



**OREGON
AGRICULTURAL
TRUST**

Mission

We partner with farmers and ranchers to protect agricultural lands for the benefit of Oregon's economy, communities, and landscapes.

Why OAT? Why Now?

59 Average age

81 % Without a succession plan

500,000 Acres lost since 1973

A photograph of a herd of brown cows in a lush green field. The cows are the central focus, with some looking towards the camera. The background is a dense forest of green trees. A semi-transparent text box is overlaid on the center of the image.

What Does OAT Do?

Protect agricultural land – easements and fee title

Provide **technical assistance** to other working land easement holders

Educate farmers, ranchers and service providers about easements and farm succession

Advocate alongside state and national leaders for programs and funding to protect ag land

Who is OAT?

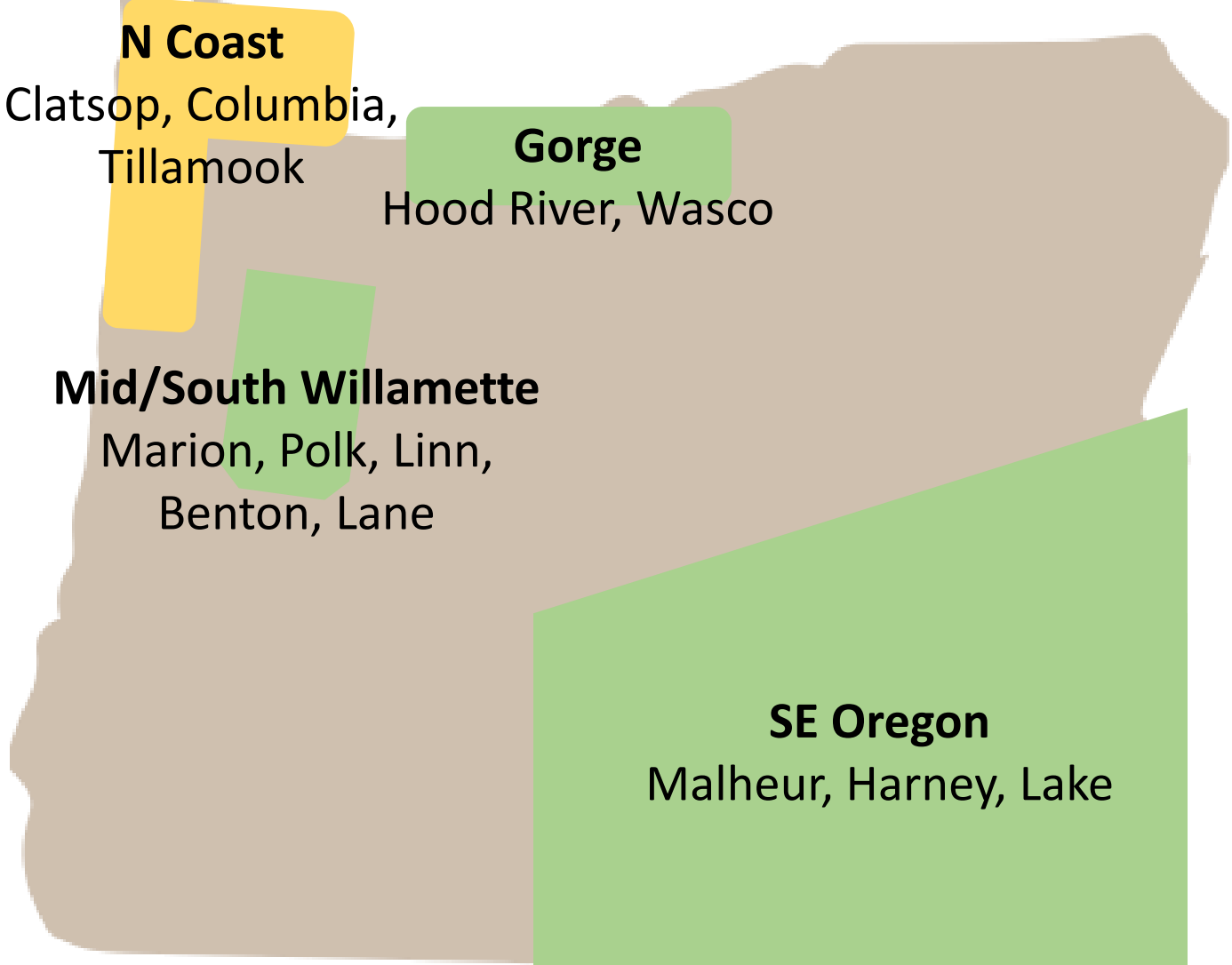
Informed by 100s of ag & conservation leaders: feasibility, business, strategic plan

Staff of 3 (soon to be 5)

Board of 6 and growing

Office in Salem. Statewide presence

Geographic Priority Areas





Easements & Covenants

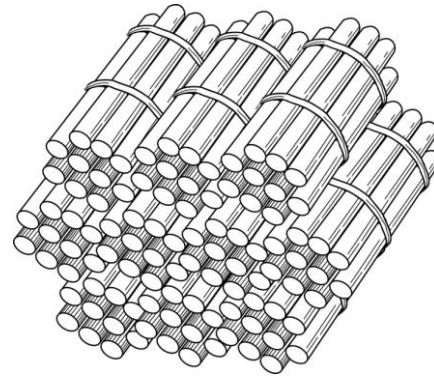
A conservation easement is a

- voluntary legal agreement
- between a landowner and land trust or government agency that
- permanently limits use of the land (covenants are temporary)
- to protect specific conservation values, including agriculture

How does a Conservation Easement Work?

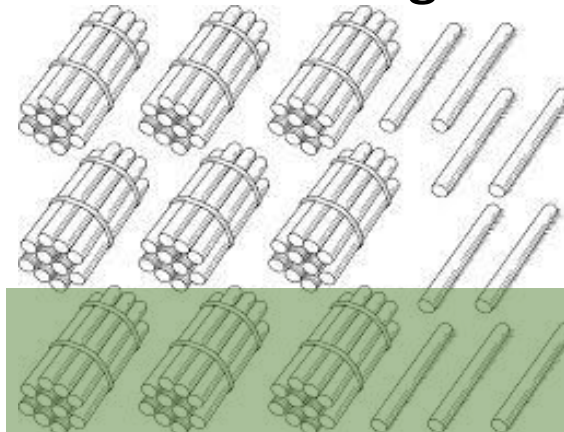
Land ownership has certain rights associated with it.

Property Rights



In an conservation easement, a landowner voluntarily sells or donates some of the sticks or rights

**Post-easement
Property Rights
(including ownership
and right to sell)**



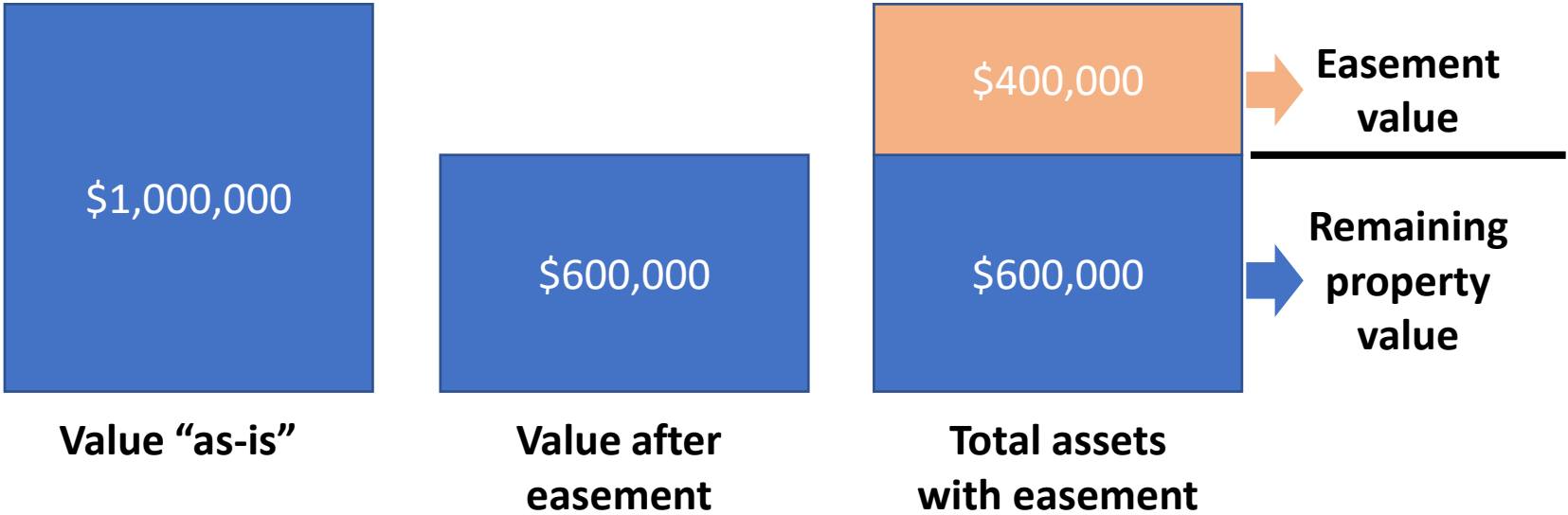
**Conservation
Easement**

Appraisals

Valuation “before and after” analysis

\$1,000,000 *value of property as is*
- \$600,000 *value of property encumbered by easement*

\$400,000 *value of conservation easement*



Both for purchases and donations

WORKING LANDS EASEMENTS CAN HELP

Instead of selling off pieces of land over generations, farmers can sell development rights that they wouldn't use anyway.

Selling
Land for
Cash



Farmland



Farm is divided over
generations



Eventually, divided
land is developed

Working
Land
Easement



Farmer chooses
easement



Easement protects land,
offers financial benefit



Undeveloped land is
protected for farming

Why Convey an Easement?

Philosophical Reasons

- Keep land permanently available for agriculture
- Protect from subdivision and development
- Conservation objectives



Why Convey an Easement?

Financial Considerations

- Convert real estate to **cash** without losing ownership
- Income and estate tax **deduction** (for donation)
- Reduces size of **estate** for tax purposes and affordability



Funding Sources

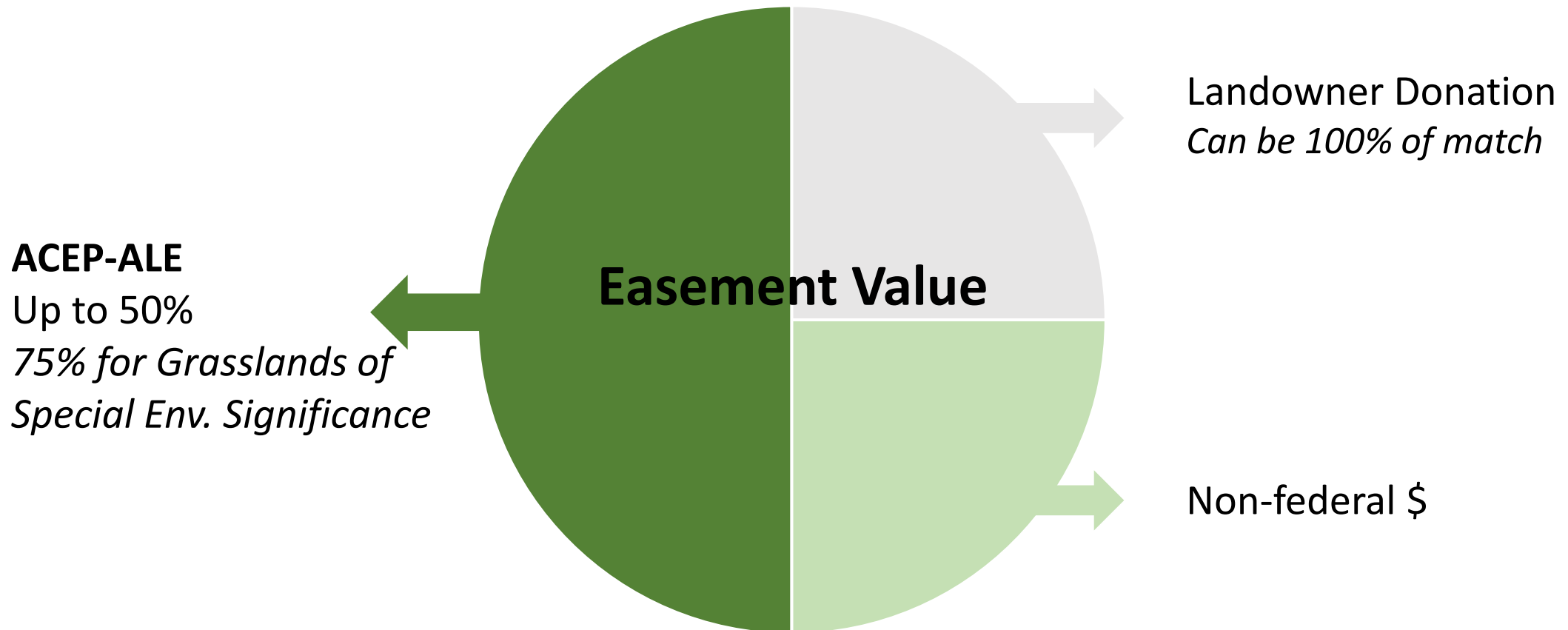
Agricultural Conservation Easement Program – Agricultural Land Easements (ACEP-ALE)

- Natural Resources Conservation Service
- Up to 50% of easement value in most cases
- 75% in "Grasslands of Special Environmental Significance"
- \$450 million / year in 2018 Farm Bill



Funding Sources

Agricultural Conservation Easement Program – Agricultural Land Easements (ACEP-ALE)



Funding Sources

Oregon Agricultural Heritage Program (OAHP)

- Up to 75% match
- Designed to integrate with ACEP-ALE
- **UNFUNDED**
- 28 states with funded match programs have leveraged 3.7 times more federal dollars than those without



Delaware has received more than
10x as much funding as Oregon



OAHF in 2021 Budget

- POP 230 would allow OWEB to receive and expend as grants up to \$5M of non-state public and private sources in support of OAHF.
- No direct funding request from the governor or legislature
- The statute authorizes acceptance of non-state funds; however, donations are not tax deductible



ACEP-ALE in 2023 Farm Bill



ACEP-ALE in 2023 Farm Bill

1. Increase funding from \$450M/year to \$1.3B to match demand
2. Increase federal match from 50% in most cases to 80%
3. Allow ACEP-ALE fund to be used for project costs (staff, appraisals, legal fees, etc.)
4. And more!



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Online Virtual Auction Nov. 30 – Dec. 4