

William & Mary Environmental Law and Policy Review

Volume 2 (1976-1977)
Issue 1 *Environmental Practice News*

Article 8

November 1976

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Repository Citation

Private Land Banking, 2 Wm. & Mary Envtl. L. & Pol'y Rev. 6 (1976),
<https://scholarship.law.wm.edu/wmelpr/vol2/iss1/8>

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PRIVATE LAND BANKING

Do you represent or belong to a community that wishes to build a new physical plant, and the site is selected, but all of the funds are not quite available to purchase the property outright? Perhaps you belong to an organization that sees a uniquely scenic area next to a park about to be destroyed, but your organization is not quite able to raise the funds now to save the property. Then you might be an individual who is concerned about saving a small piece of the environment because it protects a unique species of plant or animal, or it is of special historical value, but you are not sure how to raise the support and funds necessary to do anything.

Well there is at least one non-profit corporation that might be of some help. It is called Nature Conservancy and it has a Virginia office in Arlington county, but it operates throughout the United States. The service that the company can provide for those individuals and worthwhile causes that meet its criteria is the negotiation and acquisition of land for a period of years with an eventual transfer of the property to one of a number of possible alternatives.

The actual agreement can be worked out in any number of ways depending on the facts of each particular case. The procedures for each situation follow certain guidelines for the eligibility and final transfer of property which has been acquired by Nature Conservancy. Those who might meet the eligibility criteria are governments or their agencies including federal, state, county or municipal governments and organizations, groups, or individuals concerned about the preservation of the environment. The purposes for which Nature Conservancy might take an interest would be either to preserve property for the public benefit or to save property from being permanently altered to the detriment of the environment. Under this latter category, the purpose might be to preserve the land, because it is the site of the best of something, or the last of something. Its value could be either scenic, floral, animal or historic. There also exist certain special

Appalachian Trail from encroaching land development. If Nature Conservancy agrees to act, then they proceed to negotiate, and if possible, acquire the property by either gift, purchase, or by some hybrid agreement. They provide their expertise in tax, trusts, and estate planning, and since they are a non-profit organization, there is the ability to provide special tax incentives for the property owner.

Once the property is acquired, Nature Conservancy usually desires to transfer ownership within a few years, if not sooner, to other hands thereby maintaining available funds for other causes. In an agreement for such land banking arrangement, provision is made for the transfer of control of the property into worthy hands so that the property will be used for the public interest or for the protection of the environment. Title will usually follow control, but other provisions might be made. One of the highlights of these arrangements is flexibility. The transfer can be made either to a government or agency such as a local government or the United States Park Service; to some non-profit, environmentally concerned organization that wanted the property; or, if necessary, interested parties, including Nature Conservancy, can create a special committee to raise the necessary funds and operate a trust to acquire the property and control it. For the benefit of this service, particularly where the property is purchased, there is a reasonable interest charge, but in return property which might be permanently altered for the worse can be spared.