



GREENWAYS

Newsletter of
Delaware & Raritan Greenway, Inc.
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In Perpetuity

The Value of Land

What's it worth? To whom? How much should we pay? Why? Many people don't realize or understand all the factors that are considered when appraising land. A common concern is that a property is over- or undervalued.

As a land conservation organization, D&R Greenway is involved daily with valuing land. Determining fair property values is a critical issue to landowners, state, county and local government agencies, and tax payers. Assessing the value of land is a science—and an art.

To assess the value of a property, D&R Greenway works with appraisers approved by the State Green Acres Program. The appraisers are state licensed and are required to complete continuing education units annually to remain certified. They are also required to follow the Uniform Standards of Professional Appraisal Practice.

For a property or conservation easement valued at less than \$250,000, Green Acres requires one appraisal and certifies the property at the appraised value. If, however, the value is more than \$250,000, then D&R Greenway must provide two appraisals. If the two appraisals fall within ten percent of each other, Green Acres certifies the property value at the average of the two appraisals. If the appraisals differ by more than ten percent, Green Acres assigns a third appraiser to assess the property.

If the owner is placing a conservation easement on the land, the property appraisal must also include before- and after-the-sale values to determine the compensation due the landowner for the development rights that are retired.

Property appraisals are based on a cash value of the highest and best use, meaning the value someone would pay in a straight cash sale of the property, with no contingencies.

Steven Benner is a Green Acres-approved appraiser and principal with Benner Valuation Services, an appraisal service specializing in open space conservation. He explains it this way. "Highest and best use is driven by financial return. It is determined by the use that gives

*New England Aster
(Aster nova-angliae)*



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Kudos to 10th Anniversary Corporate Sponsors

Many thanks to our 10th Anniversary Corporate Sponsors:

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Wish List

Greenway is in need of: a handtruck, a light box/table for viewing slides, two air conditioners, a Pentium II desktop PC (333mhz or higher), TV, VCR, and a data projector. Call us if you can help.

Correction

Whoops we goofed! Our Landowner Honor Roll should have included Thomas B. Kilbourne and Elizabeth Westergaard. We sincerely regret the error and apologize to Ms. Westergaard and Mr. Kilbourne. ♡

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Common Ground

Coming Together to Save the Land

BY LINDA MEAD

Majestic. Awesome. Breathtaking. These words describe the snow-covered Rocky Mountains—the place where 1,200 people working in land trusts around the country came together in October.

We came to learn how we can be even better at what we do—saving the land. We shared our thoughts on why we care about conservation. We talked about the connection of people to the land, and how to be responsive to the needs

of the landowners who choose preservation over development. We learned about tax laws and estate planning that can help landowners realize greater value while benefiting the common good. We talked about how to manage land and how to create the resources necessary to enable us to be good stewards.

Each of the 1,200 participants who gathered together represented their own special place. All of the

communities, forests, farms, stream valleys, wetlands, mountains and shorelines that were represented were sacred to the people who identified themselves with these landscapes.

To us, the people who live in the D&R Greenway region, it is our landscapes—the forested Sourland Mountains, the lush river and stream valleys, and the wildlife-rich wetlands that are the lifeblood of our communities and give us an identity as a unique, special place. Think about it, how would you describe this special place, the land we love?

Just one year ago, the people of New Jersey overwhelmingly passed

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Conservation Options

Appraisal Values: How it Really Works

Landowners need financial information to structure the best way to meet their family and financial goals while achieving preservation of their land. D&R Greenway works with appraisers to provide qualified estimates of value that allow landowners to make knowledgeable decisions. Once a landowner is committed to preservation, and enters into an agreement to sell their land or development rights to D&R Greenway, we contract for a full appraisal. Following is a hypothetical example:

The Land: 50 acres of rolling fields and woods with access to a local road, approximately 1/3 of the property is in the floodplain along a stream.

The Landowner's Goals: To permanently preserve the land while continuing to own the property, to gain some financial value from the sale of the development rights, and to continue farming the open fields.

D&R Greenway's Goals: To permanently preserve the farm fields and woods, to preserve the stream banks as part of a linked greenway, to provide future oppor-

tunity for a regional trail along the stream.

The Solution: A 50% bargain sale of a conservation easement that allows agricultural uses to continue in the field areas, protects the wood-

lands from clear-cutting and preserves their value as wildlife habitat, and a public access easement in a defined corridor along the stream. ♡

Example:

Land value before the conservation easement restriction:	\$400,000
(\$8,000 per acre x 50 acres, based on highest and best use appraisal)	
Remainder value of agricultural land after the conservation easement:	\$122,500
(\$3,500 per acre x 35 acres, based on appraisal factors)	
Remainder value of public access land after the conservation easement:	\$ 7,500
(\$500 per acre x 15 acres, based on appraisal factors)	
Total value of conservation easement:	\$270,000
50% Bargain sale cash to landowner:	\$135,000
Income tax deduction for remainder value:	\$135,000

Bargain sale percentages can vary. Available funding, the landowner's needs, and the conservation priority of the property enter into this consideration. The income tax deduction can apply over a period of six years (this must be qualified with the landowner's attorney/financial advisor).

Editors note: All of the above values are hypothetical only. Many factors come into play in determining the actual values of land and conservation easements (see article, page 1).

Partners in Preservation

Responding to the governments initiative to save 1,000,000 acres in ten years through public and private initiatives and partnerships, D&R Greenway is taking a lead in partnering with counties and municipalities throughout our region to leverage funds and protect more land.

As a nonprofit, D&R Greenway can work across political boundaries to facilitate land protection and link preserved parcels. We provide land preservation expertise and additional financial resources in the form of matching grants from Green Acres and funds raised through private sources.

In the past few years, D&R Greenway has partnered with public and private agencies to complete larger and more complicated preservation projects such as the

Institute Lands in Princeton, the Ingersoll Rand property in Montgomery Township, and the Hamilton/Trenton Marsh.

Now, counties and municipalities throughout our region have recognized the value of preserving open space and the benefits to their community. Many have passed open space referendums or have established dedicated open space funds. In fact, New Jersey has the largest number of local open space preservation programs in the country.

As more and more municipalities establish their own open space funds to leverage state and county dollars, they are seeking the assistance of experienced professionals to assist in negotiating and structuring open space purchases.

Hillsborough is a good example. Hillsborough Township sought

out D&R Greenway's expertise to negotiate for the acquisition of key properties. D&R Greenway joined with township representative Louise Wilkins to meet with landowners and present land preservation alternatives. We provided information on the various options and associated tax benefits. Our years of experience working with landowners enabled us to structure each of the individual acquisitions as a win/win for both the township and landowner. With our help, the township has reached its goal of saving 2,000 acres in the township by the year 2000!

Counties are also looking for effective ways to gain local presence with landowners and to leverage their resources. D&R Greenway provides the on-the-ground knowledge to take advantage of opportunities as they arise. In Franklin Township, Somerset County, we were able to take

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PSE&G Supports Greenway

D&R Greenway executive director Linda Mead announced a generous gift of \$12,500 from Public Service Electric and Gas Company to support the land trust's preservation initiatives.

PSE&G has been a partner with D&R Greenway for more than five years. In addition to financial sup-

port, the company contributes technical expertise, leadership, volunteer time, and in-kind gifts.

"They have been a tremendous advocate and supporter of our programs," Ms. Mead said. "Private financial support is very important to our organization," she explains. "Acquisition dollars come primarily

from the State Green Acres Program and county and municipal funds. However, no public funds can be used to cover the operating expenses incurred when completing the land preservation deals. Therefore, the support we receive from private sources including corporations, individuals and foundations enables us to translate the available public funds into preserved land in central New Jersey." ♡

Photo Caption: Public Service Electric and Gas Company Regional Public Affairs Director Don Tretola presents a check to D&R Greenway. Also pictured left to right: D&R Greenway Director of Development Pat Shapella, Trustees Hella McVay and Sophie Glovier, and Executive Director Linda Mead.



PATTI QUINBY

Celebrating Women and the Land

More than sixty landowners and friends attended a special evening of inspiration and conversation sponsored by D&R Greenway in September. Reeve Lindbergh, youngest daughter of Charles and Anne Morrow Lindbergh, delighted the audience with a reading from her family memoir *Under A Wing* and several children's books that she has authored.

The program was hosted by Deborah Strom Gibbons. Ms Gibbons recently placed a conservation easement on her farm on Ridge Road in Hopewell and wants to encourage other women to save their land. The event was held at her farm, a most appropriate setting, since it borders the former Lindbergh Estate which has been protected by the State of New Jersey. Also a writer, Deborah read from a work-in-progress about her farm and her love of the land.

During her reading, Reeve Lindbergh spoke of her parent's commitment to the environment and the land. As Charles and Anne Morrow Lindbergh flew over the earth, opening new routes of travel, they became aware of the increasing changes occurring on the land. Charles realized the importance and challenges of balancing the flourishing new technological developments with a strong environmental philosophy that would protect and value the land and natural resources. He became an avid environmentalist, instilling in his children a strong environmental ethic, testifying before Congress and working to save the American wilderness.

Reeve carries on that Lindbergh tradition in her writing and by actively participating in many civic and nonprofit organizations concerned with the environment, the arts, education, and advocacy/care for handicapped and dependent elderly individuals. She is president of the Charles A. and Anne Morrow Lindbergh Foundation, a Minnesota-based organization dedicated to furthering the vision and philosophy of the Lindbergh's through annual grants, awards,



Author Reeve Lindbergh and Lisa Stockman share a laugh at D&R Greenway's Celebration of Women and the Land.

and educational programs.

Along with the inspiring entertainment, the evening provided an opportunity for those attending to meet other women with a commitment to land conservation and learn how they can work with D&R Greenway to protect land.

Deborah Strom Gibbons served

as honorary chair of the committee that organized the event. D&R Greenway extends a huge hug of appreciation to her for so generously hosting this delightful evening. Special thanks also to committee members Sophie Glover, Cate Litvack, Hella McVay, and Lisa Stockman. ♡

Coming Together

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a referendum in favor of saving these special places we call home. D&R Greenway is moving forward to reach New Jersey's goal of saving one million acres of open space in the next decade. With your continued support, we can make this goal a reality.

If a national referendum were held, I would cast my vote for a culture that is rooted in the land and sea, where power resides in family and community and in wisdom passed from generation to generation.

Oliver Pierce
Up River, 1996

A Tour of the Greenway

It was a beautiful fall day when a dozen or so Greenway supporters climbed aboard a chartered bus to enjoy a guided tour of lands preserved by D&R Greenway in Mercer, Hunterdon and Somerset counties. Our guests were treated to a first hand look at several new properties now under agreement for preservation.

Board chair Neil Upmeyer and advisor Jim Amon joined Linda Mead and Bill Rawlyk as guides

and provided colorful commentary about the land, the D&R Canal and the history that the region claims as the Crossroads of the American Revolution.

Generous hosts Lynn and Bob Johnston provided a reception following the tour at their spacious art-filled home in Pennington. A special thanks to Lynn and Bob for their ongoing and generous support of D&R Greenway. ♡



Left to right: Linda Mead, Neil Upmeyer, and Bill Rawlyk of D&R Greenway provide comment and direction to friends of the Greenway during a tour of protected lands.

Greenway Applies for Green Acres Funding

D&R Greenway recently submitted six grant applications totaling \$3,000,000 to support land acquisition throughout central New Jersey. The six project areas include the East and West Sourlands, Princeton and the Stony Brook Greenway, the Delaware & Raritan Canal, Delaware River tributaries, and the Upper Millstone River Greenway.

D&R Greenway's land acquisition dollars come primarily from the State Green Acres Program. Additional funds are raised through county and local sources, founda-

tions, and in some cases, private individuals. The approved Green Acres Grant applications will enable D&R Greenway to access the newly available state funds to preserve more land in our region.

Among nonprofit organizations throughout the state, D&R Greenway has accessed the most state Green Acres funds to protect land. We will continue to work with our partners to access these funds, leverage available county and local funding, and bring more state funding to land protection in central New Jersey. ♡

Gifts Support Land Preservation

Many thanks to The Martin Group, Paine Webber, Inc. of Princeton, Bristol-Meyers Squibb Company, and the Rotary Club of Princeton for their recent gifts to D&R Greenway.

The Martin Group, Paine Webber of Princeton contributed nearly \$4,000 in support of the new video being developed for D&R Greenway. The video will be used to inform landowners, government officials and others about D&R Greenway, our work in the region and the benefits and techniques of land preservation.

In recognition of our tenth anniversary, Bristol-Meyers Squibb Company gave a generous gift of \$2,500 to D&R Greenway in support of our land preservation work in New Jersey.

The Rotary Club of Princeton awarded Greenway a Community Service Award to support land preservation in the region. Board Trustee Hella McVay accepted the award on behalf of Greenway. ♡

In Memoriam Nancy B. Johnston

It is with great sadness that we learned of the death of Nancy B. Johnston this past summer. Mrs. Johnston was the wife of Greenway founder and board member Robert C. Johnston.

An active member of her community, Nancy participated in many groups including Mercer County Master Gardeners, the Hopewell Valley Regional School Board, Pennington Presbyterian Church, Princeton Pro Musica, and the League of Women Voters among others. She enjoyed gardening and the arts.

Our deepest sympathies to Bob and his family. May your happy memories of Nancy sustain you in the days ahead. ♡

Greenway Receives Award

D&R Greenway was presented an award of recognition by the Delaware River Greenway Partnership for promoting the Greenway mission through planning and policy exemplified by their leadership in developing the Hamilton/Trenton Marsh Management Plan.

Delaware River Greenway board member Richard McNutt presented the award to Mary Leck, who ac-

cepted on behalf of D&R Greenway at the Partnership's annual forum held recently at Washington Crossing State Park.

The award to D&R Greenway was one of nine awards presented to community groups, school children, and individuals for implanting programs designed to protect land, water and wildlife in the Delaware River Corridor. ♣



Mary Leck accepts an award of recognition on behalf of D&R Greenway from Richard McNutt of the Delaware River Greenway Partnership.

Partners

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timely action to preserve two properties along the D&R Canal. Somerset County has targeted this area for preservation, and was more than happy to participate in funding. Without the county's help, we would not have been able to purchase these lands; without D&R Greenway's help, the county would not have had the awareness to act. Again, a win/win for everyone—the county, D&R Greenway, and the landowners who are able to preserve their land rather than sell for development.

D&R Greenway also leads workshops and other educational programs such as those held recently by Mercer and Somerset counties. Our professional staff provides information to landowners as well as municipal officials on how they can protect their land.

In October, D&R Greenway co-sponsored, with the Martin Group, PaineWebber of Princeton and Comerica Bank, a round table discussion among government, nonprofit groups, and industry. The focus was land preservation techniques and how these groups can work together to preserve land.

D&R Greenway welcomes the opportunity to work with partners to protect land. Give us a call if we can help you with your land preservation program. ♣

properties in the area.

"Comparable properties aren't always easy to define," Mr. Benner shares. "We look at a great number of sales and develop a grid with four to six of the most comparable sales. We also look at cost and income comparisons. We gather a lot of information and put weights on each factor to determine and substantiate the valuation."

"One of the trickiest tasks is

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to identify good comparable properties and then make the appropriate adjustments based on knowledge, experience and the feel of the property."

The "feel" he refers to, comes from years of experience, knowledge and attention to the market. "A good appraiser must know the market he or she is working in and stay abreast of recent developments including sales, zoning and other factors that affect a property. We are always gathering information through subscription services and by talking with realtors and municipal officials to keep our finger on the pulse of the market." He concludes, "As an appraiser, you live or die by the data bank you keep."

Mr. Benner relates. "An appraiser is foremost an observer and reporter, not a judge. I am a property owner advocate, and I appraise the land as if it was mine. It is important to me to be fair, to assess the value and report it as I see it."

Another View

The land value determined through the appraisal process is the financial value of land—a value which is based on the utility of the land. But what is the *real* value, the *whole* value of land.

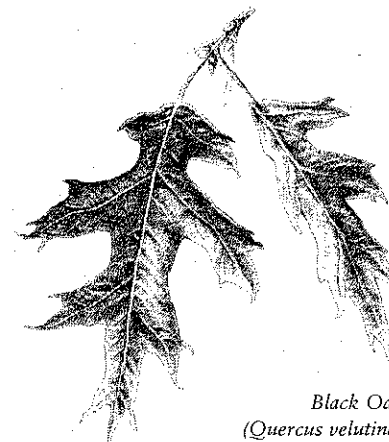
Where do you factor in the love of the land, the sense of space and place it provides, the scenic view—the open expanse of sky or river valley stretched out before us? What about the opportunity to connect more intimately with the wild world, with mother nature herself? How do we put a price tag on the creek that sings merrily in our ear and tickles our soul, or the wind blowing gently and tickling our skin? What about the stand of maple, oak and ash that we drive by daily, appreciating its beauty as we pass, and

admiring it even more when we spot a red-tailed hawk perched among the budding leaves in spring or when autumn turns the leaves golden and they pop in contrast to the trunks and branches turned a deep rich brown by a rain storm. Therein lies the *heart value*.

Their love of the land is often what motivates people to protect their land, not the financial gain. The financial value is significant in that the land often represents the landowner's retirement "nest egg" or their financial safety net. But those of us who work in land conservation know that if the heart is not in preservation, the deal usually doesn't happen. It's the heart value that motivates at a very deep level.

And it's not only individual landowners who are moved to action in this way. In communities throughout our region, residents are electing and urging government leaders to protect open space while they still can. These citizens are putting their money where their mouths are by overwhelmingly approving dedicated open space funding.

So the heart speaks loudly, calls us to act, to speak up and out, for the land we love and value deeply. We can't put a price tag on those feelings, but we can heed the heart's calling and save that which we treasure. ♣



Black Oak
(*Quercus velutina*)

Membership counts!

Through land protection, D&R Greenway is preserving our rich heritage and protecting our future in a way that works! Enclosed is my contribution to help D&R Greenway preserve our treasured open space.

- \$5,000 Greenway Benefactor
- \$2,500 Greenway Donor
- \$1,000 Headwater Donor
- \$500 Tributary Donor
- \$350 Woodland Donor
- \$200 Trail Donor
- \$100 Wildflower Donor
- \$50 Maple Leaf Donor
- \$40 Family Membership
- \$35 Individual Membership
- \$20 Senior Citizen/Student
- Other \$ _____
- My company will match my gift.
Enclosed is the matching gift form.

Also enclosed is a gift towards
D&R Greenway's:

- Land Acquisition Fund \$ _____
- Management & Monitoring
Fund \$ _____

I'd also like information about:

- preserving my stream corridor lands
- D&R Greenway trails
- bequests and charitable giving opportunities



Name _____
Address _____
City/State/Zip _____
Tel (area code) _____

Please make check payable to
D&R Greenway and mail to:
Delaware & Raritan Greenway, Inc.
570 Mercer Road, Princeton, NJ 08540

In Perpetuity

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the landowner the greatest net return over the longest period of time, and is legally permitted at the time of the appraisal."

A lot of research goes into developing an appraisal. It can take from sixteen to more than a hundred hours to complete. And it's not all glamorous work spent out in the field on a warm, sunny day. In fact, much of it is

nitty-gritty detail work researching deeds, tracking comparable sales, and maintaining a data bank of useful information to substantiate the valuation.

The appraised value is not determined solely by the land and its attributes. The appraiser also considers related aspects such as the community in which the land is located, market conditions, taxes, zoning and permitted land use, and the assessed value of comparable

