

2016 Program Goals:

- Work with the agriculture community, open space conservancies, and the legislature to establish a sustainable funding mechanism for the program.
- Work on ways to collaborate with the Federal Agricultural Conservation Easement Program.