Protecting Shenandoah Valley Lands

A Landowner’s Guide

by

Valley Conservation Council
About the Valley Conservation Council

Established in 1990, the Valley Conservation Council, Inc. (VCC) promotes land use that sustains the farms, forests, open spaces, and cultural heritage of the Shenandoah Valley region of Virginia. As a nonprofit land trust, VCC assists landowners with voluntary land protection, works to keep agriculture strong, and encourages sound land use policy throughout an 11-county area that stretches from Frederick County in the north to Botetourt County in the south.

Valley Conservation Council
17 Barristers Row
Staunton, Virginia 24401
540.886.3541
info@valleyconservation.org
www.valleyconservation.org

Cover photo: Augusta County, courtesy of Darlene Schneck

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Voluntary Options for the Private Protection of Land in the Shenandoah Valley Region

by

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I. Your Land, Your Choices

You are reading this guide because you own land in the beautiful and productive Shenandoah Valley region of Virginia.

Property owners choose to conserve their land for a variety of reasons. Some families have held their land for many generations and feel a strong connection to past and future generations. Others may be new to the land but appreciate their property’s natural and cultural features and want to see them maintained. Whatever the case, many owners decide to take steps to conserve their land.

“Land protection” or “land conservation” means providing for your land to remain in open space so that natural and cultural resources can remain protected in the future. The two most important tools are agricultural and forestal districts, a temporary tool, and conservation easements, which are permanent.

Agricultural and forestal districts are formed by neighboring farmers who agree to not develop their land for a term of years. These districts are common throughout the Valley and provide a visible commitment recognized by the locality and the state. A 2009 survey by VCC found more than 50 agricultural and forestal districts in the region, covering over 145,000 acres.

Conservation easements permanently limit development on a property through conditions tailored to the individual property. Their popularity has skyrocketed. Every county in the region has numerous properties under conservation easement. At the end of 2012, there were more than 4,000 easements in the region, permanently protecting more than 144,000 acres.

Even if you are not ready to take such long-term steps, there is much you can do. Being a good steward of the natural resources on your land is the most basic form of conservation. The Valley’s fertile land supports diverse opportunities for farming and forestry. The section “Conserving Natural Resources” encourages management practices that protect natural resources and that increase your farm’s bottom line.

—I wish we’d learned about these conservation tools earlier ... We would have started those conversations about estate and succession planning that families need to have.” Easement Donor
Ultimately, one of the greatest gifts that landowners who care about their land can make is assuring a good transition to the next generation. A critical but sometimes unanticipated byproduct of exploring land conservation tools is that it can open the conversation for families to work through generational transitions and major estate planning issues.

**What Your Land Offers**

Every parcel of land is unique. Many properties contain features or resources worthy of being conserved. A working farm might have prime soils and numerous streams. Today’s forest might have been an open battleground in centuries past. A rolling pasture might contain historic or prehistoric archaeological sites. A tree-lined creek might support local trout or provide clean drinking water for locations downstream. A single property can have multiple “conservation values.”

No one knows a property like its owner. Understanding the attributes of your property and articulating your own wishes for the land provide the basis for choosing a course of action that meets your needs.

**Using the Landowner’s Guide**

This guide offers information on voluntary land protection and resource conservation. It can help land-owning families:

- Learn about land protection tools, particularly agricultural and forestal districts and conservation easements.
- Understand financial benefits of permanent land protection.
- Manage your land to conserve natural resources.
- Tap into resources and support.
- Plan for the future of your land.

As you read the guide, consider your current situation and what you would like to happen to your property in the future. What is the legacy of your land? Is your land threatened by development? How would you like your land to be used in the future? Who would you like to use it? Who would you like to own it?

**Finding the Right Partners**

Conserving land involves three key elements: a property and resource worth saving, a landowner willing to protect it, and a tool suited to the task. You bring the first two elements. For the third, you can tap into a conservation
network of people knowledgeable about the options and ready to help you consider what makes sense for you and your property.

A first stop can be the Valley Conservation Council (VCC). VCC covers the eleven-county greater Shenandoah Valley region stretching from Frederick to Botetourt. We have worked directly with landowners for over twenty years. As a regional non-profit organization, we can help you think through the options for the future of your land and, if you choose to move ahead, can put you in touch with the appropriate partners. Call VCC at 540.886.3541 or email info@valleyconservation.org.

Do you have land near a Shenandoah Valley Battlefield? Because interest in Civil War history spreads far beyond the Valley, landowners of property associated with Civil War events may find additional opportunities and support for protecting their land. See page 8.
II. Protecting the Valley’s Legacy

How Agriculture Preserves Natural and Historic Landscapes

The Shenandoah Valley region is known worldwide for its productive pastoral landscape and natural beauty. Working farms and forest drive many of our local economies and add significantly to quality of life. Keeping land open keeps other options open too. Our region has the potential to retain a healthy foundation of clean air, clean water, and diverse natural habitat.

The Valley holds a special place in the history of the state and of the nation. Visitors are drawn to the history of the colonial frontier and many can trace their ancestors among the waves of settlers passing through the Great Valley before migrating farther west. Also of particular importance is the Shenandoah Valley’s Civil War history. Experiencing the landscape firsthand is essential to understanding what happened on these battlefields and why.

Forests also are an integral part of the Valley landscape. Whether extensive managed forests, small groves within a larger farm, steep forested slopes, or simply vegetation along streams, trees serve an immense and increasingly recognized environmental service. Forest cover is the best land use for providing water quality, air quality, and natural habitat. These benefits usually can be achieved even while managing the farm or forest for income.

A Threatened Heritage

For centuries the Valley has been an agricultural heartland. To this day, the Valley’s agrarian heritage remains robust and economically valuable. Rockingham, Augusta, Page, and Shenandoah counties are four of the top five agricultural counties in the state and jointly contribute about a third of Virginia’s agricultural production.

However, the public cannot expect farm and forest land uses to continue to preserve open space that happens to overlap the Valley’s historic sites, scenic landscapes, prime farmland, and natural resources. Farmland loss is a real and persistent trend in the Valley. Census of Agriculture data show that between 1982 and 2007, one out of every eight acres of Valley farmland (12.4 percent) was converted to non-farm uses, a total of 185,854 acres. This is comparable to losing all of the farmland in Shenandoah and Frederick counties combined.
These before and after pictures show the change in a former farming community in Pennsylvania, a landscape similar to the Shenandoah Valley.

Preservation of our region’s historic, natural, and cultural heritage depends largely upon the survival of the rural landscape and the continued strength of agriculture. Economically feasible options are available to help landowners protect farmland and pass it down to future generations.

Landowners decide how their land will be used. Subdivision is not inevitable. But what goes on in your vicinity can also be affected by local land use policies. Most counties find it quite challenging to reduce development pressure on farmland. The book Better Models for Development in the Shenandoah Valley, available from VCC, illustrates
strategies for protecting farmland and natural resources while a community grows. Rural landowners who stay informed and get engaged can help their community find this balance.

Forest land also is declining. The state is estimated to be losing approximately 16,000 acres of forest land per year. Of additional concern is forest fragmentation into smaller parcels that may not offer the same environmental benefits or opportunity for productive management.

Despite growth and development in the Valley, many farms, natural features, and historic sites have survived intact. Many private landowners want to keep their land in farms and forests and pass the land down to their children. This guidebook is intended to help you do that.

**Support for Rural Landowners**

The Valley’s natural, historic, and scenic assets are much loved by citizens. Most people recognize that open space contributes to environmental quality and that communities benefit economically, not just in direct agricultural activity, but also from sectors like heritage tourism, agritourism, and recreation.

These contributions rely on the stewardship of individual landowners. 

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*Subdivision is not inevitable. Economically feasible options are available to help landowners protect farmland and pass it down to future generations.*

*continued on p. 10*
Shenandoah Valley Battlefields

Shenandoah Valley’s Civil War History

During the Civil War, the Shenandoah Valley was known as the “Breadbasket of the Confederacy.” Its industrious farmers made the Valley one of the most productive farming areas in the United States. Its strategic location also made it a major battleground. More than 300 incidents of armed conflict took place in the Valley, including 20 significant battles. The Valley’s Civil War experience and the military significance of the most important battles are described in Appendix B.

Much of the land on which these battles were fought is still farmed. Visitors today can view many of the battlegrounds as they might have been seen through the eyes of a Civil War soldier.

Shenandoah Valley Battlefields Historic District

In 1996, Congress established a National Heritage Area, the Shenandoah Valley Battlefields National Historic District, to recognize the Valley’s historic significance. The District covers eight counties – Augusta, Clarke, Frederick, Highland, Page, Rockingham, Shenandoah, and Warren – and provides for the interpretation of twenty major battles (see map). This effort is led by the Shenandoah Valley Battlefields Foundation (SVBF), which works with partners to preserve the hallowed ground of the Valley’s Civil War battlefields and to share its Civil War story with the nation.

The Battlefields Foundation can be a source of information and support for landowners wanting to know more about Civil War history relating to their property and about conservation options. All conservation options are voluntary. In fact, the District’s legislation specifically prohibits condemnation or unfriendly acquisition of land associated with the battlefields. Many sites have been successfully protected, using a range of approaches to match landowner needs and the opportunity to ensure historic integrity.
Technical assistance, financial incentives, and other programs have been developed to support continued farming—and farmers.

The next sections describe tools that might help you achieve your goals for your land. Resources for further information and help are offered in Appendix A.

“Don’t put off estate planning for rural properties because you are scared about taxes or whatever. Find out!”  

Easement Donor
III. Conserving Natural Resources

Conservation as You Manage Your Land

Thoughtful stewardship by landowners like you is the key to whether future generations can experience the great legacy of the Shenandoah Valley. As population and urbanization increase, it becomes more and more important to maintain the environmental health and productivity of private land.

To manage your land with conservation in mind, the steps are the same as for all management: First, take stock of your assets from a natural resource perspective. What’s on your land? Do you have streams or springs? How good is the soil? Where are the best areas for wildlife habitat? What is the composition and health of your woodlands?

Next, set goals. Do you want to manage for wildlife? For timber? For soil health? For water quality? For recreation? Maybe you want to have a meadow with native plants for pollinators. You likely will have multiple objectives.

Finally, develop a management plan. Ample professional help is available. Contact any of the agencies and organizations in Appendix A. These agencies partner frequently to offer guidance and technical assistance.

Incorporate Conservation:

- **Know the natural assets on your land** – Resource professionals from state and federal agencies are glad to help you inventory and learn about the natural assets on your property and the management options to enhance them.

- **Prepare a management plan** – The objectives you set become the basis of a conservation plan. For farmers, that can be folded into your overall farm plan. Forest landowners can work with the Virginia Department of Forestry to develop forest management plans. Forest landowner objectives often include recreation,

“A good thing about doing the easement was that it also brought us into the conservation world. We got connected to the agencies and people who can help with other things.”

**Easement Donor**
wildlife habitat, and forest health. The forest management plan includes maps, a schedule of recommended activities, and a library of resources.

- **Get to work** – Restoring and maintaining the natural health of your property can bring a sense of satisfaction. Achievements like managing a stand of trees to increase survival of oaks and yellow poplars, reinstating native grasses, establishing forested riparian buffers, or adding fences for rotational grazing improve the productivity and value of the property.

- **Tap the next steward** – Far too many farm families do not take the first, most important step: talking about the future. Failure to plan is planning to fail. Being clear on your wishes and plans can help the next generation do the same. Start planning with potential heirs years ahead of time and engage them in activities on the land. Successional planning involves more than estate planning. The next generation has to build its own connection to the land. Appendix A recommends resources to get started.

### Key Conservation Practices

- Protect water and soil
- Add and retain forest
- Encourage a variety of native species

### Protect Water and Soil

Retaining or creating a vegetated buffer along streams holds the soil and filters pollutants from stormwater runoff. Retaining cover on cropland and minimizing tillage also helps. As the headwaters of two major river systems, the Shenandoah Valley region has control over its water resources. The best way to protect water quality is by retaining a vegetated buffer along streams, preferably forest. Trees in the riparian zone hold the soil, preventing erosion, and do an excellent job of filtering pollutants from stormwater runoff. A shaded

*Stream friendly farm. Best management practices keep waters clean.*
stream is cooler and better for aquatic life. These streamside areas also provide habitat for all kinds of animals and plants.

Incorporating water protection into overall farm activities is becoming increasingly common. Agencies offer a range of support for landowners, recognizing that the measures can be complex and unique to each parcel and each operation. Research shows that limiting stream access can also benefit cattle health.

**Add and Retain Forest**

In many ways, forests are the highest and best use of land environmentally. Forests enable the greatest rain infiltration, hold and even build soil, take up carbon, clean the air, and harbor plants and animals. Economically, forests and forest products add billions to the state economy. New and diverse markets include bio-energy and non-timber products like mushrooms. Many landowners simply enjoy their forests for recreation and pleasure.

Existing forests can be reinvigorated through management for any of these values. New forests can be added on open land, not just along streams but also to recover erodible farmland or other cleared land. The larger the contiguous forest area, the greater the benefits, especially for wildlife and forest management.

*Adding Forest: Planting of hardwood trees shifts a pasture to tree canopy and varied habitat.*

*Riparian buffer before and after tree planting.*
For Forest Landowners

Tree farms differ from other agricultural operations because management is over such long life cycles. Harvest and planting decisions (and income) may come around only once or twice in a generation. Fortunately technical help is available, from the Virginia Department of Forestry and from certified consulting foresters, to help you meet your forest health as well as economic objectives. Participating in educational opportunities or subscribing to newsletters like those in Appendix A can give you ideas and a support network for improving the health of your forests. You may even consider becoming certified in the American Tree Farm System, which requires sustainable forestry.

Thinking of selling timber? Call the Virginia Department of Forestry for forest management advice and help with designing your sale to maintain forest health and protect water quality.

Encourage a Variety of Native Species

A broad variety of native plants helps support an equal variety of native wildlife. Reestablishing habitat and food species can be especially important for struggling species, such as bobwhite quail, pollinators, and migratory birds. Staving off non-native invasive species can be an important part of your management plan, especially for forests.

The Resources (Appendix A) offers advice and contacts for more information.

Bringing back trout. After riparian buffers were established, this spring-fed stream regained the conditions that could support trout. Here trout are released by an elementary school class.
Bob White! The re-establishment of warm season grasses offers good habitat for bobwhite quail, which has become rare without such cover on farms.

Being Part of the Bigger Picture

Distinctive features on your land might be part of a larger resource or you might share goals with like-minded landowners. Joining with other landowners can make a significant difference in protecting the resource and in meeting your goals. Special areas can encompass significant historic or natural features. The more significant the resource, the more important it is to make a comprehensive effort. Naming and recognizing these values can often inspire pride and encourage people to take action.

Valley Examples of Multiple-Owner Conservation Efforts:

- **Middlebrook Brownsburg Corridor** – Abounding in history and natural beauty, this pristine area of Augusta and Rockbridge counties was described in detail in a 1997 VCC publication. Now conservation easements protect more than 17,000 acres and there also is an agricultural and forestal district.

- **Buffalo Creek /Purgatory Mountain Special Project Area** – Situated at the convergence of the James River and steep mountains, this area offers a valuable wildlife passage route between state and federal lands.

- **Middle River in Augusta County** – Piece by piece, with neighbor talking to neighbor and the efforts of VCC and other partners,
landowners have placed eleven conservation easements that now protect seven miles of river frontage.

- **Overall in Page and Warren Counties** – Landowners have made a series of conservation easements that now protect Milford Civil War Battlefield and significant natural resources, including a crucial wildlife travel path between the Shenandoah National Park and the National Forest.

- **Agricultural and Forestal Districts** – As described in the next section, these are initiated by landowners.

- **Century Farms** – This program administered by the Virginia Department of Agriculture and Consumer Services recognizes farms that have been in operation and in the same family for 100 consecutive years or more. There are more than 200 Century Farms in the Valley region.

*Century Farm program* recognizes farms that have been in a family at least 100 years.
IV. Agricultural and Forestal Districts

What Are “Ag Districts?”

Agricultural and Forestal Districts ("ag districts") are mutual agreements by landowners and localities to keep properties undeveloped and available for farming for a certain period of time. Authorized by the state’s Agricultural and Forestal Districts Act, they are meant to provide a means to protect farm and forest land as major economic and environmental resources.

Ag districts are used in 30 localities across the state and cover more than 650,000 acres. Most counties in the Valley region, including all of the top farming counties, have ag districts.

“Ag districts” are fully voluntary and must be initiated by the landowners. By establishing a district, property owners agree not to convert farm and forest land to more intensive commercial, industrial, or residential uses for a period between four and ten years. In return, the locality and the Commonwealth agree not to take actions or make infrastructure investments that will place increased pressure on landowners to convert land in the district to those more intensive land uses. This can help shield landowners from government decisions that could diminish the viability of their farm and forest operations and enables localities to recognize areas where landowners plan to remain in farming.

Basic Criteria for Ag Districts

- Landowners must ask their local governments to create a district. Each district must have a core of at least 200 acres in one or more contiguous parcels. A district can surround land that is not part of the district.

Keeping farmland available: Ag districts are voluntary and have terms between 4 and 10 years. The Middle River Ag District is in Augusta County.
- Other parcels can be included in the district if their closest boundary is within one mile of the boundary of the core or if they are adjacent to a parcel that is in the district.

- An owner can enroll all or part of his land in a district.

- The locality must set up an ag district advisory committee and adopt an ordinance.

- Terms are set between four and ten years and must be stated in the ordinance.

**Landowner Benefits**

Agricultural and forestal districts offer farmers stronger protection from development pressures than does zoning. From the landowner’s point of view, ag districts provide the following benefits:

- **Automatic Land-Use Taxation** – Qualified land in an ag district is eligible for taxation at “land use” value whether or not the local government has adopted a use-value program.

- **Protection from Nuisance Ordinances** – Local governments cannot enforce laws within an ag district that would unreasonably restrict customary agricultural and forestry practices.

- **Consideration in Land-Use Regulations** – Ag districts ensure that future impacts on farming and forestry will be taken into account in local ordinances, comprehensive plans, and land-use planning decisions.

- **Support in State Regulations** – Likewise, state agencies are required to modify regulations and procedures to encourage the maintenance of farming and forestry in ag districts.

- **No Special Assessments** – Special districts for sewer, water, electricity or drainage cannot impose benefit assessments or tax levies on the basis of frontage, acreage or value on land in ag districts used for agricultural and forestry (with some exceptions).

- **Additional Protection from Eminent Domain** – In most cases, district landowners have some protection from the acquisition of land by state and local government agencies or by public service corporations like utility companies.

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**Anchoring rural protection:**

Shenandoah County has one of the strongest ag district programs in the state. In 2009, its 21 districts covered nearly 42,000 acres.
Still going strong: Two Rockingham County agricultural and forestal districts established simultaneously in 1998 near Keezletown have been renewed continuously and protect close to 2,400 acres of prime farmland.

- **Joint Benefits to Community** – Agricultural and forestal districts benefit the larger community by protecting natural and scenic areas and reinforcing efficient development patterns. They also encourage equitable tax policies by applying land use assessment to real estate committed to farming.

**How Ag Districts Work**

State law sets out regulations for ag districts. The local process was streamlined in 2011. These changes simplified the application and oversight requirements, gave the locality flexibility to include additional land, and clarified that additional parcels can be added to districts at any time.

**Creation of a District** – Ag districts are completely voluntary. They must be initiated by landowners and approved by ordinance by the local governing body. An individual or group of property owners starts the application process by asking their locality to adopt an ordinance placing their land in a district. Steps include an application detailing the proposed parcels, evaluation by an agricultural district advisory committee, proposal of restrictions and a term for the district, and a public hearing. The local governing body makes the final decision. The ordinance must set forth the exact parcels included and the renewal date.

**Helping define growth areas:**
The Oak Grove Agricultural and Forestal District in Rockingham County lies between the Town of Dayton and the City of Harrisonburg. The existence of the ag district and the demonstrated intent of the landowners to continue farming influenced the town to exclude that area from its future growth area.
Advisory Committee – In evaluating a proposed district, the advisory committee must consider the agricultural and forestal significance of the lands, nearby agricultural lands (whether in ag use or not), extent of uses other than farming, local development patterns and needs, the comprehensive plan, and environmental benefits of retaining the lands in ag and forest uses.

District Area – There is no minimum acreage for each landowner, no minimum number of landowners (one parcel can be a district), and no maximum size for districts. Districts can cross city and county boundaries if approved by all local governments having jurisdiction over them. Generally, the more land in a district, the greater protection it provides for property owners.

Adding and Removing Land from Districts – At the time of renewal, landowners can withdraw from or join a district without having to go through a process. During the term of a district, landowners can apply in writing at any time to be removed from the district for reasonable cause. The advisory committee and the locality will review the request. If removal is denied, the landowner can appeal the decision to the local circuit court. Landowners can apply at any time to be added to a district.

Review of a District – At the end of the term, the district is considered for renewal by the locality and individual property owners have a chance to join or drop out. The locality must notify the affected landowners (as well as adjacent landowners potentially eligible to join the district), seek the advice of the planning commission and the advisory committee, and hold public hearings. At the review, the locality can continue the district as before, modify its boundaries, change its conditions, or terminate the district. A district ceases to exist only if the board passes a resolution dissolving it. If no action is taken, the district remains in effect. If the locality decides a review is unnecessary it sets a term for the next renewal.

For More Information

If you are interested in forming an agricultural and forestal district, contact your locality’s planning department. For more details about how districts work and the potential benefits or concerns for landowners, contact Valley Conservation Council at 540.886.3541. The full regulations governing districts are contained in Code of Virginia Agricultural and Forestal Districts Act (Va. Code §§ 15.2-4300-14).
V. Conservation Easements

Conservation easements protect millions of acres of privately owned farmland and open space throughout the United States. With conservation easements, landowners can permanently protect their land while maintaining ownership. They still live on and use their land, and can sell it or pass it on to their heirs.

“With an easement you don’t give up anything you would reasonably want to do… There are not many things that you can do that will still make a difference not just a year from now, but in 100 years, but this really does.” Easement Donor

No two parcels of land are exactly the same. Likewise, no two landowners share identical situations or goals for their property. The advantage of conservation easements is that each easement is unique, written to fit the land it protects and the circumstances of the property owners.

What Are Conservation Easements?

A conservation easement is a particular kind of easement written specifically to meet a property owner’s wishes for the future use of his land. An easement, generally, is a legal document in which a landowner retains ownership of a property, yet conveys certain specified rights to an easement holder. What the donor of a conservation easement gives away is some of the rights to develop the property.

Most conservation easements restrict specific uses that would destroy identified natural, scenic, or historic features, while allowing traditional uses such as farming and forestry. The easement holder is a third party that commits to seeing that these wishes are upheld by future owners of the land and therefore is a carefully chosen partner. Conservation easement holders can be charitable land trusts or public agencies.
Neighbors combine easement and development to protect mountain. Scenic backdrop Jump Mountain in Rockbridge County will remain pristine thanks to the actions of neighbors who bought the 1,300-acre parcel, placed a conservation easement on the upper 1,000 acres, and sold a limited number of lots at the foot of the mountain. Lot sales plus the tax benefit from donating the easement made the conservation project affordable.

Easements can vary greatly in their design and in the financial results for the landowners. The local conservation easements showcased in this guide were established with the assistance of the Valley Conservation Council or the Shenandoah Valley Battlefields Foundation.

**How a Conservation Easement Works**

When granting a conservation easement to an organization or agency, the owner retains title to the land along with the rewards and responsibilities of ownership. A conservation easement does not grant the public access to a property. The land remains private property and is protected from trespass just as any other private property.

Placing an easement on land does not mean it cannot be developed at all. The terms of the easement must be strong enough to protect the specified conservation values of the property but often this can be achieved while still allowing some limited development. The owner and the easement holder negotiate the terms of the easement. Usually they both want to see the property remain in its current or compatible uses perpetually. The property can be sold, rented, bequeathed, or otherwise transferred, but the conservation easement is recorded with the deed and passed on to future holders of the land. For example, if an easement specifically prohibits
further subdivision of the land or conversion to more intensive uses, the easement holder would uphold those clauses with future landowners.

**Landowner Benefits**

- **Permanent Protection** – Owners are assured that their property will remain largely undeveloped, permanently. Even after the easement donor’s ownership comes to an end, the easement holder will be there to ensure that his wishes will be met to protect the most valued characteristics of the property.

- **Continued Private Ownership** – Land protected by a conservation easement is still private property. Typically, an easement does not change the way private land is used. Most owners design their easements to ensure that future owners will continue to use the land as they have or in other ways compatible with the resource being protected.

- **Tailored to the Property and the Owner** – An easement is designed to meet the specific desires of the landowner and to fit the property it protects. An easement for a small property, such as a family camp, might be quite different from one designed for a large working farm. Some owners choose not to allow new construction or subdivision. Others reserve the right to divide and sell some parcels for future income or to construct one or more new homes for their children.

*Payment for a conservation easement can be a possibility for properties with especially important natural, historic, or scenic features. A purchased conservation easement kept this 220-acre farm in the family, while protecting a historic battlefield, prime soils, and a unique plant community, part of one of the largest remaining sinkhole pond systems in Virginia.*
• **Financial Incentives** – Conservation easements often provide significant financial benefits. The various tax advantages of easements can help make it financially possible for the next generation to keep a farm in the family. An easement also can be an affordable way for a landowner to meet land protection goals. (See the financial incentives chapter for more information.)

Permanent land conservation can be a complex process and should never be entered into lightly. Landowners should act only with full knowledge and with the advice of their own legal and financial counselors. Conservation professionals try to make sure that all involved understand how the conservation easement works, even to meeting with extended family if necessary.

**Types of Conservation Easements**

Conservation easements vary depending on the resource they protect. They are all conservation easements and all offer landowners the same basic options and benefits. In order to qualify for federal tax advantages, an easement must be permanent and must provide a public benefit by protecting an identifiable resource. In Virginia, all conservation easements must comply with local land-use policies, including being compatible with the local comprehensive plan.

A property that is rich in natural and cultural resources could qualify in a number of categories and use a number of restrictions. For instance, a farm that is on a battlefield, adjoins a stream, has a historic home, and whose owner allows public access to a wildlife viewing trail could provide for all of these benefits and thus justify each category of restriction.

*Forest easement guards Civil War signal hill.* “Third Hill” in Shenandoah County was an important lookout and signal station during the Civil War. The landowner put a conservation easement on 202 acres to protect forestland and scenic beauty in an area that is historically important and under intense development pressure.
Easement protects National Register home and forest. Waverley, an exceptional Greek Revival home built in 1929 on what was then the outskirts of Staunton, is protected by a historic easement that also covers the formal gardens and nearly 20 acres of forest. These provisions were the landowner’s wishes a generation ago. A recent sale of the eased property shows that such protection can be embraced by new purchasers.

- **Open space** easements can be used to protect farm and forest land. (An open space easement applying to an entire farm is sometimes called a ‘whole farm’ easement.) The conservation objective is primarily achieved by limiting subdivision. Donors have the option of further restrictions, such as to disallow building on prime agricultural soils or to leave buffers along streams. In Virginia, a recently adopted “working farm template” is designed to give farmers ample flexibility for future operations.

- **Historic preservation** easements protect the architectural features of historic structures in rural or urban settings as well as historic sites or landscapes including battlefields. These often require the owner to seek approval from the easement holder before altering buildings.

- **Riparian** easements focus on streams, rivers, and their floodplains and cover only the riparian areas of a property. Often the only property right restricted in a riparian easement is the right to destroy vegetation that protects the stream bank. These easements can obligate the landowner to specific stream management practices to reduce erosion, such as fencing or planting vegetated buffers.

- **Scenic** easements can be tailored to protect views, such as a spectacular natural vista or views along a historic or scenic corridor. They also can protect views from (or of) a specific historic site such as a Civil War battlefield.

- **Public recreation** easements can create recreational opportunities by protecting the land traversed by a bicycle or pedestrian trail and providing public access.
Wildlife habitat can be protected under an easement if it represents a high-quality native ecosystem or land form; provides habitat to a rare, threatened, or endangered species; or contributes to the ecological viability of a public park or conservation area.

**Parts of a Conservation Easement**

A conservation easement is written in the form of a “Deed of Easement” and has several parts:

- **Identification of the Parties** – “Grantor” (landowner) and “Grantee” (easement holder).

- **“Whereases and Therefores”** – Relevant sections of state and local codes (such as the public purpose of preserving open space) and intention of the parties to preserve the open space described.

- **Restrictions** – Actions that current and future owners covenant to do and not to do and that the Grantee is entitled to enforce. These vary by property. Typical conditions include limits on the number of lots that can be subdivided, management requirements (such as following a forest stewardship plan or leaving stream buffers), and measures to protect a particular resource (such as defining a building envelope to protect a view or avoid prime habitat).

- **Miscellaneous Items** – Procedures for enforcement and for notification when the land is sold; witnesses and signatures.

**IMPORTANT: Get professional advice.** Before entering into a conservation easement, consult with an attorney and also, if intending to use the tax advantages, a tax professional and a certified land appraiser.

*Conserved Tree Farm managed for wood, water, recreation, and wildlife.*
VI. Financial Incentives for Conservation Easements

Tax Benefits for Permanent Land Conservation

The public benefits immensely from the conservation of water, open lands, farms, forests, and other significant historic and natural resources. Because of this strong public purpose, state and federal tax codes offer significant tax incentives for landowners who give conservation easements to qualified private land trusts and public agencies.

Important note: Tax policies change frequently. The provisions described here are those in effect through 2013. To find the most recent information, please contact your tax advisor or VCC.

Easement Tax Benefits:

- Federal Charitable Gift Deduction
- Virginia Land Preservation Tax Credit
- Estate Tax Benefits
- Low Real Property Tax

Federal and state tax incentives are based on the value of the easement.

Setting the Value of an Easement

The value of an easement is the change in fair market value (FMV) of the property once restrictions of the easement are put in place.

Big Valley Farm

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>FMV Before easement</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>FMV After easement</td>
<td>- 1,000,000</td>
</tr>
<tr>
<td><strong>Easement value</strong></td>
<td><strong>$ 500,000</strong></td>
</tr>
</tbody>
</table>

*Easement values vary depending on easement terms and other factors.*

The easement value must be determined by a qualified appraiser. To qualify for the federal deduction, a conservation easement donation must 1) be permanent, 2) meet the “conservation purposes” test, and 3) be donated to a qualified organization (i.e., a governmental unit or publicly supported...
charity that has the commitment to protect the conservation purposes and the resources to enforce the restrictions). The financial benefits of donating an easement vary depending on the individual’s annual income and tax rate. Seek competent professional advice when considering the tax ramifications of a donation.

**Federal Charitable Gift Deduction**

The donation of a conservation easement can potentially qualify as a charitable contribution, which can be deducted from your taxable income. Deduction rules vary over the years, for example in how much of the gift is allowable as a percent of adjusted gross income (currently 50 percent for most donors and 100 percent for qualified farmers) and how many years the deduction can be carried over (currently 15 years for donated easements and 5 years for donated land).

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**Not enough income to use tax benefits? Think again.**

Provisions are often included to enable tax benefits to reach farmers and non-wealthy landowners who donate conservation easements. Currently, farmers can deduct a greater proportion of the gift (100%) and ‘carry over’ unused tax benefits for up to 15 additional tax years. Virginia’s tax credits can be carried over and also can be sold for cash.

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Take a qualified farmer who donates an easement valued at $500,000 and has an adjusted gross income (AGI) of $50,000. The easement deduction allows him to deduct 100% of his AGI ($50,000) for the year of the donation and for up to 15 additional years. In 10 years, he will have deducted the full $500,000. Non-farmers can deduct 50% of AGI ($25,000) each year. Over the 16 years, that’s $400,000 in deductions for his $500,000 gift.

**Virginia Land Preservation Tax Credit**

Virginia provides a state income tax credit for 40 percent of the value of donated land or conservation easements. This dollar-for-dollar credit against state
income tax liability can be carried forward for 10 subsequent years, up to $100,000 per year. Unused credits also can be sold. This can generate significant income for a farmer who does not have high enough income to use the full tax credit.

For example, a landowner who pays $10,000 in state income tax each year donates an easement worth $500,000. The easement generates $200,000 in state income tax credits (40 percent of the easement value). The landowner can use the tax credits to offset $110,000 in income taxes ($10,000 each year for eleven years) or use the credits for a few years and then sell the remaining credits. Through such combinations, donors of all incomes can usually use most or all of their tax credits.

**Virginia Land Preservation Income Tax Credit**

- Tax credit is given for up to 40% of the value of the easement.
- Credit amount claimed cannot exceed a $100,000 annual cap or the tax owed that year.
- Unused portions of the tax credit can be carried over for 10 additional years.
- Any remaining credit that cannot be used by the donor can be sold or transferred to another Virginia taxpayer (minus discount and fee).

**Farmers Can Use Cash from the Sale of Income Tax Credit** – The proceeds of the state tax credit can be used for any purpose the donor

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*Tax credits help farmer. The sale of tax credits from donating a conservation easement enabled this farmer to purchase an adjoining farm, keeping it from being developed and also expanding his operation.*
chooses. Many farmers have used the funds to support their farming operations. One family sold their credits and invested the proceeds in a solar electric system that provides secure power for their remote mountain home. Others have put the money into retirement funds.

**Estate Tax Benefits**

A conservation easement lowers the market value of a farm, which reduces estate value. This can bring the total estate below the threshold for estate taxes or at least reduce the amount subject to inheritance taxes.

**Low Real Property Taxes**

Local property taxes may be lower once a conservation easement is placed on a property. By state law the fair market value of a property under perpetual conservation easement must be based only on the uses of the land that are permitted under the terms of the easement. If the land is already taxed at use value through a local land use tax program, additional reductions in taxes are unlikely. However, land subject to a perpetual conservation easement does automatically qualify for use value in those localities that have use value programs.

**Conservation Easement Enables Family to Keep Land.**

In one example in the Valley, a landowner died in 2006 leaving two large farms totaling over $6 million as the bulk of her estate. The estate tax exclusion at that time was $2 million. On the remaining $4+ million, her three heirs faced an estate tax of approximately $2 million (due the next year). They were able to place conservation easements on the farms posthumously. The result: their estate tax fell to about $50,000.

**Private Conservation Buyer Protects Battlefield:** When a property in the core of the McDowell Battlefield in Highland County came up for sale, a private conservation buyer purchased the property, then placed a conservation easement on it. The tax benefits from donating the easement enabled him to resell the protected property for a lower price without losing money.
**IMPORTANT:** Tax law and incentive programs change frequently. Contact your own financial and legal advisors before making any decision that affects the use and ownership of your property. If you need assistance in locating knowledgeable specialists, the Valley Conservation Council can help you.

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**Purchase of Conservation Easements**

In some instances landowners can be paid to protect their land. To not just encourage land conservation but to guide it, some governments and organizations have established Purchase of Development Rights (PDR) programs that pay for landowners to place conservation easements on property. A few highly competitive programs target specific resources, such as prime farmland, historic sites, or natural heritage protection.

Most states in the Mid-Atlantic region have statewide PDR programs aimed at farmland preservation. Maryland and Pennsylvania also have particularly active PDR programs at the local level. Virginia has a statewide PDR program.

*Protecting prime farmland. Land with exceptional resources, such as this farm with prime ag soils, can sometimes qualify for a purchase of conservation easement or purchase of development rights (PDR).*
program that provides matching funds to local programs. Even with very limited funding it has been a valuable catalyst for the establishment of local programs. In the Valley, Frederick, Rockbridge, and Shenandoah County have established PDR programs. Shenandoah County’s is the most active.

*Kernstown Battlefield* will remain in uses compatible with its historical significance.
VII. Land Donation

There are cases in which the most direct way for landowners to meet their long-term conservation goals for a property might be to donate it outright to a land trust. The owner of a significant natural site harboring rare species or plant communities might find, for example, that donation to a land trust is a simple and secure way to ensure the long-term health of the land. Similarly, a property with high significance to a Civil War battle might be donated in whole or in part to ensure its integrity.

Land trusts have strict guidance in their charters for maintaining the quality of resource lands. Gifts of land can bring significant tax advantages to donors while allowing them to reach their conservation objectives. A transaction can be a combination gift and sale.

Valley Conservation Council is one of the many entities in the region that can hold property or coordinate with partners to find the best solution for the landowner and the property. Others are listed in the Resources section (Appendix A).

Donating natural habitat site a smart move. A parcel in Augusta County that contains one of the highest occurrences of rare plants in Virginia was donated by a corporation that acquired it as part of an industrial site. Donating the 14 acres enabled the corporation to take a charitable deduction and put the site in the hands of a nonprofit that can manage and protect it.
Benefits of Land Donations

The specific purpose served by a donation depends on the situation. Some owners give property to a land trust because they feel the trust is the best management entity to hold and care for the land over the long term. Other times land is given to an organization with the understanding that it will be resold. Donating land typically has similar financial incentives to donating a conservation easement.

It is important that the donor make his long-term intentions clear and document them with the advice of his own legal counsel and financial advisors. These are some common objectives of donating land:

- **Permanent Stewardship** – Placing land in the hands of an organization with the resources to manage it properly can relieve the owner of expense and responsibility. The gift can qualify for a significant tax deduction and the owner also is saved the expense and trouble of marketing the property.

- **Resale with Conservation Restrictions** – Owners can donate full or partial interest in their land to a land trust, with the understanding that it will be resold under permanent protection. The land trust places a conservation easement on the property and then acts as an intermediary to resell the land for continued farm use. The amount donated can qualify the donor for tax benefits. The easement holder bears permanent responsibility for upholding the original donor’s wish that the land stay in agriculture. The proceeds of the sale are invested in the land trust’s ongoing conservation work, bringing protection to more farms.

- **Transferal to Public Ownership** – When owners want their land to become part of a public preserve or park, donating it to a land trust can be a helpful vehicle for transferring it to the public domain. Often this is property adjacent to or surrounded by public forest, park, or wildlife management area.

By giving land or an interest in land to a land trust, owners receive tax benefits for their donation and assurance that their property will be managed according to their wishes. The land trust takes the burden of negotiating the subsequent transfer of the property to the public agency. The public agency accepts the land with stipulations that it will revert to the land trust or its successors if it is not managed to protect its natural values. The land trust bears responsibility for seeing that those values are protected without incurring the financial burden of day-to-day land management.
• **Support for Land Trust** – Land trusts can accept donations of developed residential, commercial, or industrial property with the understanding it will be sold to a responsible purchaser on the open market and the receipts invested in conservation projects. The donor can take a charitable deduction for the donation.

**Methods of Land Donation**

A financial advisor should help the donor choose the best transfer method for meeting the donor’s conservation objectives and financial needs. These are some of the mechanisms for donating land:

• **Retained Life Estate** – A landowner can donate property while retaining use and ownership during their lifetime or their children’s lifetime. With a gift of “remainder interest,” the donor retains a “life estate” in the property. Such gifts have estate, capital gains, and income tax advantages.

• **Bargain Sale** – With a bargain sale, the property is sold for less than the fair market value it would bring on the open market. The difference between the fair market value and the sale price is a donation that may qualify the donor for a charitable contribution for tax purposes.

• **Installment Gift or Sale** – Breaking the gift of donated land or an easement into installments can increase the tax advantages of making the gift.

• **Bequests** – Owners can include donations of land in their wills. This donation might help reduce estate taxes.

*Forest cover gives superior watershed protection, as shown here in the Upper James River.*
Appendix A: Resources for Landowners

GENERAL

Soil and Water Conservation Districts (SWCDs)

SWCDs serve local areas, offering technical assistance to help property owners protect soil and water quality. SWCDs can bring together conservation partners and can also facilitate any available financial assistance to defray the expense of installing conservation practices. Of the 47 in the state, 6 are in the Valley:

- Lord Fairfax SWCD (Frederick/Clarke/Shenandoah/Warren/Winchester), 540.465.2424, ext. 3; www.lfswcd.org
- Shenandoah Valley SWCD (Rockingham/Page/Harrisonburg), 540.433.2853, ext. 4; www.svswcd.org
- Mountain SWCD (Highland/Bath/Alleghany/Covington), 540.839.4616 and 1.800.254.3854
- Natural Bridge SWCD (Rockbridge/Lexington/Buena Vista), 540.463.7124
- Mountain Castles SWCD (Botetourt/Craig), 540.977.2698, ext. 3; www.soil-water.org

Virginia Association of SWCDs (VASWCD), www.vaswcd.org has a downloadable directory.

FARMING

Virginia Department of Agriculture and Consumer Services (VDACS)

(www.vdacs.virginia.gov/preservation)

Virginia’s Office of Farmland Preservation (www.vdacs.virginia.gov/preservation; 804.786.1906)

provides support and resources for landowners, localities, and the general public for farmland preservation efforts and manages the state’s Purchase of Development Rights, Farm Link, and Century Farms programs.

- FarmLink is an online database designed to connect landowners interested in passing on land to those interested in gaining access to farmland and farming operations.
- Century Farm Program recognizes farms that have been in operation and in the same family for 100 consecutive years or more. Over 1,200 farms have been recognized, including more than 200 in the Valley region.
- Farmland Transition Resources links to a comprehensive array of materials and programs for those planning to transfer farms to the next generation.

Virginia Cooperative Extension

VCE or “Extension,” based at Virginia Tech, provides comprehensive advice on all types and aspects of farming. VCE’s website contains a wealth of educational materials as well as links to other resources and programs. VCE delivers education and research in four program areas. The Agriculture and Natural Resources programs aim to help sustain the
profitability of agricultural and forestry production and enhance and protect the quality of land and water resources.

- **Local Extension Offices** offer direct support to landowners through field agents. To find your local extension office, go to [www.ext.vt.edu](http://www.ext.vt.edu) or call 540.231.5299.

- **District Offices** deliver regional programs. The Northern District office in Harrisonburg covers most of the Valley region (540.432.6029). Botetourt and Alleghany are in the Southwest District (276.619.4330).

- **Virginia Forest Landowner Education Program (VFLEP)** offers educational opportunities for new and experienced forest landowners, including tours, workshops, short courses, and a newsletter. An online self-paced 12-week course “Woodland Options for Landowners” teaches the fundamentals of forest management. The newsletter “Forest Update” is full of tips and links to events and resources and is available electronically or by mail. Contact the VFLEP Coordinator, 540.231.6391; [www.forestupdate.frec.vt.edu](http://www.forestupdate.frec.vt.edu).

- **Land Transfer to Generation NEXT**, an award-winning successional planning program for forest landowning families, helps forest landowners plan for the transition to the next generation. It is cosponsored by VDOF and VCE. Contact VCE Northern District Forestry and Natural Resources Extension Program, adowning@vt.edu, 540.948.6881.

**FORESTRY**

**Virginia Department of Forestry** ([www.dof.virginia.gov](http://www.dof.virginia.gov); 434.977.6555)

VDOF offers many landowner services including developing Forest Stewardship Plans. These personalized management plans give you a resource inventory of trees and wildlife habitat conditions, maps, management recommendations based on your goals, suggested schedule of activities, and a library of information. DOF also has a land preservation program and holds easements on working forests. Field foresters work in area teams. To find your local forester go to [www.dof.virginia.gov/aboutus/offices](http://www.dof.virginia.gov/aboutus/offices).

- **Forest Landowner Education Program** (VFLEP) is a highly recommended resource. See listing above in Extension or go to [www.forestupdate.frec.vt.edu](http://www.forestupdate.frec.vt.edu). Extension’s large online library ([www.pubs.ext.vt.edu/category/forestry](http://www.pubs.ext.vt.edu/category/forestry)) offers many guides on forestry topics, including *A Guide for Virginia Forest Landowners*.

- **Find a Forestry Consultant.** VDOF provides advice on getting professional help to manage your forests, including a list of forestry consultants.

**My Land Plan** ([www.mylandplan.org](http://www.mylandplan.org)), an online planning tool from American Forests Foundation enables woodland owners to map their property, add features and special sites, set goals and plan actions, and receive information tailored to what they want to do on their land.

**American Tree Farm System** ([www.treefarmsystem.org](http://www.treefarmsystem.org)) is a network of 82,000 family forest owners sustainably managing 24 million acres of forestland. These tree farmers are active in forest management and conservation and manage their properties to develop multiple forest benefits including wood, water, wildlife, and recreational opportunities. To be certified, participants must own at least 10 acres of forestland, implement a written forest management plan, follow the American Forest Foundation’s Standards of Sustainability for Forest Certification, and have their farms inspected and certified every five years.

**Virginia Forestry Association** ([www.vaforestry.org](http://www.vaforestry.org); 804.278.8733) is dedicated to sustaining, developing, protecting, and promoting the forests and related resources of...
Virginia. VFA’s magazine Virginia Forests offers viewpoints on issues impacting forestry that include perspectives from landowners, industry, conservationists and educators.

**WILDLIFE and NATURAL RESOURCES**

**Virginia Department of Game and Inland Fisheries**


VDGIF has a Farm Habitat program that gives landowners on-site habitat technical assistance to improve land management practices for a wide variety of upland wildlife species. Technical assistance includes recommendations for wildlife plantings and maintenance of existing habitats. Landowners will receive a written habitat management plan to follow. Numerous publications are available to guide landowners on how to manage various species and their habitats ([www.dgif.virginia.gov/habitat/landowners](http://www.dgif.virginia.gov/habitat/landowners)).

**Virginia Natural Heritage Program**

[www.dcr.virginia.gov/natural_heritage](http://www.dcr.virginia.gov/natural_heritage)  804.786.7951

VNFP, a division within the Department of Conservation and Recreation, maintains an inventory of the habitat of rare, threatened, or endangered plant and animal species, unique or exemplary natural communities, and significant caves and karst.

Other resources for learning about wildlife conservation include local chapters of the Virginia Native Plant Society and Master Naturalists as well as local bird clubs.

**CONSERVATION EASEMENTS**

**Easement Holders**

- **Virginia Outdoors Foundation** (VOF) – state agency; holds the great majority of open space conservation easements in the state  [www.virginiaoutdoorsfoundation.org](http://www.virginiaoutdoorsfoundation.org); Staunton regional office, 540.886.2460

- **Virginia Department of Forestry** (DOF) – state agency; holds easements on working forest land; must have a Forest Management Plan and be willing to manage the forest ([Forestland Conservation](http://ForestlandConservation); mike.santucci@dof.virginia.gov, 434.220.9182; [www.dof.virginia.gov/land/](http://www.dof.virginia.gov/land/))

- **Virginia Department of Conservation and Recreation** (DCR) – state agency; holds easements for riparian protection and natural heritage features such as habitats for rare or threatened species ([Office of Land Conservation](http://OfficeofLandConservation); landcon@dcr.virginia.gov)

- **Virginia Department of Historic Resources** (DHR) – state agency; holds historic easements which can include entire farms (804.367.2323; [www.dhr.virginia.gov](http://www.dhr.virginia.gov))

- **Valley Conservation Council** (VCC) – nonprofit regional land trust; holds or co-holds a variety of conservation easements in the Shenandoah Valley region and can refer landowners to other appropriate holders (540.886.3541; info@valleyconservation.org; [www.valleyconservation.org](http://www.valleyconservation.org))

- **Shenandoah Valley Battlefields Foundation** (SVBF) – nonprofit organization; facilitates and holds easements on and around Civil War Battlefields (540.740.4545; [www.ShenandoahAtWar.org](http://www.ShenandoahAtWar.org))

- **Potomac Conservancy** – nonprofit organization; holds easements as part of its mission to safeguard the lands and waters of the Potomac River and its tributaries (Winchester office, 540.667.3606; [www.potomac.org](http://www.potomac.org))
• **The Nature Conservancy** – nonprofit organization; protects significant natural sites, often in coordination with Virginia’s Natural Heritage Program (TNC Virginia office, 434.295.6106)

• A variety of other entities can hold conservation easements, including Soil and Water Conservation Districts and local bodies.

**EASEMENT PURCHASE PROGRAMS (PDRS)**

• **State PDR Program** – the Virginia PDR program, depending on funding, can match the funds from qualified local PDR programs. Contact Virginia’s Office of Farmland Protection, 804.786.1346; Kevin.Schmidt@vdacs.virginia.gov; www.vdacs.virginia.gov/preservation.

• **Local PDR Programs** – Several Valley counties are among the 22 Virginia localities that have established local Purchase of Development Rights Programs (PDRs). Frederick, Rockbridge, and Shenandoah counties have ordinances and Shenandoah County has established funding and is actively pursuing easements. Contact your locality’s Planning Department for information.

• **Prime Farmland** - The USDA’s Farm and Ranch Land Protection Program (FRPP) provides matching funds to help purchase development rights to keep productive farm and ranchland in agricultural uses. This highly competitive program can provide up to 50 percent of the fair market easement value of the conservation easement. Contact your local National Resources Conservation Service office.

• **Forest Land** – The USDA’s Forest Legacy Program (FLP) focuses on environmentally important forest land and can pay up to 75 percent of the appraised value to purchase either conservation easements or land. Contact the Virginia Department of Forestry; 434.977.6555 or 434.220.9182; www.dof.virginia.gov/land.

**ADDITIONAL RESOURCES ON REQUEST**

Case Examples of Conservation Easements

(Compiled by John D. Hutchinson of the Shenandoah Valley Battlefield Foundation)

• Neighbors Use Limited Development to Finance Protection of Mountain (Rockbridge)

• Forest Easement Also Guards Civil War “Signal Hill” (Shenandoah)

• Historic Easement Protects Architectural Features and Setting (Staunton)

• Resale with Easement Meets Protection and Financial Goals (New Market)

• Private Conservation Buyer Protects Battlefield (Highland)

• Easement Purchase Keeps Working Farm in the Family (Rockingham)

• Multiple Partners Combine to Purchase Easement (Winchester/Frederick)

Contact Valley Conservation Council, 540.886.3541, for these and other fact sheets.
Appendix B: Civil War History of the Shenandoah Valley

Compiled by John D. Hutchinson of the Shenandoah Valley Battlefields Foundation

1. Valley Agriculture and the Civil War

_I have destroyed over 2,000 barns, filled with wheat, hay, and farming implements; over 70 mills, filled with flour and wheat. ... When this is completed, the Valley from Winchester up to Staunton, ninety-two miles, will have but little in it for man or beast._

—Union Gen. Philip Sheridan in a dispatch to Gen. Ulysses S. Grant, October 7, 1864

During the Civil War, the Shenandoah Valley’s unique geographic and economic features made it an area of vital military and strategic importance. Its geography made it a major avenue of invasion for Confederate forces marching north to the Federal capital at Washington, D.C., and for Union armies moving into the Confederate heartland of central Virginia and Tennessee.

Its robust agricultural economy supplied crops and livestock critical to supporting Confederate troops in eastern Virginia and the South. The Valley’s two east-west railroads, the Virginia Central and the Baltimore and Ohio, added to its strategic significance for both Federal and Confederate forces. These converging features ensured that the Valley would become an embattled land for four long years. Official war records bear out this historic legacy: over the course of the Civil War, 326 incidents of armed conflict erupted in the Valley.

At the time of the Civil War, the Shenandoah Valley was the richest agricultural region in Virginia and one of the most productive in the nation. The Valley was widely known as the “Granary of Virginia” because its hard-working farmers - mainly of German and Scots-Irish descent - typically produced large and profitable wheat crops. The Valley was also a center for agricultural innovation. As John Heatwole writes in _The Burning:

_In 1864 the Shenandoah Valley was already noted far and wide for its vast wheat harvests, with the production of corn and livestock running a close second… New breeds of livestock were imported; some stockmen were well known beyond Virginia for the successes of their breeding experiments. Orchardists and nurserymen adapted trees and plants to the varied landscapes of the Valley and shipped hardy plants, fruit and vegetables to distant places._

The richness of Valley agriculture fueled the growth of farming-related businesses. Mechanics were busy either adapting or creating new equipment to increase farming

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efficiencies. Mills crushed raw grain into flour for export. Sawmills cut the lumber for the wagons and flatboats that transported the bounty out of the Valley.

The Civil War placed a new and important demand on Valley farmers. The war transformed the “Granary of Virginia” into the “Breadbasket of the Confederacy.” Every aspect of Valley agriculture seemed to support the war effort:

*During the conflict, thousands of tons of grain left the Valley each year to support Confederate forces... Iron from its furnaces went into ordnance, horseshoes, and wagon rims. Tanneries supplied leather for a multitude of uses... Horses and mules raised on the grasses of Valley pastures kept cavalry, artillery, and support services mobile. Hogs, cattle, and sheep contributed to the diet of soldiers in the field. Wool from sheep was spun and woven into Confederate uniforms in Valley factories.*

Northern generals recognized the critical value of the Valley’s production. By 1864, destroying supply lines and the Valley’s ability to produce food and fodder became a key tactic for Union General Ulysses S. Grant. In August 1864, Grant ordered Major General Philip Sheridan to systematically lay waste to the Valley. Over the course of 13 days, Sheridan burned mills, barns, standing crops, and factories, and destroyed or rounded up and drove off livestock. According to Heatwole, this event, which came to be known as “The Burning,” crippled the ability of the Shenandoah Valley to supply the Confederate government with the crops and forage it needed to sustain its armies at a critical juncture of the war [and this] contributed significantly to the demise of Southern aspirations for an independent country.*

The events of “The Burning” were keenly felt in the Valley. To this day, stories of those fiery days have been passed down through Valley families.

Remarkably, many descendants of those mid-century farmers still live on the same land their ancestors farmed, or in nearby communities. Such long-term settlement patterns are increasingly rare.

2. Military Significance of Ten Battlefields

The following passages discuss the military significance of ten of the major battlefields included in the Shenandoah Valley Battlefields National Historic District. These passages are excerpted from the *Study of Civil War Sites in the Shenandoah Valley of Virginia*, a September 1992 publication of the U.S. Department of the Interior, National Park Service Interagency Resources Division. Page references are noted in brackets at the end of each passage.

McDowell (8 May 1862)

The Battle of McDowell is studied today by military historians for several reasons. At the tactical level, it can be argued that the US forces achieved a draw. Brig. Gen. R. Milroy’s “spoiling attack” surprised Maj. Gen. Thomas J. “Stonewall” Jackson, seized the initiative, and inflicted heavier casualties, but did not drive the

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3 Heatwole, p.2.
5 Heatwole, p. x.
Confederates from their position. Historians derive lessons about use of terrain, small unit tactics and leadership, and over exuberance under fire (12th Georgia). At the strategic level, the battle of McDowell and the resultant withdrawal of the US Army was an important victory for the South. The battle demonstrated Jackson’s strategy of concentrating his forces against a numerically inferior foe, while denying his enemies the chance to concentrate against him. Jackson rode the momentum of his strategic win at McDowell to victory at Front Royal (23 May) and First Winchester (25 May). [p. 51]

Cross Keys (8 June 1862)

The Battles of Cross Keys and Port Republic were the decisive victories of Jackson’s 1862 Valley Campaign. At Cross Keys, one of Jackson’s divisions beat back the army of Maj. Gen. John C. Fremont approaching from Harrisonburg, while elements of a second division held back the vanguard of Brig. Gen. James Shields’ division advancing toward Port Republic on the Luray Road. During the night of 8-9 June, Jackson withdrew from in front of Fremont and at dawn attacked two of Shields’ four brigades (commanded by Brig. Gen. E. B. Tyler), precipitating the Battle of Port Republic. Fremont reached the vicinity too late to aid Tyler, who was badly beaten. With the retreat of both US armies, Jackson was freed to join the Confederate Army commanded by Gen. Robert E. Lee in the Seven Days’ Battles against McClellan’s army before Richmond.

In addition to its importance in Jackson’s overall strategy of defeating two separated armies in detail, Cross Keys provides interesting lessons at the tactical level. By deft maneuver and clever use of terrain, Confederate Brig. Gen. Isaac Trimble shattered a larger US force and stalled Fremont’s attack. The ground where this tactical action occurred is pristine and enables understanding of this phase of the conflict. [p. 63]

Port Republic (9 June 1862)

The Battles of Cross Keys and Port Republic were the culmination of Jackson’s Valley Campaign in which Jackson maneuvered to defeat superior Union forces by surprise, swift marching, and concentration of force. In May and June, Jackson’s Army of the Valley, which never exceeded 17,000 men, inflicted more than 7,000 casualties on his opponents at a cost of only 2,500 of his own men, and tied up Union forces three times its strength. Jackson’s victories infused new hope in the Confederate cause and contributed to the defeat of McClellan’s campaign against Richmond. The Battle of Port Republic was a fierce contest between two equally determined foes and was the most costly battle fought by the Army of the Valley during its campaign. At its conclusion, Union forces withdrew down the Valley, freeing Jackson’s command to go to the aid of the CS army facing McClellan’s army in front of Richmond. [p. 67]

Second Winchester (13-15 June 1863)

After the Battle of Brandy Station (9 June 1863), Gen. R. E. Lee launched his plan for a second invasion of the north. He ordered the Second Corps, Army of Northern Virginia, under Maj. Gen. Richard Ewell to attack the US force at Winchester and clear the Lower Valley of Union opposition. In the resulting three-day battle (13-
15 June), Ewell’s corps defeated, routed and nearly destroyed a US division under Maj. Gen. Milroy. This victory (the apogee of Ewell’s career) offered high hopes for the success of Lee’s second invasion of the North, hopes that were dashed on the battlefield of Gettysburg in July. In the words of Confederate artillerist Maj. Robert Stiles, “This battle of Winchester ... was one of the most perfect pieces of work the Army of Northern Virginia ever did.” The battle was won by deft flanking maneuvers and underscores the inadequacy of relying on entrenchments when confronted by a mobile attacking force. [p. 71]

**New Market (15 May 1864)**

As part of his 1864 spring offensive, Lt. Gen. Ulysses S. Grant ordered Maj. Gen. Franz Sigel to advance south along the Valley Pike to destroy the railroad at Staunton and then move on the rail complex at Lynchburg. Although outnumbered, Maj. Gen. John C. Breckinridge, former senator and vice president of the US, was able to concentrate scattered CS forces to meet Sigel’s army near New Market. Sigel was decisively defeated on 15 May 1864, and the Valley remained in Confederate hands until Maj. Gen. David Hunter renewed the US offensive on 26 May. The Battle of New Market is noted for the participation of a battalion of VMI cadets, who distinguished themselves in combat beside veteran troops. [p. 77]

**Second Kernstown (24 July 1864)**

In late June and early July 1864, Lt. Gen. Jubal A. Early’s Confederate army used the strategic Shenandoah Valley corridor to terrorize Maryland, defeat a Union army at Monocacy, and march on Washington, D.C. Only the diversion of reinforcements from the Army of the Potomac turned back the invasion. Early returned to the Valley and achieved a decisive victory over George Crook’s command at Second Kernstown on 24 July. He subsequently sent cavalry to burn Chambersburg, Pennsylvania on 30 July. These disasters forced Lt. Gen. U. S. Grant to take immediate action to solve the Valley problem. The VI Corps and elements of the XIX Corps were returned to the Valley and united with Crook’s corps (called the Army of West Virginia). Additional cavalry units were diverted to the Valley. More importantly, Grant unified the various military districts of the region into the Middle Military District and appointed Maj. Gen. Philip Sheridan as overall commander. Sheridan took command of the newly christened Army of the Shenandoah on 7 August at Harpers Ferry. Sheridan’s leadership and his strongly reinforced army turned the tide against Confederate power in the Shenandoah Valley. [p. 89]

**Opequon or Third Winchester (19 September 1864)**

Opequon or Third Winchester (fought 19 September 1864) was the largest and most desperate contest battle of the Civil War in the Shenandoah Valley, resulting in more than 9,000 casualties. The battle was a turning point on the war in the Valley, marking the rise of Sheridan and the decline of Confederate power. Sheridan defeated the Confederate army again three days later at Fisher’s Hill (22 September), forcing it to retreat up the Valley to near Waynesboro. The CS army of Lt. Gen. Jubal A. Early suffered about 23 percent casualties. Casualties for the larger Union army under Sheridan exceeded 5,000, nearly 20 percent. The Union XIX Corps sustained 40 percent casualties (2,074 men) and lost every regimental
commander during its assault on the Middle Field and Second Woods. The most severe fighting and casualties occurred in the large parcel east of 1-81, north of Virginia Route 7, west of Route 656, and south of Route 661. The Middle Field ranks with some of the most sanguinary fields of the Civil War, witnessing more than 3,000 casualties. CS general Robert E. Rodes and US general D. A. Russell were both killed within a few hundred yards of the Dinkle Barn site at the entrance to Winchester Mall. [p. 93]

**Fisher’s Hill (21-22 September 1864)**

Lt. Gen. Jubal Early was “outgeneraled” by Maj. Gen. Philip Sheridan at Fisher’s Hill. Although the casualty figures were not high, this battle was a masterpiece of maneuver and surprise. Sheridan’s flanking attack brought Crook’s corps to the left rear of Early’s position on Fisher’s Hill and threw the CS army into a panic. Confederate defeat at Fisher’s Hill (on the heels of defeat at Opequon) opened the Shenandoah Valley to a US advance that reached beyond Staunton. When Sheridan withdrew during the first part of October, his army systematically burned mills, barns, crops, and forage, and ran off livestock. By implementing this strategy of “total warfare,” Sheridan felt that he accomplished the primary objective of his campaign — to deprive the Confederacy of the agricultural abundance of the Valley. [p. 99]

**Tom’s Brook (9 October 1864)**

Tom’s Brook was a battle of strategy and maneuver that pitted cavalry against cavalry. The CS cavalry were eager for revenge against the US cavalry, which had been burning barns and mills in the Valley for the previous week. On 9 October 1864, however, Sheridan ordered his cavalry to “whip” the enemy or get whipped themselves. In the resulting conflict, the US troopers routed the CS cavalry, impairing its morale and efficiency for the remainder of the campaign. The CS flight was referred to by Valley residents and victorious Union troopers as the “Woodstock Races.” The fighting on the Back Road at Spiker’s Hill pitted two former West Point roommates against one another — Tom Rosser and George Armstrong Custer. Maj. Gen. Philip H. Sheridan watched the battle unfold, reputedly from the summit of Round Hill. [p. 105]

**Cedar Creek (19 October 1864)**

The Battle of Cedar Creek dealt the crushing blow to the Confederacy in the Shenandoah Valley and, together with William T. Sherman’s successes in the Atlanta Campaign, spurred the reelection of President Abraham Lincoln. The battle can be ranked in size and intensity with the Battle of Opequon (Third Winchester) and both are included among the major battles of the Civil War. The Confederate surprise attack at Cedar Creek is considered one of the most daring and successful maneuvers of its kind and is studied by military theorists today. It was a feat “unduplicated” during the Civil War. General Sheridan’s arrival on the field of battle to rally his broken troops passed into American verse and folklore as “Sheridan’s Ride,” and offers a dramatic example of the effect of charismatic leadership. Rarely have the scales of victory and disaster swung to such extremes during battle: the morning’s brilliant Confederate success was transformed into a Union victory by day’s end. [p. 109]
The forested summit of Mole Hill in Rockingham County is protected by a 48-acre easement.
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