

**Taking Control
of Your Land:**
**A Land
Stewardship
Guidebook for
Landowners**





BOARD OF COUNTY COMMISSIONERS

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Dear Chester County Landowner

Dear Chester County Landowner,

Chester County has been blessed with fertile soils, winding streams and the rolling landscapes that define its very character. For over 300 years people have been drawn to the Octoraro Valley, the banks of the Schuylkill, the slopes of the Welsh Mountains and the meadows of Brandywine Country. But all these natural features would have been lost long ago were it not for the private landowners who have preserved these landscapes for centuries.

Indeed, it is farmers and landowners like yourself, who have independently created the Chester County character. You have a land ethic that is unique and has helped to preserve the native landscapes of our County.

We, the Chester County Commissioners, recognize that it is you the landowner who holds the key to preserving Chester County, but we also know that the world is a much more complicated place than it was just a few decades ago. In parts of the County, land prices have soared and farmland has been converted to sprawling development at an alarming rate. Landowner's who once were content to care for their property now wonder if they can afford to stay on it.

At times, it may seem like you have no choice but to surrender to the sprawling development that has engulfed so much of the Delaware Valley, but this simply is not true. This Guidebook has been prepared to highlight the numerous options that are available for either protecting large properties from development, or developing them in a way that is sensitive to and compatible with the landscape.

This Guidebook presents techniques that you can use for both protecting and developing land. It provides guidance on ways that you can work with government programs or without them. Above all, this Guidebook provides options that you can use to decide what is best for your property, while protecting the landscapes of the County.

Of course, this brief Guidebook cannot provide all of the options for preserving your land. In reality, protecting land from development is extremely complicated. For this reason we strongly encourage you to seek experienced professional assistance from an estate planner before making any decisions about your land or your personal finances.

No one can predict the future, but one thing is for sure, if the landowners of Chester County care for their lands now, just as they have done for the last three centuries, the future of our community is very bright indeed.

Sincerely,



Karen L. Martynick,
Chairman



Colin A. Hanna

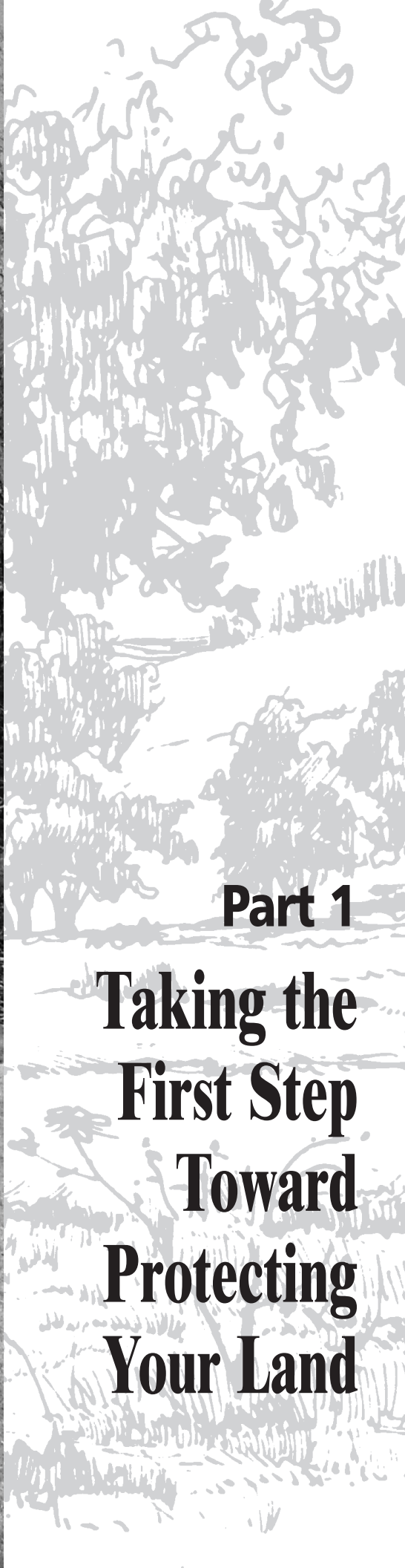


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Part 1

**Taking the
First Step
Toward
Protecting
Your Land**

Landowners in the 21st Century Face Many Difficult Questions

If you owned a grandfather clock that you had built with your own hands, and someone told you to chop it into three pieces and give each piece to one of your children, would you do it?

If you owned a picture painted by your grandmother, and someone offered you \$500,000 for it—but only if you let them cut it into 100 pieces—would you do it?

These may seem like silly questions, but people who own large tracts of undeveloped land frequently face questions like these. When preparing their wills, elderly landowners are commonly asked how they wish to distribute their lands to their heirs. In rapidly developing areas, such as Chester County, landowners often must ponder how much more their land would be worth if it were subdivided into 3, 30, or 300 lots.

For landowners who view their property as nothing more than an investment, these questions are quite easy to answer. These landowners want the largest return on their investment they can get and are willing to develop their land in any way local zoning will allow.

Other landowners, however, view their land like a family heirloom, a symbol of their culture, or even like a work of art they have slowly created over a period of years. These people want to preserve their land intact, and pass it on to their descendants, or sell it to others who will give it the same care and concern that they gave it.

Throughout much of the 20th century, inheritance laws, the development industry and municipal land use regulations have made it difficult for many landowners to preserve their farms, woodlands or estates as one intact property. In some cases the heirs of landowners have had to sell off the lands their parents wanted them to have, simply to pay the inheritance tax bill.

In the last decade however, this situation has changed. Federal, state and municipal laws and regulations have recently been undergoing changes that have made it easier for landowners with large properties to keep their properties intact. Developers have also realized that they can help preserve heirloom properties and still make a profit. Furthermore, studies conducted in the last few years have found that municipalities and school districts can sometimes reap substantial financial benefits when they encourage landowners to protect large parcels from subdivision.¹



**TERMS TO KNOW:
EASEMENTS AND LAND TRUSTS**

The following technical terms are often used in discussing easements and land trusts:

CONSERVATION EASEMENT

A legal agreement a property owner voluntarily makes to restrict the type and amount of development that may take place on his or her property.

CONVEY

To transfer the title of a parcel of land either by selling, trading or donating some, or all, of the parcel.

DEED

A written document used by the owner of a property (grantor) to convey the property, or an interest in the property to another (grantee).

DEED RESTRICTION

Restrictions added to a deed by the owner of a property (grantor) that limit the activities of the future owner (grantee). Enforcing deed restrictions over the long term can be difficult because they often can only be enforced by the previous owner.

EASEMENT

A right to use some or part of a parcel of land, to conduct an activity on that parcel, or to use a resource on that parcel.

FAIR MARKET VALUE

The price that a property could be sold for on the free market, with no conservation easements. It is sometimes called the "development" value, since it is the value that a property could have if it were developed.

IN-FEE SIMPLE

A type of land ownership in which the landowner owns the primary interest in the land and all the easements. Sometimes called "in-fee" or "fee simple."

IN PERPETUITY

A type of agreement which will last forever.

PARCEL

In Chester County, an area of land that has been mapped and recorded by the County and is used for assessing taxes. A property may consist of one or more parcels owned by the same owner.

PRIMARY INTEREST

The majority rights that a landowner (titleholder) retains after he or she conveys an easement to another.

SERVIENT ESTATE

A parcel of land that has an easement on it.

TERM EASEMENT

An easement that will only last a specific period of years.

TITLE

A document that officially designates what individual, individuals or group owns a piece of land.

What You Can Get Out of This Guidebook

The Chester County Planning Commission has prepared this Guidebook to inform landowners about the many options that are now available for protecting large heirloom properties. It also provides options for those landowners who wish to develop part or all of their land, but want to preserve as much open space as is feasible. This approach to development has become more popular as developers have found that units in environmentally sensitive surroundings can be both attractive to prospective homeowners, and profitable for the developer. This Guidebook will also be useful to municipal officials and school district administrators effected by the development of large properties within their jurisdiction.

This Guidebook can help you the landowner to determine if your property has the level of protection that you would like it to have. This Guidebook provides a general overview of techniques that can be used to protect heirloom properties and also a number of hypothetical examples that may be applicable to your situation. Of course, one publication cannot provide all the answers about preserving large properties.

Any landowner interested in preserving his or her property should not rely on just this Guidebook to direct his or her land development or financial decisions. This Guidebook is not intended to be, and should not be considered to be, a substitute for individual tax and legal advise and planning. Furthermore, any individuals who undertake suggestions presented in this Guidebook, should only do so after consulting with an experienced professional advisor.

How You Can Protect Your Large Tract Without Development

The only well established method that a landowner can use to protect his or her property from all future development is to sell or donate a conservation easement to a non-profit land trust. Landowners who believe that they can protect their lands simply by not selling it to a developer, only protect their land during their own lifetime. Simply putting a deed restriction on a parcel also does little to effectively protect a property. In theory, an owner can put a deed restriction on a property that will limit how his or her property will be used after it is sold to a new owner. However, a deed restriction is only worthwhile if there is someone present who will enforce it. Sometimes, new landowners simply ignore deed restrictions because they know that there is no outside party to monitor the property and enforce the deed restriction created by the previous owner.

There are a variety of land trusts within Chester County that preserve large properties including natural areas, farms and historic sites. These organizations may be called “conservancies” or “trusts” or “preservation associations,” but they function in a similar way. Some of these land trusts, such as The Nature Conservancy, protect lands throughout the world, while others, like the Pennsbury Land Trust, focus on a single township. Each trust takes a different approach to protecting land, and landowners should investigate all of them to see what options are available. Addresses and phone numbers for all of the trusts that are active in Chester County are listed at the end of this document.

These land trusts protect large properties either by purchasing undeveloped properties outright, or by purchasing conservation easements on undeveloped properties. They also accept donations of land or easements. The Sonoran Land Institute defines a conservation easement as a “voluntary contract that permanently limits the type and intensity of future land use while allowing landowners to retain ownership and control of their property ².”

When a land trust acquires an “easement” on a property, they do not own the property. Instead, they make a contract with the landowner, which allows the landowner to have exclusive use of the land for a specific purpose. For example, the ACME Land Trust purchases a forest conservation easement from a wood lot that was owned in-fee by Mr. & Mrs. Brown. As a result, Mr. & Mrs. Brown still own the land and can still live on it (or sell it) but they have given up the right to cut down the trees. When the ACME Land Trust purchased the easement, they bought a “property right” previously owned by Mr. & Mrs. Brown. Technically speaking Mr. & Mrs. Brown “extinguished” their right to cut down trees and “transferred” this right to the ACME Land Trust.



You Can Sell or Donate an Easement and Still Own Your Property

One of the best ways to understand property rights and conservation easements is to picture a parcel of land as a bundle of sticks. Each stick in the bundle is a property right. One stick might be the right to subdivide the property, while another might be the right to extract minerals from the property. A landowner can sell or give away any or all property rights. In essence, one or more of the “property right” sticks can be removed from the bundle.

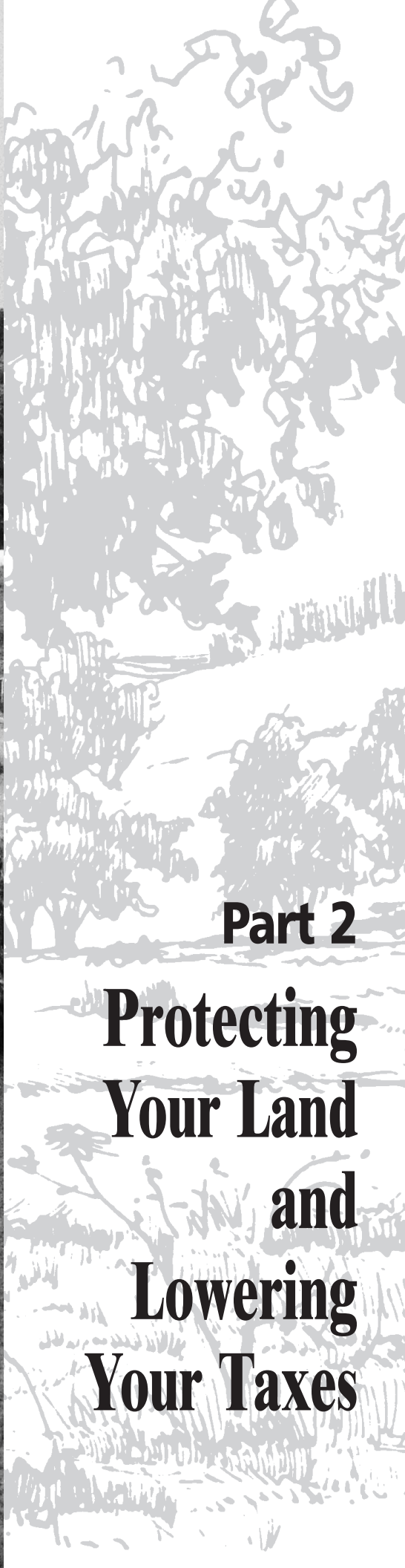
Many land trusts purchase conservation easements or accept donated easements to limit future development on farmlands, natural lands or historic sites. When a landowner sells or donates a conservation easement, people often say that the landowner has “given up the development rights” to the land. This description is somewhat inaccurate in that it implies that a conservation easement always eliminates all future development on a property. In fact there are many types of conservation easements. Some of them allow limited development, while others allow no development at all.

It is also possible for a landowner to sell or donate a conservation easement for only a portion of a property. For example, a farmer may choose to sell the conservation easement for a part of a farm parcel that is along a stream corridor or on steeply sloping woodland, but not sell the easement on the farm fields or the barns.

Each conservation easement is unique, and conservation easements can be tailored to protect wildlife habitat, farmlands, watersheds, historic sites or other features — or any combination of these resources. A conservation easement can last for a limited time, or it can protect land forever (in perpetuity). In some instances, two or more land trusts will join together to preserve a property.

Unfortunately, the majority of land trusts do not have enough funds available to purchase easements on all the land they would like to protect. In many cases a land trust can only accept an easement if it is donated to them. Furthermore, a landowner may be asked to donate not only the easement, but also a cash gift, called an “endowment.” This endowment pays for the maintenance and upkeep of the eased property.

Donating or selling a conservation easement is usually a complicated process, involving appraisers, lawyers, bankers and extensive coordination with a land trust. Landowners should always seek professional assistance when considering protecting their land from development using a conservation easement. The process of protecting land will initially cost the property owner some money, but as the following section shows, that money can be recovered later on in the process. It is not a simple task, but owning a large heirloom property is never easy. Just as fields must be mowed and fences must be mended to physically protect the property, so the landowner must put in some hard work to protect the future of the property.



Part 2

**Protecting
Your Land
and
Lowering
Your Taxes**

The Financial Benefits of Conservation Easements

Protecting large properties using a conservation easement can substantially reduce a landowner's income taxes and the inheritance tax paid by a landowner's heirs. These features of the tax laws are not known to many landowners, and even many in the planning, development and legal professions. This Guidebook cannot fully describe tax benefits associated with conservation easements, but hopefully it will help introduce the reader to some of the various options currently available. A more detailed examination of these tax benefits can be found in *Preserving Family Lands: Book I and II* by Stephen J. Small, Esq., which is available from the Land Trust Alliance at www.lta.org (see page 40).

The IRS Code allows individuals who donate a conservation easement to a land trust to deduct the value of the donated easement when calculating their income tax. Of course, there are many conditions that must be met by the landowner, the trust and the land itself. First, the easement must be donated “exclusively for conservation purposes” to a “qualified conservation organization” or “public agency,” all of which are defined by IRS Code Section 170(h). In plain English, this means that the land must have an historic, natural resource or open space value, and the easement must be donated to a non-profit land trust that is registered with the IRS.³

To determine the value of the easement, the landowner must have the property appraised by a professional in order to determine both its fair market value and its value with an easement.⁴ The fair market value is the price for which the land would sell if development were allowed. The value of the land with an easement is the price for which it would sell if development (or logging, or some other use) were not permitted. The value of the easement is equal to the fair market value minus the value with an easement.

The IRS allows a landowner to deduct the entire value of a donated easement when calculating his or her federal income taxes, but only under the following conditions:

- The landowner can only deduct an amount equal to 30% of his or her adjusted gross income for one year. (Adjusted gross income is your income minus standard deductions.)
- The landowner can spread out the deduction over a period of six years or less.



The Financial Benefits of Conservation Easements (continued)

For example, Mrs. Green is a retired widow with a farm property appraised at \$100,000.⁵ She agrees to donate a conservation easement to her township's local land trust, which lowers the value of the land to \$64,000. Mrs. Green can therefore deduct \$36,000 when calculating her federal taxes. Mrs. Green has a retirement income of \$24,000 per year, and so she can deduct \$8,000 (or 30% of \$24,000) per year for six years as follows:

	Total Adjusted Gross Income	Conservation Easement Deduction	Remaining Taxable Income
Year 1	\$24,000	\$8,000	\$16,000
Year 2	\$24,000	\$8,000	\$16,000
Year 3	\$24,000	\$8,000	\$16,000
Year 4	\$24,000	\$8,000	\$16,000
Year 5	\$24,000	\$4,000	\$20,000
Year 6	\$ 24,000	\$0,000	\$24,000
TOTAL	\$144,000	\$36,000	\$108,000

This is a very simple example that does not consider state taxes. Nonetheless, this example shows how, over a six-year period, Mrs. Green was able to reduce her federal taxable income by \$36,000, which is exactly $\frac{1}{4}$ of her original income of \$144,000 during those six years.

Mrs. Green uses her conservation easement to reduce her adjusted gross income, which lowers her taxes, over a period of five years. Landowners with larger estates however, can reduce their adjusted gross income over the entire six years, or even longer. Some landowners put an easement on only a part of their property and then reduce their taxable income for six years. When the six-year period is over, they then put an easement on another part of their property and reduce their taxable income for another six years. Indeed, donating conservation easements can be a valuable tool for managing your finances over a long period of time.

Land Trusts Do Not Accept All Donations

The IRS requires that each land trust meet specific requirements, as set forth in IRS Code Section 170(h), in order to be granted status as a tax-exempt organization.⁶ This law requires each trust to develop a specific goal and only acquire land or easements that meet its goal. For example, an historic trust might agree to acquire only historic farms or battlefields, while a trust focusing on natural lands might only acquire lands or easements within a specific watershed. If a trust acquires land that does not fit with its goals, it risks losing its tax-exempt status with the IRS. For these reasons, land trusts are very careful about what lands they choose to accept.

When a land trust acquires a donated property, they often play a role in maintaining the property according to a written management plan. If a trust does not have the funds or staff to manage a property, they will not be able to accept it as a donation. Furthermore, land trusts often conduct detailed deed searches and environmental studies to assess a parcel of land before they acquire it. Just like everyone else, the land trusts do not wish to acquire a property and then find out that it contains a hazardous waste site or has some other liability. In many instances, trusts can only accept land donations if the landowner also provides a trust fund to be used for maintaining the property.

A land trust may turn down a land acquisition because a property is too small or is isolated from other preserved land, or for any number of reasons. In general, a property of less than ten acres will not even be considered for preservation unless it is directly adjacent to a larger protected parcel or it is part of a larger conservation initiative. This is why a landowner who wishes to protect his or her heirloom property should contact a number of trusts. A parcel that might be too small for a regional land trust may be perfect for a local land trust. A farmlands trust may have no interest in a swampy meadow that a watershed based trust would gladly accept. Certainly, some pieces of land are so small or have so many problems that no trust would consider purchasing or accepting them. However, a landowner should not give up if the first trust he or she contacts is not interested.





Reversing the “Culture of Development”

For over three hundred years, Chester County has been undergoing a process of development. It began when William Penn first divided southeastern Pennsylvania into counties and then divided each county into large grants that were again divided. When a landowner dies, it is assumed that the land will be divided and given in equal parts to the landowner's children. This tradition is so ingrained in our society that some people refer to it as the “culture of development.”⁷

Throughout the United States, we commonly accept that land will be broken up when the owner moves away or dies, but we never expect a business to be broken up when its owner retires or dies. We view a business, especially a family business, as one discreet unit, which should be preserved intact, even when its owner retires or dies.

For example, Mr. Johnson owns a baking company in Chester County with four bakeshops, a bread baking plant, and a small fleet of delivery trucks.⁸ Mr. Johnson also has three sons. The oldest is the vice president of the baking company. The other sons do not work for the family business.

Mr. Johnson wants his company to stay in the family after he dies, so he asks his lawyer to develop a plan for passing it on to his three sons. His lawyer then tells him that he can pass the business on to his children, but he will have to rewrite his will, and go through a series of somewhat costly and complicated procedures. In the end however, his business will stay intact under the leadership of his eldest son, and his two younger sons will inherit cash or stocks.

What is important about this hypothetical example is not what the lawyer did, but what the lawyer did not do. The lawyer did not propose that Mr. Johnson should give his bakeshops to his eldest son, his bread baking plant to his middle son, and his fleet of trucks to his youngest son. Indeed, if the lawyer proposed that Mr. Johnson break up the business that way, Mr. Johnson would likely fire him.

There are thousands of family-owned businesses in the United States that are passed from generation to generation without being broken up. Unfortunately, the same cannot be said of the thousands of family-owned lands throughout this country—including family farms, which are businesses. Fortunately, landowners now have a number of options for preserving their heirloom properties intact.

Your Land and Your Will

Change is an inevitable part of every person's life. No matter who we are, we all grow up, settle down and grow old. Avoiding change is impossible, however you can gain control over those things that are important to you as you pass through each of life's changes.

For many landowners, the property they own is one of the most important parts of their life. When they are young and energetic — and have children and a steady income — taking care of their land can be a joy. But as they grow older, it becomes more difficult to maintain their property, especially after the death of a spouse.

Landowners who face the changes brought on by retirement and old age have two options; they can either take control of their land or they can avoid the issue and let someone else take charge. Unfortunately, too many landowners let someone else make the decision.

Many individuals and families do not like to discuss the possible death of a loved one, and so put off discussing or preparing a will. This is entirely understandable, but for the owner of a large tract, delaying such a discussion can be disastrous. The two hypothetical examples presented on the following pages illustrate how family lands can be lost forever, simply because there was no effective plan for distributing the land after the original landowner passed away.



Example 1

How Mr. Stauffer Lost His Farm

Mr. Stauffer, for example, is a widower who operated his family farm in northern Chester County for 45 years. He has two grown sons who are also farmers. He trusts his sons' judgement, and so he decides to let them figure out how to divide his land when he dies. As a result, Mr. Stauffer includes no special provisions in his will for how his land should be divided.

In 2006, Mr. Stauffer dies. For this example we shall assume that he has no savings, and all his wealth is tied up in his land. His sons have his land appraised and are surprised to find out that it is worth \$2 million, much more than they expected. This means that each son inherits \$1 million worth of land, and each is required to pay \$60,000 in estate taxes.⁹ They both have mortgages and children in college, and neither one can generate that kind of money by other means. As a result they sell the land, which is so expensive that no farmer can buy it. They have no choice but to sell to developers.

In this example, Mr. Stauffer makes the common mistake of assuming that if he did nothing, his children would take control. Unfortunately inheritance taxes required by the Internal Revenue Service (IRS) can severely limit the options of people who inherit land. If you are a landowner and you do not make a decision as to how your land is to be distributed after your death, your children will still have to deal with the IRS and may end up losing control over the land.



Example 2

How Mrs. Thornbridge Lost Her Estate

The second example is the case of Mrs. Thornbridge, a widow from southern Chester County with three grown daughters. Mrs. Thornbridge's total financial assets consist of an estate that was left to her by her late husband, and her own rather substantial savings. Her husband's estate was originally out in the country, but now it is surrounded by expensive residential developments.

Mrs. Thornbridge is aware that her children will have to pay inheritance taxes, so she instructs her lawyer and accountant to find a way to ensure that her three daughters will not be forced to sell the land to pay the taxes. In 2006, Mrs. Thornbridge dies, and her land and savings are divided equally in thirds and passed on to her three daughters.

Two of her daughters choose to move onto their newly inherited parcels, but the oldest daughter, who lives in Florida, wants to sell her land and use the proceeds to start a new business. She sells her land to a developer, who then builds a shopping mall.

One of the younger daughters, who moved on to the property, finds that she does not enjoy living next to a mall, and the mall developer buys her land for even more than he paid for her older sister's property. The last remaining daughter stays on the family lands for ten years, but eventually the developer makes her an offer that is so lucrative that she feels she has no choice but to take it.

In this example, Mrs. Thornbridge makes the mistake of assuming that all her children will want to keep her land the way it is. And even if all the children do want the land, there was no guarantee that in 30 or 40 years, all the grandchildren will still want the land. When land is broken up and given to heirs — and just one heir wants to develop it — the development of the entire property may be initiated. The only way a landowner can effectively insure that a property remains intact is to make sure that the land will be inherited in perpetuity as one unit. Subdividing land, even into undivided interests, is the first step in its development.



Example 3

How Mr. Stauffer Could Have Controlled His Land

Both Farmer Stauffer and Mrs. Thornbridge were resourceful, intelligent people who cared about their land and wanted preserve it, but ultimately, they failed. They were unable to protect their land after their deaths, because they did not take the appropriate steps to protect it while they were still alive.

Mr. Stauffer, for example, could have sought out a professional estate planner and had his land appraised. He would have then found out that it was worth \$2 million dollars. With this knowledge he could have given both his sons tax-free gifts that would reduce the value of his total financial estate. According to the current tax laws, an individual can give away up to \$10,000 a year to as many different people as he or she wants to give it to, and the person who receives the gift will not pay any taxes. A married couple can jointly give a gift of up to \$20,000, tax-free.¹⁰



Mr. Stauffer could have also spoken with an accountant in 1998 and found out that the tax laws allow an individual to inherit up to \$600,000 without paying any inheritance tax. He also would have found out that the U. S. Congress modified the tax laws in 1997 so that the \$600,000 threshold increases each year after 1998. As a result, in the year 2006, an individual who inherits less than \$1 million will not have to pay any inheritance taxes.¹¹

With this information, Mr. Stauffer could have taken control of his land's future. In 1999 he could have converted his farm operation into a family limited partnership¹² and then given a \$10,000 interest in the partnership to each of his sons.

Year	Gift to First Son	Gift to Second Son	Value of Mr. Stauffer's Farm
1998	None	None	\$2,000,000
1999	\$10,000	\$10,000	\$1,980,000
2000	\$10,000	\$10,000	\$1,960,000
2001	\$10,000	\$10,000	\$1,940,000
2002	\$10,000	\$10,000	\$1,920,000
2003	\$10,000	\$10,000	\$1,900,000
2004	\$10,000	\$10,000	\$1,880,000
2005	\$10,000	\$10,000	\$1,860,000

By the Year 2005, Mr. Stauffer would own only \$1,860,000 worth of the original \$2,000,000 property as shown in the table on this page. Upon his death in 2006, his two sons would split Mr. Stauffer's estate (\$1,860,000 divided by 2 equals \$930,000) and each son would receive \$930,000 worth of property. Because each son inherited less than \$1 million, neither would have to pay any inheritance tax. If Mr. Stauffer did nothing, each son would inherit \$1 million, minus \$60,000 in estate taxes.

If by 2006, Mr. Stauffer had reduced his land holdings to \$1,860,000 or any amount under \$2 million, his two sons could have afforded to retain ownership their land. However, Mr. Stauffer's land would still not be effectively protected. One of his sons or grandsons could still choose to develop the land at a later date, and then Mr. Stauffer's descendants would face the same situation as Mrs. Thornbridge's daughters.

Example 4

How Mrs. Thornbridge Could Have Controlled Her Land

Mrs. Thornbridge could have protected her land intact and in perpetuity (i.e., forever), if she had donated a conservation easement and an endowment to a land trust. To do this she would have had to hire an estate planner who would assist her in developing an agreement with a land trust that would specify that the land could not be intensely developed. If she had donated an easement, the value of her land would have decreased but in return her tax burden would be reduced.

Mrs. Thornbridge would then have to change her will, since the terms of her conservation easement agreement would not permit her to split the land among her three daughters. She would then have to ask her lawyer to find a way to split up her total financial assets among her daughters while keeping the land intact. In effect, she would be passing her lands on to her heirs as if it was a family business.

The result might be that Mrs. Thornbridge passes most of her personal savings on to her daughter in Florida, who did not want the land anyway. She might pass only the land to her second daughter, under the condition that the third daughter may live on half of it. The third daughter would then inherit the right to live on half the land and a portion of Mrs. Thornbridge's personal savings.

Of course the examples of Mr. Stauffer and Mrs. Thornbridge are hypothetical and present an extremely simplified illustration of ways to protect large properties. These examples do however demonstrate some of the basic principles that landowners can use to take control over the future of their property. In reality, protecting large properties can be extremely complicated and often frustrating. However, these principles have been used successfully all over the country and within Chester County, and every landowner within the County should at least consider using them.





Land is Just One Part of a Landowner's Total Financial Assets

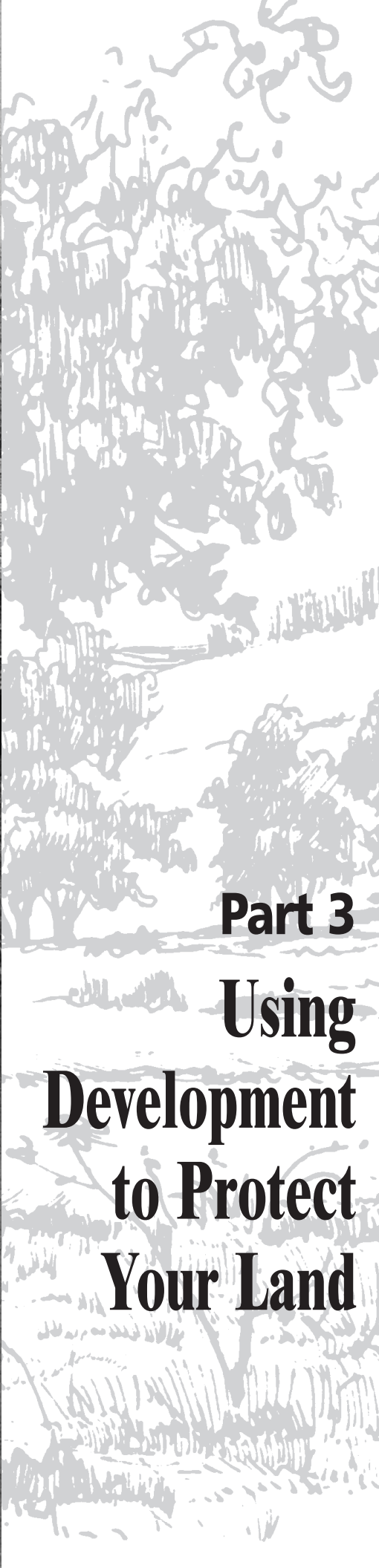
The hypothetical case of Mrs. Thornbridge illustrates an important point that all landowners should consider. Mrs. Thornbridge's total assets included both her life savings and her land. Almost all landowners have assets other than their land, and any plan for preserving heirloom land must include an assessment of all the landowner's other financial assets. For example, Mrs. Miller makes sure that by 2006 each of her children will only inherit exactly \$999,999 worth of land, but forgets that each child will also inherit \$500 in heirloom jewelry. In 2006, Mrs. Miller dies and her children each inherit just over \$1 million worth of property, which means that they have to pay a substantial inheritance tax. Any landowner that wishes to preserve an heirloom property must have a plan for disposing of his or her entire financial estate and not just the real estate. Putting a conservation easement on a property should be regarded as just one step in protecting a landowner's total financial assets, which include his or her land.



You Just Inherited Land Unexpectedly, How Can You Protect It?

It is an unfortunate reality that individuals sometimes lose a parent or older relative without much warning, or after a brief illness. In these situations there is little time or desire to go through the complex procedures needed to protect a large heirloom property. Fortunately, the IRS now allows a landowner's will to be amended by the estate soon after death—but before the inheritance tax is submitted—to add an easement and reduce the inheritance tax burden. This option has only been available to landowners since 1997 when the Taxpayer Relief Act that amended IRS Code Section 2031(c) was signed into law.¹³ This option is new and has many limitations, so it may not be applicable to all landowners.

The recent changes to Section 2031(c) also provide tax relief to people who have just inherited land that already has a conservation easement, but only under certain very specific circumstances. Individuals who believe that they might benefit from this option should seek out experienced professional legal advice.



Part 3

**Using
Development
to Protect
Your Land**

If You Cannot Protect All of Your Land, You Can Still Protect Part of It

It would be nice if every landowner who wanted to preserve his or her land intact was able to afford to donate or sell a conservation easement to a land trust or an agricultural preservation program. Unfortunately, it is often impossible to protect an entire property from development. Even with all the land preservation techniques available to landowners, many of the large parcels in Chester County will be developed during the next few decades.

Fortunately, a landowner who cannot preserve all of his or her heirloom property still has the opportunity to protect some of it. Limited development techniques such as open space development, sensitive development and cluster development, allow part of a large property to be developed while preserving the majority of it as open space. These techniques can provide development income for the landowner while still allowing him or her to retain part of the former property. Because these techniques are relatively new, many developers do not have experience with them. As a result, a landowner who is interested in limited development may have to do a little research to find a suitable developer. Some land trusts will provide information on developers with experience in conservation development.



**TERMS TO KNOW:
LAND DEVELOPMENT OPTIONS**

The following technical terms are often used in discussing land development options:

CLUSTER DEVELOPMENT

A development in which all the units are situated close together on small lots (typically less than one half acre), and this cluster of lots is surrounded by common open space that is permanently protected from development. Typically the area covered by the open space is greater than the area developed.

CONSERVATION SUBDIVISION

A development that protects sensitive natural features from development. Typically the area protected is greater than the area developed.

DENSITY

The number of units per acre within a development or a municipality. In most rural areas, "Medium Density" is typically one unit per acre.

LIMITED DEVELOPMENT

The technique of developing only a portion of a property, typically less than half, and permanently protecting the remainder from development.

OPEN SPACE DEVELOPMENT

A development that preserves open space. Limited development and conservation subdivisions are types of open space development.

RECEIVING ZONE

A part of a municipality that has been officially designated as an area in which developers can exceed the standard housing density, but only if they purchase development rights from a vacant land owner in a "Sending Zone."

SENDING ZONE

A part of a municipality that has been officially designated as an area in which landowners are permitted to sell their development rights, but only to landholders within a "Sending Zone."

TDR OR "TRANSFER OF DEVELOPMENT"

A process allowed in some municipalities in which a landowner in a "Sending Zone" can sell the development rights to his or her land to a landowner who owns land in a "Receiving Zone."

UNITS

In land planning, "units" usually refer to residential structures that contain one household. A detached house would contain one unit, while a building with 50 apartments would contain 50 units.

ZONING

A process used by a municipality to regulate the use and development of private property. Zoning divides the municipality into various Zoning Districts presented on a Zoning Map. Land uses that are permitted within each district are detailed in a Zoning Ordinance.

Taking Control of How Your Land is Developed

When people go shopping for a new car, they rarely buy the first car the dealer puts before them. Most people check out a few different models at a few different dealerships, and do some comparison shopping before they find the car that fits their needs and their budget. In the end, the comparison shopper will buy from the car salesperson that offered the best deal.

Individuals who want to develop their property also have the option of shopping around to find the developer that best fits their needs. Many people assume that all developers are the same, but this is simply not true. Some developers have a great deal of experience in creating developments that preserve part of the original property, while others do not. Some developers specialize in building more expensive single family units, while others focus on apartments, or commercial centers. Just like the car buyer, the landowner who does some comparison-shopping will get the best deal.

Each landowner should carefully consider how his or her land is to be developed and keep in mind that land is just part of his or her total financial estate. Some landowners may wish to turn the land over to the highest bidder and let the developer take control. Other landowners may want to sell to a developer who specializes in building "conservation subdivisions" that preserve part of the property being developed. In some cases, this option may cost the landowner some money, in which case the landowner must determine how much he or she is willing to sacrifice to maintain some control over the future of the property. Landowners must consider how much a parcel of land might be worth if it is improved with roads, or approved for development by the local municipality.

An experienced professional appraiser can determine the value of land under various scenarios.

Landowners have a wide variety of options when it comes to developing their lands. The more a landowner knows about these options, the more control he or she has over the land. The following sections provide two hypothetical examples of landowners that chose to hire developers who specialize in conservation subdivisions. It is important to remember that each parcel of land is unique, and any number of development techniques can be used on all or just parts of the property. For these reasons, professional assistance is a necessity.

Example 5

How Mr. Stauffer Developed His Farm Using Limited Development

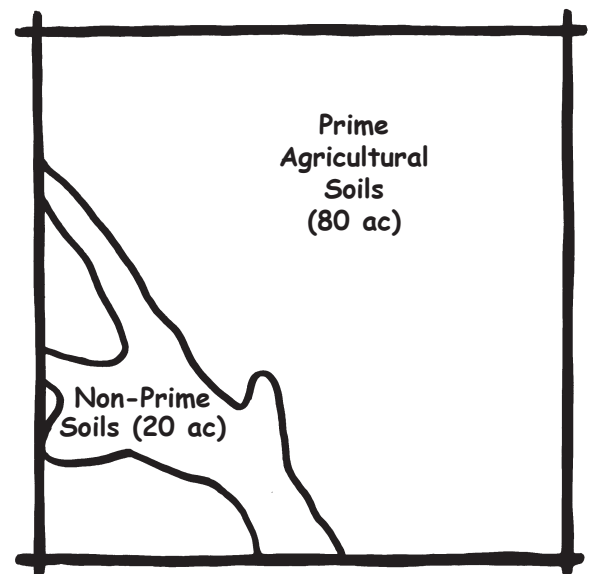
Limited development occurs when a landowner chooses to develop only a portion of his or her land. For example, Mr. Stauffer, the farmer with two sons, wants to preserve part of his family farm and develop the rest using limited development. For Mr. Stauffer, the process begins by identifying which parts of his property are best suited for farming. Mr. Stauffer obtains a map from the USDA Natural Resource Conservation Service that shows what parts of his property are “Prime Agricultural Soils.” He then hires a design professional with experience in conservation planning to develop a plan for building houses on only those parts of his property that are not Prime Agricultural Soils. This plan must be consistent with municipal zoning, subdivision and land use ordinances, and still allow the farmer to retain the lands that are most suitable for farming.

Mr. Stauffer's farm comprises 100 acres and is located entirely on one parcel. As *Figure 1* shows, Prime Agricultural Soils cover about 80 acres, and so the developer designs a residential development plan for the remaining 20 acres. Mr. Stauffer then subdivides his land into an 80-acre and a 20-acre parcel, and sells the 20-acre parcel to the developer at \$50,000 per acre for a total of \$1,000,000. Now Mr. Stauffer can continue to farm the remaining 80 acres. Mr. Stauffer can end the process there, or he can go on to the next step and preserve all his remaining land using an agricultural conservation easement.

In Pennsylvania, agricultural conservation easements can be purchased through the PA Agricultural Conservation Easement Program, as established by PA Act 149 of 1988. This program was first implemented in 1988 following a \$100 million bond issue approved by the voters in a statewide election in 1987. This Program allows landowners to sell the development rights of their property in the form of an agricultural conservation easement to the State or County through the Chester County Agricultural Land Preservation Board (ALPB). The value of the Act 149 development rights is determined by subtracting the value that the land would have as productive farmland from the value it would have on the fair market.

Act 149 agricultural conservation easements permanently lower the value of farmland, which in some cases lowers the real estate taxes paid by the farmer. Because the development rights are owned by the State or the County, the land cannot be developed, and so will remain as farmland or open space. As a result, Act 149 permits a farmer to retain ownership, continue farming and pass the farm on to his or her children. Since 1989, Chester County has spent over \$13 million in County funds to acquire agricultural easements under Act 149, which has been matched by state and federal funds, for a total of over \$35 million.¹⁴

FIGURE 1: THE STAUFFER FARM - UNDEVELOPED



The farmer who sells an agricultural conservation easement under Act 149 has to meet certain requirements and not all farms are eligible. Each year it is common for some eligible farms to be turned down because there is simply not enough funding to purchase every eligible easement. In general, farmers who wish to sell an easement that covers all or most of their property, improve their chances of receiving funding. Farmers who wish to preserve only a part of their farm and develop the rest are less likely to get funded under Act 149. In some cases farmers who do not qualify for Act 149, can still sell or donate an easement to a private non-profit land trust. Farmers who wish to successfully protect their lands should therefore consider preserving most or all of it.

When an agricultural conservation easement is purchased, farmers receive a cash payment. Under the Act 149 program, the purchase price is limited to a maximum of \$10,000 per acre. The payments can be distributed in one lump sum or in installments. Under certain circumstances, the program also allows farmers to use the money to purchase other productive land, with a reduction in their taxes. Individuals who want more information on this program should contact the Chester County ALPB at 610-344-6285.

Once a farmer sells an agricultural conservation easement, he or she can still sell the land. If land prices rise in the region, the price of the eased land may also rise, and over time the land may increase in value even though it cannot be developed. The individual who buys the land must however abide by the terms of the easement and keep the land in productive agriculture. As a result of this requirement, a farmer with eased land will most likely sell his land to another farmer. If Mr. Stauffer chooses to develop 20 acres of his land and sell an agricultural easement on the remaining 80 acres, the 80 acres that he still owns will be worth \$44,000 per acre (the original price of \$50,000 per acre, minus the \$6,000 per acre cost of the easement). His 80-acre farm will therefore be worth \$44,000 per acre for a total of \$3,520,000. In the end he will still own \$3,520,000 worth of land, and he will make the following cash earnings:

	\$1,000,000	(20 acres sold in-fee at \$50,000/acre)
+	\$480,000	(80 acres of easements sold at \$6,000/acre)

Total \$1,480,000

If Mr. Stauffer chooses to develop all 100 acres at \$50,000 per acre, he will have \$5 million dollars in cash. In summary, he has the two following choices:

Options	Land Sold	Land Eased	Cash Received	Retained Value of Land	Total Value
Full Development	100 acres	0 acres	\$5.00 million	\$0	\$5.00 million
Limited Development	20 acres	80 acres	\$1.48 million	\$3.52 million	\$5.00 million

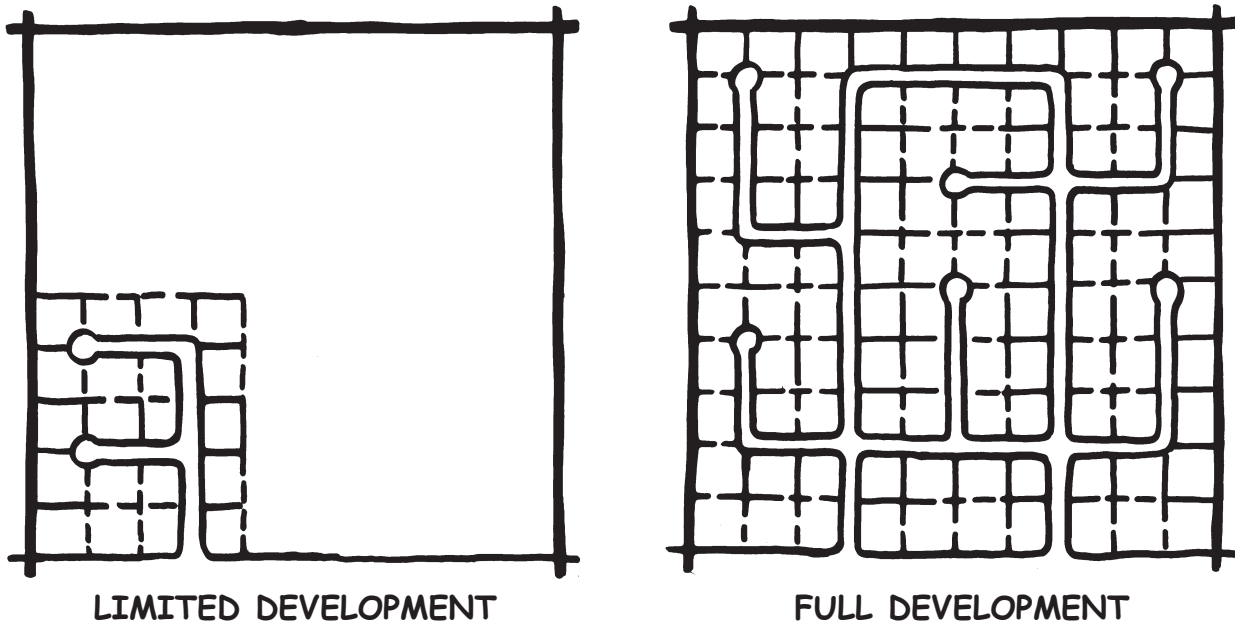
He can keep the land, earn about \$1.5 million in cash, and ensure that his sons and grandsons inherit the family farm, or lose the land and have \$5 million in cash that his sons will inherit later.

Figure 2 shows the two development alternatives for Mr. Stauffer's Farm. Certainly the first alternative is better in terms of preserving open space, however it is important to remember that preserving open space is not appropriate for every property.

Of course Mr. Stauffer's case is just hypothetical and in reality the process of protecting land would be much more complicated. In the above example, Mr. Stauffer had property that was worth \$50,000 per acre and sold an easement for \$6,000 per acre, which lowered the price of the land to \$44,000 per acre. In reality there are many more factors that determine the value of property after it is eased. As a result a farmer might find that land originally valued at \$50,000 is worth less than \$44,000 after a \$6,000 easement is sold. Of course it is also possible that the land will be worth more after being eased. And once the price of land changes, its real estate taxes change. There are many variables that landowners need to consider before making any decisions about how to protect or develop their land.

No matter what option Mr. Stauffer chooses, he will at least have the opportunity to make the decision for himself. By determining if he should develop and how he should develop, Mr. Stauffer is taking control of his land and the future use of his land. There is no reason why every owner of a large property in Chester County cannot do the same.

FIGURE 2: THE STAUFFER FARM - DEVELOPMENT OPTIONS



Example 6

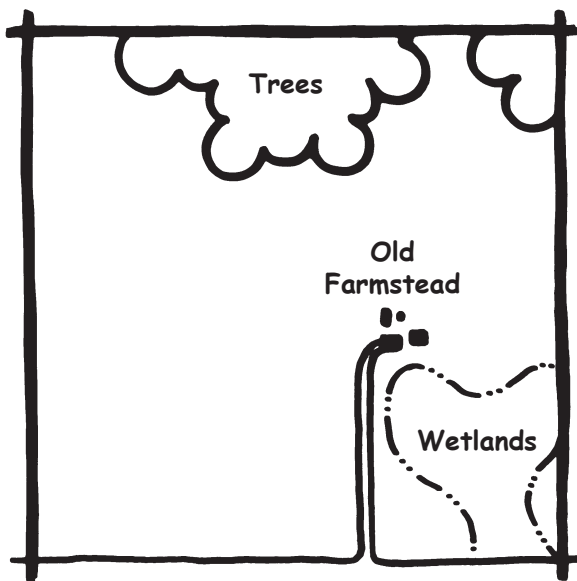
How Mrs. Thornbridge Developed Her Estate Using Sensitive Land Development

“Sensitive Land Development” occurs when a landowner conducts an evaluation of the natural resources on his or her property, and then develops the land in a way that causes the least impact to the most valuable resources. This approach can also be used to protect historic features such as buildings or old farmsteads. Mrs. Thornbridge, for example, can use Sensitive Land Development to develop her land and still pass it on to her children.

Mrs. Thornbridge's estate covers 100 acres and is located entirely on one parcel. In 1998, her municipality zoned her property for residential use, allowing the construction of only one unit per acre. She realizes that she could get \$50,000 per acre from a developer and make \$5,000,000.

In 1999 however, Mrs. Thornbridge's municipality amended their zoning ordinance to allow cluster development. Cluster development, also called open space development, allows residential units to be grouped together on a relatively small portion of a parcel, leaving the remainder in permanent open space. The newly amended zoning ordinance in Mrs. Thornbridge's municipality still allows the construction of one unit per acre, but it also allows 1.15 units per acre, but only if 50 percent or more of the parcel is protected as open space. The municipality allows more units per acre as a bonus to reward people who preserve open space. Mrs. Thornbridge is interested in this option so she hires a developer that specializes in cluster development.

FIGURE 3: THE THORNBRIDGE ESTATE - BASE MAP



The developer tells Mrs. Thornbridge that there are a number of steps in Sensitive Land Development.

1. Analyze the Land —

In this step, a “base map” is prepared showing the roads, buildings and topography. Then, environmental features such as woodlands, streams, wetlands, floodplains and prime agriculture soils are mapped. This site analysis is presented in *Figure 3*. On some properties, historic buildings or gardens, or even potential hazardous waste sites like underground oil tanks are also mapped. The purpose of this step is to identify what areas should be preserved, and what areas should be developed.

2. Establish the Landowner's Goals —

In this step, Mrs. Thornbridge writes down what her financial and personal goals are for her financial future, and the future use of her land. This includes:

- Having an acceptable income from her retirement fund.
- Getting the maximum property and income tax breaks.
- Providing an inheritance for her children.
- Ensuring that two of her daughters can still live on the property.
- Permanently protecting the property's valuable environmental features.

The purpose of this step is to determine what is most important to Mrs. Thornbridge, and what she can realistically do given her finances and the condition of her land as determined by the analysis conducted in step one.

3. Categorizing the Land —

In this step, each part of Mrs. Thornbridge's property is categorized into:

- Areas that have the highest environmental or historic value and should be protected.
- Areas that may not have a high environmental or historic value, but have personal value to Mrs. Thornbridge, and should be protected if possible.
- Land that has low environmental or historic value and is well suited for development.
- Land, such as highway frontage, that is so valuable for development that it would cost too much to protect it.

Figure 4 above shows the map depicting the analysis of the parcel. The purpose of this step is to rank the preservation value of each area within the parcel.

4. Preparing the Concept Plans —

In this step the developer employs landscape architects to develop a few different alternatives for developing Mrs. Thornbridge's property. These alternatives are presented below in *Figure 5*. Usually there is no one alternative that meets all of the needs of the landowner and the developer, and some kind of compromise is made. Mrs. Thornbridge can also use these plans to get an appraisal or tax estimates. The developer can use them for local government review and for conducting a market analysis.

FIGURE 4: THE THORNBRIDGE ESTATE - ANALYSIS

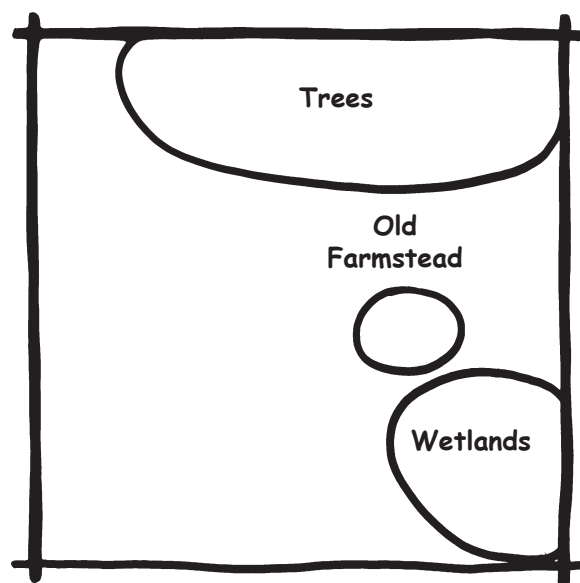
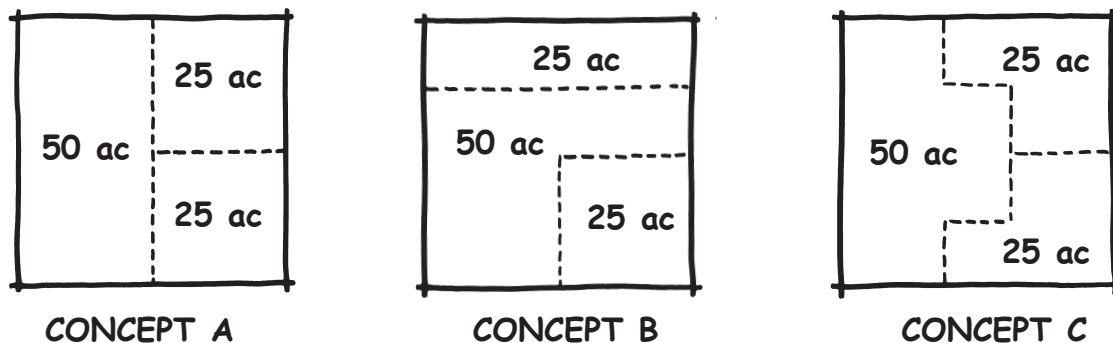


FIGURE 5: THE THORNBRIDGE ESTATE - CONCEPT PLANS



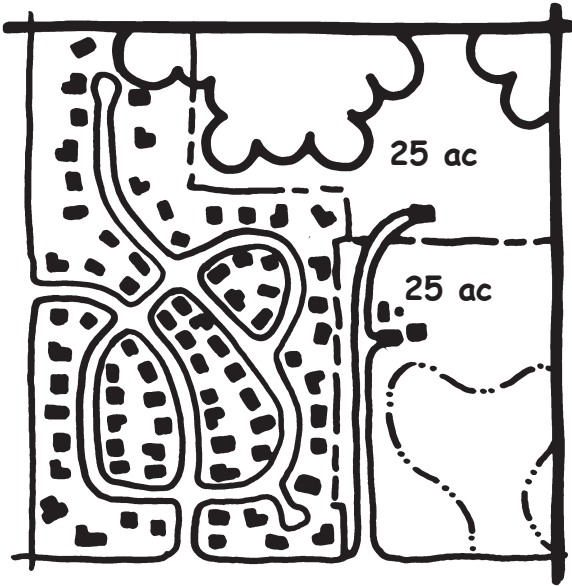
These plans also help Mrs. Thornbridge and her daughters to determine how they will manage the land once it is partially developed, and what the costs will be. Since Mrs. Thornbridge wants her daughters to live on the land, she can use these maps to determine the location of the houses where they will live. The developer can also use these maps to plan roads, trails and playgrounds, and to situate the other houses on the property so as to maximize the view from each unit.

5. The Final Plan —

In this step the developer employs a civil engineer to draw up the final plan for developing Mrs. Thornbridge's property. This plan must meet local zoning and sub-

division regulations, and as a result the developer has it reviewed by a real estate attorney. The final plan formally establishes Mrs. Thornbridge's wishes. *Figure 6* presents this final plan.

FIGURE 6: THE THORNBRIDGE ESTATE - FINAL MAP



After Mrs. Thornbridge and her developer work through the five-step process, they develop a plan in which her 100-acre property will include 50 acres of open space including woods and wetlands. They decide that a conservation easement will be donated to a land trust for the 50-acre parcel, and after having the land appraised, they determine the value of the easement will be \$6,000 per acre. (In reality, the values of easements in Chester County range from a few thousand dollars per acre to over \$25,000 per acre.¹⁵) The value of the easement will be \$6,000 per acre or \$300,000, which Mrs. Thornbridge will be able to deduct from her taxes. The 50 acres that Mrs. Thornbridge keeps, and will pass on to two of her daughters, will be worth \$44,000 per acre (\$50,000 per acre minus the \$6,000 easement) for a grand total of \$2,200,000.

The final plan proposes 115 units on the 100-acre property. Two 25-acre lots will be created on the side of the property, one for Mrs. Thornbridge's house and another for a house to be built later. As a result, the developer can build another 113 units with an average lot size of 0.4 acres. In her will, Mrs. Thornbridge gives the two isolated lots to her two daughters who want to live on the property. Her third daughter inherits an equal amount of cash.

Because cluster development was used on Mrs. Thornbridge's property, the developer was able to build 13 more units than would have been allowed with the conventional zoning option. As a result, the price of the land per acre increased. Furthermore, many of the 113 units that were built have a permanently protected view, which raises the price of the land even more. The developer's final offer for Mrs. Thornbridge's 50 acres is \$55,000 per acre for a total of \$2,750,000. In the end Mrs. Thornbridge's retains \$2,200,000 worth of land. Her earnings are: \$2,750,000 in cash (50 acres sold in-fee at \$55,000/acre) plus tax deductions on \$300,000 (50 acres of easements worth \$6,000/acre) for a total of over \$2,750,000.

If she had developed all 100 acres at one unit per acre, the cost per acre would have been only \$50,000 per acre, but she still would have made \$5 million in cash. Just like Mr. Stauffer, she had to decide if it was worth sacrificing some of her earnings to protect her family land. In summary, Mrs. Thornbridge had the following options:

Options	Land Sold	Land Eased	Cash Received	Retained Value of Land	Total Value
Full Development	100 acres	0 acres	\$5.00 million	\$0	\$5.00 million
Conservation Development	50 acres	50 acres	\$2.75 million	\$2.20 million	\$4.95 million + tax deductions on \$300,000

Conclusion

Once a landowner sells or donates an easement, the eased land can still be sold like any other piece of real estate. The only difference is that the person who buys the eased land must abide by the terms of the easement, which usually means he or she can not develop it. Land with a conservation easement will always sell for less than land with unlimited development potential, but that does not mean that eased land will always be inexpensive. In Chester County there are a substantial number of eased parcels in West Marlborough, Willistown and Warwick Townships, and land prices in these communities are often quite high. The value of eased land rises and falls just like the non-eased lands that surround them. Like any other property, eased land can be a good investment under the right conditions.

In the previous examples, both Mrs. Thornbridge and Mr. Stauffer had to give up some earnings to protect their land, but that is not always the case. Some landowners and developers have found that they can actually increase their earnings by using Sensitive Land Development instead of conventional development. Usually this occurs when the landowner and developer are willing to think creatively, and the municipality is willing to employ some innovative techniques in their zoning and subdivision regulations. It is quite feasible that one day, most of the new developments in Chester County will be Sensitive Land Developments.





In Some Areas, You Can Transfer Development Rights

Some municipalities have amended their zoning ordinances to allow the Transfer of Development Rights, commonly called TDRs. The process of transferring development rights is complex and somewhat new. Although it has not been used extensively in Pennsylvania, it is becoming more common in other states. Chester County landowners should be aware of this technique because it may become much more commonplace in the next few decades.

TDR allows a property owner to keep his or her land, while selling the development rights from that land to another property owner who could use those rights to build additional units on another property. For example, Farmer Jones has a 50-acre farm, and the local zoning gives him the right to build 50 residential units. Two miles away, the ACME Development Company owns a 300-acre property, which can accommodate 300 units, however this 300-acre property is in a special zoning district called a “Receiving Zone.” In this special district, it is legal for a developer to buy (or receive) the development rights from other landowners in “Sending Zones,” and use these rights to build more units. As a result, the ACME Development Company buys the development rights (for 50 units) from Farmer Jones. ACME Development can then build a total of 350 units on its 300-acre site

TDR has two results. First, it allows landowners to earn income from their land without developing it. Second, it allows developers to build more units per acre but only if they locate their development in the Receiving Zone. By establishing a Receiving Zone, the municipality can direct where more dense development will occur. Often Receiving Zones are located around the fringes of existing villages or in areas already served by sewer and water lines. Municipalities must also establish “Sending Zones,” which are very large and typically consist of farm fields and woodlands. Landowners who wish to sell their development rights under the TDR program must own land that is located within a Sending Zone. In the example above, Farmer Jones would only be permitted to sell his development rights if his farm was in a Sending Zone.

In order for a TDR to function, the municipality must first amend its zoning ordinance and then establish Receiving and Sending Zones. The landowner must then coordinate with a developer to transfer the development rights. Although TDRs can be quite complex to implement, they have been used successfully in Maryland and New Jersey¹⁶, and are allowed in Birmingham, East Nantmeal, London Grove and West Bradford Townships. Pennsylvania Act 247 of 2000 allows TDRs to be established beyond a single municipality’s boundary only when the municipality has either adopted a multi-municipal zoning ordinance or where there is a written agreement as described in Section 619.1(d).

Success Story: Hoopes Farm, New Garden Township

In 1972, Barclay and Diana Hoopes became the sole owners of a 77-acre farm that had been in the Hoopes family for over 100 years. At the time they started their operation at this location, there was one residential development nearby, but over the next 20 years most of the surrounding community was converted into housing, raising taxes and the overall cost of farming. In 1989, Mr. and Mrs. Hoopes enrolled their land in the state Agricultural Security Area (ASA) program. Landowners who want to sell an agricultural easement to the State or County must be within an ASA.

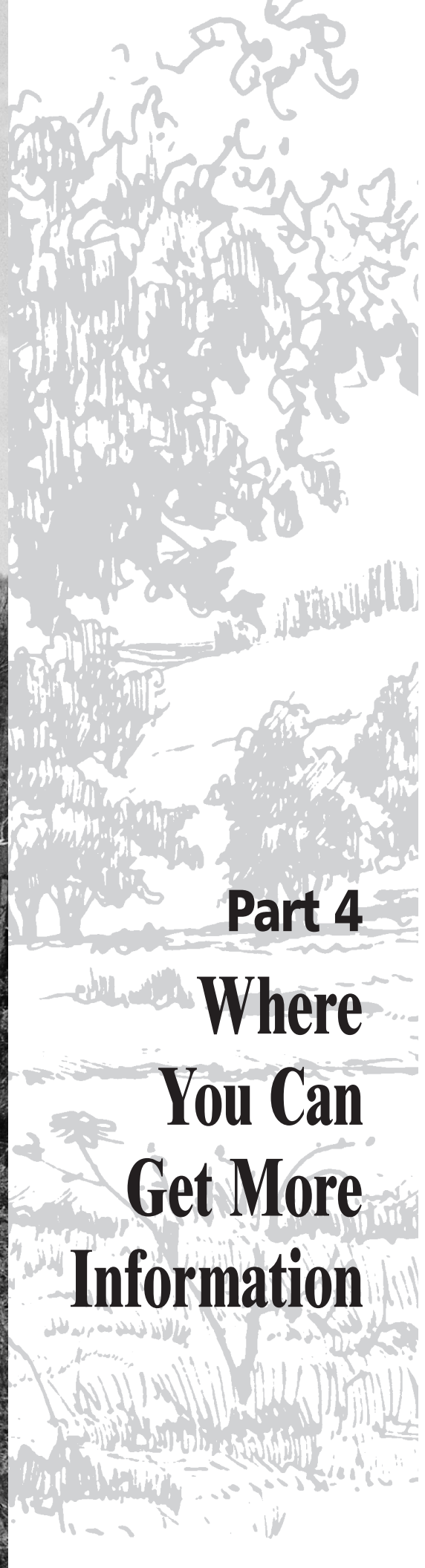
Although they wanted to save their entire farm from development, they realized that limited development would be the most financially practical alternative. After consulting with land planning and legal experts, they chose to develop a 15.2-acre portion of their property that had steep slopes and less productive soils. They used the earnings from this sale to finance their continued operations on the remaining 62.2 acres. In 1993, they sold the development rights on 55.9 acres of their property to the State through the Chester County Agricultural Land Preservation Board. Mr. and Mrs. Hoopes could have made much more money by developing all of their property, but they chose to preserve their family lands intact.¹⁷



Preserving Your Land is Your Decision

The techniques presented in this guidebook are just a sample of the many options that landowners can use to preserve some or part of their property from development. Using these techniques can be difficult and landowners should consult experienced professionals whenever planning to preserve their heirloom properties. Although IRS regulations ease the financial burden of landowners who donate conservation easements, the harsh reality is that developing land will always provide more income than protecting it. A landowner who wishes to preserve his or her land must be willing to accept the lower financial gains that typically occur when land is protected from development.

There is no one approach that will work for every landowner, and every parcel of land is different. In fact, landowners who wish to preserve their heirloom properties must hire a consultant who will draw from a number of land preservation techniques and develop a unique approach that best fits the land. Ultimately, it is the individual landowner who decides if a parcel will be preserved. It is therefore extremely important that Chester County's landowners become aware of the many options available for land preservation. Private landowners have shaped the character of Chester County for three centuries, and with creativity and an understanding of the options available to them, they still can.



Part 4

**Where
You Can
Get More
Information**

Landowners Have Many Options

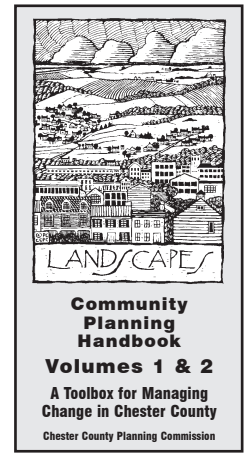
It is important for all of Chester County's landowners to become familiar with the various options that they have for protecting or responsibly developing their land. The following sections provide a list of books, web sites and other information sources that can be used to gather more information on the topics presented in this brochure.

The “Tool Box”

There are many planning techniques that are available to those municipalities that choose to use their zoning ordinances to protect large properties. The Chester County Planning Commission has summarized many of these techniques in *Landscapes Community Planning Handbook: A Toolbox for Managing Change in Chester County*, commonly called “Tool Box.” Each section of this two-volume document is referred to as a “tool”. Those tools that are of special value to landowners who wish to preserve their properties are:

- Tool #4** “Open Space/Cluster Development”
- Tool #10** “Transferable Development Rights”
- Tool #27** “Conservation Easements and Local Land Trusts.”
- Tool #29** “Lot Averaging to Protect Resources”
- Tool #40** “Effective Agricultural Zoning.”

Copies of the “Tool Box” are available for review at municipal offices or purchase at the Chester County Planning Commission.



Legal Assistance

The Chester County Planning Commission strongly urges all landowners to retain experienced legal council to provide assistance in either protecting or developing large properties. Information on law firms that do specialize in land preservation is available by contacting one of the region's major land trusts or the Chester County Bar Association Lawyer Referral Service, at 610-429-1500 or www.chescobar.org.



Web Pages

The following three internet web sites provide helpful information on a wide variety of topics relating to land conservation and sensitive development:

- **The American Farmland Trust:** www.farmland.org
- **The Land Trust Alliance:** www.lta.org
- **The Trust for Public Land:** www.tpl.org

The three internet sites listed below have been established by land trusts in different states. This list provides a sample of the kinds of trusts that protect large properties:

- **Natural Lands Trust (Pennsylvania):** www.natlands.org
- **Sonoran Land Institute (California):** www.sonoran.org
- **Three Rivers Conservancy (Oregon):** www.trlc.org

Books

There are a large number of books available regarding preserving large properties, many more than we could list in this small brochure. The Chester County Planning Commission recommends the following four books for landowners that are interested in protecting or developing their land:

Book	Available From:
<i>The Conservation Easement Handbook</i> by Janet Diehl and Thomas S. Barrett, 1988.	Land Trust Alliance 1331 H Street, NW Suite 400 Washington DC 20005 phone: 202-638-4725 website: www.lta.org
<i>Preserving Family Lands: Book I</i> by Stephen J. Small, 1998. & <i>Preserving Family Lands: Book II</i> by Stephen J. Small, 1997.	
<i>Conservation Design for Subdivisions</i> by Randall G. Arendt, 1996.	APA Planners Book Service 122 S. Michigan Ave. Suite 1600 Chicago, IL 60603 phone: 312-786-6344 website: www.planning.org

Subdivision Notes

The Chester County Planning Commission periodically publishes “Subdivision Notes,” that address a variety of subdivision and land development issues. These are brief documents, most of which cost a few dollars. The “Subdivision Notes” that relate to heirloom properties are:

- #2 The Sketch Plan
- #3 Cluster/Lot Averaging
- #4 Open Space
- #7 TDRs for ROW Acquisition
- #9 Residential Lot Design
- #10 Subdivision and Land Development Plan: Essential Information

Non-Profit Land Trusts Active Within Chester County

The non-profit land trusts listed below either own or have conservation easements on property within Chester County.

Brandywine Conservancy

PO Box 141
Chadds Ford, PA 19317
Phone: 610-388-2700

Brandywine Valley Association

1760 Unionville-Wawaset Road
West Chester, PA 19382
Phone: 610-793-1090

French and Pickering Creeks

Conservation Trust
3340 Coventryville Road
Coventry, PA 19428
Phone: 610-469-0150

The Nature Conservancy; PA Chapter

100 East Hector Street, Suite 470
Conshohocken, PA 19428
Phone: 610-834-1323

Natural Lands Trust

1031 Palmers Mill Road
Media, PA 19063
Phone: 610-353-5587

Open Land Conservancy of Chester County

PO Box 1031
Paoli, PA 19301
Phone: 610-647-5380

Willistown Conservation Trust

7000 Goshen Road
Newtown Square, PA 19382
Phone: 610-353-2563



Local Lands Trusts Active Within Chester County

The local land trusts listed below have all been founded within the last six years, and some have not yet acquired any property. All of them, however, expect to acquire new conservation easements or land in-fee within Chester County in the next few years. Each of these local trusts protects only lands within their own municipality, although they may protect lands adjacent to their municipality under certain circumstances. These local land trusts are sometimes called “municipal” land trusts, which is somewhat inaccurate. These trust may deal with only one municipality and may receive grants from a municipality, but they are private organizations and not a part of municipal government.

East Marlborough Land Trust

721 Unionville Road
Kennett Square, PA 19348
Phone: 610-444-0725

Kennett Township Land Trust

c/o Kennett Township Offices
1001 East Baltimore Pike
Kennett Square, PA 19438
Phone: 610-388-1300

London Britain Land Trust

Box 215
Kemblesville, PA 19347
Phone: 610-255-0388

Pennsbury Land Trust

c/o Pennsbury Township
702 Baltimore Pike
Chadds Ford, PA 19317
Phone: 610-388-7323

Wallace Land Trust

Box 100
Glenmoore, PA 19343
Phone: 610-942-3732

West Vincent Land Trust

Box 235
Birchrunville, PA 19421
Phone: 610-827-7650

Non-profit Land Trusts Active in Adjacent Counties

The non-profit land trusts listed below are active in nearby counties, and could be involved in partnerships for protecting open spaces that extend across County lines.

Berks County Conservancy

960 Old Mill Road
Wyomissing, PA 19610
Phone: 610-372-4992

The Cecil Land Trust

135 East Main Street
Elkton, MD 21912
Phone: 410-287-6883

Chesapeake Bay Foundation

162 Prince George Street
Annapolis, MD 21401
Phone: 410-268-8816

Conservancy of Montgomery County

PO Box 314
Plymouth Meeting, PA 19462
Phone: 215-283-0383

Delaware Nature Society

PO Box 700
Hockessin, DE 19707
Phone: 302-239-2334

Delaware Wild Lands

315 E. Main Street, Box 505
Odessa DE 19730
Phone: 302-378-2736

Lancaster County Conservancy

PO Box 716
Lancaster, PA 17608
Phone: 717-392-7891

Montgomery County Lands Trust

PO Box 300
Lederach, PA 19450
Phone: 215-513-0100



Sensitive Land Developments That Have Been Constructed

Landowners that are considering developing their property might consider visiting a few of the Sensitive Land Developments that have already been built in and around Chester County. These developments include:

Deerfield Knoll

Dutton Mill Road north of
PA Route 3
Willistown Township
Cluster development.

Garnet Oaks Subdivision

Foulk Road and US Route 322
Bethel Township, Delaware County
Cluster development with preserved woodlands.

Ponds at Woodward

PA Route 52 south of
Hillendale Road
Kennett Township
Example of development with a preserved orchard.

Southridge

Marshall Bridge Road west of
PA Route 82
Kennett Township
Cluster development.

Summerfield

PA Route 401 and Steeplechase Drive
Elverson Borough
Cluster development with preserved horse pasture.

Tullamore

PA Route 926 and
Denton Hollow Road
Pocopson Township
Cluster development with preserved open space.

Other Open Space Land Protection Organizations

The organizations listed below do not own land or land conservation easements in Chester County, but can provide land conservation assistance for projects within the County.

Delchester Group, Incorporated

7000 Goshen Road
Newtown Square, PA 19382
Phone: 610-353-2563

Green Valleys Association of Southeastern PA

Box 113
Birchrunville, PA 19421
Phone: 610-469-4900

Heritage Conservancy

85 Old Dublin Pike
Doylestown, PA 18901
Phone: 215-345-7020

Land Trust Alliance

1331 H Street NW, Suite 400
Washington, DC 20004
Phone: 202-638-4725

Maryland Environmental Trust

100 Community Place, First Floor
Crownsville, MD 21032
Phone: 410-514-7900

National Trust for Historic Preservation

7 Saneuil Hall Market Place
Boston, MA 02103
Phone: 617-523-0885

Preservation Alliance for Greater Philadelphia

2200 One East Penn Square
Philadelphia, PA 19107
Phone: 215-546-1146

Rails-to-Trails Conservancy PA Field Office

105 Locust Street
Harrisburg, PA 17101
Phone: 717-238-1717

Springton Lake/Crum Creek Conservancy

3714 Gradyville Road
Newtown Square, PA 19073
Phone: 610-356-4107

Trust for Keystone Trail Lands

832 Yverdon Drive
Camp Hill, PA 17011
Phone: 717-763-9276

The Trust for Public Land

666 Pennsylvania Avenue SE,
Suite 401
Washington, DC 20003
Phone: 202-543-7552

Wildlands Conservancy

3701 Orchid Place
Emmaus, PA 18049
Phone: 610-965-4397



Endnotes

- 1 Charles J. Fauswold and Robert J. Lillieholm, *The Economic Value of Open Space* research paper (Lincoln Institute of Land Policy, 1996), p. 9.
- 2 www.sonoran.org/library/terms/cons-ease.html, Sonoran Land Institute.
- 3 Janet Diehl and Thomas S. Barrett, *The Conservation Easement Handbook* (Trust for Public Lands/Land Trust Alliance, 1988), pp. 12-13.
- 4 Janet Diehl and Thomas S. Barrett, *The Conservation Easement Handbook* (Trust for Public Lands/Land Trust Alliance, 1988), p. 8.
- 5 Stephen J. Small, *Preserving Family Lands*, book I (Landowner Planning Center, 1998), p. 24.
- 6 Janet Diehl and Thomas S. Barrett, *The Conservation Easement Handbook* (Trust for Public Lands/Land Trust Alliance, 1988), p.12.
- 7 Stephen J. Small, "Planning for Family Land: Succession Planning for the Land Owner" (seminar held at the Brandywine Conservancy, March 10, 1999).
- 8 Stephen J. Small, *Preserving Family Lands*, book II (Landowner Planning Center, 1997), pp. 5-7. The example of Mr. Johnson was adapted from this publication.
- 9 Stephen J. Small, *Preserving Family Lands*, book I (Landowner Planning Center, 1998), p. 91.
- 10 Stephen J. Small, *Preserving Family Lands*, book II (Landowner Planning Center, 1997), p. 17.
- 11 Stephen J. Small, *Preserving Family Lands*, book I (Landowner Planning Center, 1998), p. 91.
- 12 Stephen J. Small, *Preserving Family Lands*, book II (Landowner Planning Center, 1997). Creating a limited partnership is just one of many options for incorporating family lands. See chapter 17 for other options.
- 13 Stephen J. Small and C. Timothy Lindstrom, "An Important Estate Tax Incentive for Landowners," *Exchange* (Land Trust Alliance, 1999).
- 14 Chester County Agricultural Lands Preservation Board, personal communication, June 1999.
- 15 Chester County Parks and Recreation Department, Preservation Partnership Program, records.
- 16 Brandywine Conservancy, *Environmental Management Handbook* (1995), p. II-6-2.
- 17 Diana Hoopes. personal communication, June 1999.

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