

BRAUN & GRESHAM

ATTORNEYS AT LAW

S U C C E S S S T O R I E S

SALE OF CONSERVATION EASEMENT

Partnering Up to Preserve Texas Land, Protect Water Quality

BRAUN BRINGS TOGETHER A UNIQUE COLLECTION OF COLLABORATORS TO PRODUCE A FIVE-WAY CONSERVATION WIN

Gay Dahlstrom had a vision for the future of her family's fifth-generation Central Texas land, the historic Dahlstrom Ranch on Onion Creek. Gay, the family's 80-year-old matriarch, didn't want the 2,254-acre property to be subdivided or developed, and she didn't want the estate taxes on it to bankrupt her heirs. She wanted to keep the ranch with the family, to preserve its natural beauty and features, and yet, to somehow share it with the community.

It was a uniquely complex and challenging vision. And it took a uniquely complex partnership of capable professionals to turn Gay's vision into a real deal.

The Dahlstroms hired Central Texas land conservation specialists Braun & Gresham to work side-by-side with Gay's son, Jack Dahlstrom, Jr., to represent the family and lead the charge. Environmental research soon revealed the whole ranch is located over the recharge zone of



the Edwards Aquifer – a key drinking water source for Central Texans. With this new discovery about the property and its importance to the community, the team realized they could pursue public monies to purchase a conservation easement – an agreement that would keep the ranch intact, restrict development, protect the ranch's natural features and habitats, and let the family continue to own, live on and use the land, all in perpetuity. Additionally, an easement would provide the family with significant federal income tax savings in the short term, and much more manageable estate taxes in the long run.

The Braun team engaged the support of Hill Country Conservancy (HCC), a nonprofit land trust the firm has partnered with many times to successfully develop conservation easements. Together, HCC and Braun put together a presentation to persuade Hays County to contribute \$4.9 million in voter-approved open-space conservation bonds toward the Dahlstrom easement.

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As a bonus for both Gay Dahlstrom's ultimate vision and Hays County, Braun helped the family negotiate a lease with the County to offer the ranch's 384-acre Howe Pasture as an open natural area – the first such Texas partnership to open up private property for public use. The National Park Service's Rivers, Trails and Conservation Assistance Program is helping Hays develop a plan for the public access area's facilities, trails, programs and management.

"Preservation of this property is a gift to current citizens, and to future generations," says Hays County Precinct 2 Commissioner Jeff Barton. "And this kind of cooperation between different levels of government, the environmental community and a private landowner is unprecedented in my experience."

HCC next brought another of its established partners, the Natural Resources Conservation Service (NRCS) – an agency of the U.S. Department of Agriculture – to the table, offering a \$4 million federal grant toward the Dahlstrom Ranch conservation easement. But in order to be eligible for the grant, the property had to prove archeologically significant. Fortunately, further studies of the land found it was a superior source of chert – rock quarried by ancient peoples for tool-making. The ranch received a State Archeological Landmark designation from the Texas Historical Commission, and qualified for the NRCS grant – the largest investment the agency has ever made in Texas through its Farm and Ranch Lands Protection Program.

"Conservation easements are still rather unfamiliar to Texas landowners," notes Claude Ross, the NRCS state easements programs manager for Texas. "So they sometimes feel anxious about dealing with other groups, and especially the federal government. We want to make sure people understand we're not 'big brother;' we're a partner, and our first and foremost interest is the land."

Finally, the Braun team and HCC worked with the City of Austin to secure a \$1 million contribution from its water-quality protection bond fund toward the Dahlstrom easement – the first time the City and neighboring Hays County have ever partnered on a land conservation agreement.

"I'm pleased to partner with Hays County and Hill Country Conservancy on this important project," says Austin Mayor Lee Leffingwell. "As our region continues to grow, we need to lead the effort to protect our natural resources – particularly our water quality. Acquisitions like this ensure we're doing our share to preserve and enhance our environment."

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MANAGER FOR TEXAS

The Dahlstrom Ranch conservation easement is the first private land preservation agreement of its type – a rare collaboration that took thousands of hours of coordination, negotiation, honest communication, political positioning, scientific studies, infinite patience and perseverance, trust-building and good old-fashioned faith over a three-year period to seal the deal.

"Braun provides a wide variety of skill sets," commends HCC executive director George Cofer. "They understand the range-management issues, the tax angles, they've got in-house mapping capabilities – they really are a full-service land conservation firm, which in Texas is still all too rare."

"Braun had the expertise to make it all happen," concurs Cecilia Barrentine, Gay Dahlstrom's eldest daughter. "They provided the insight, integrity and respect necessary to engage successfully with the other entities involved. They were very fair-minded and creative with their thinking – they just wouldn't accept 'no' for an answer."

"The Dahlstroms came to us with a great idea of what they wanted to achieve, and we put together the mechanisms to execute their vision," Gresham concludes. "This family chose to honor the legacy of what they wanted for future generations and their community. They're leading the way for Texas ranching families."