

# Stewarding the Land

## A Conversation with Bob Ayres

**M**y grandfather was an independent oilman, a wildcatter from San Antonio, Texas. He became successful in the oil business during the Depression, when land prices were very low. That's when my grandparents purchased several pieces of land, which today comprise the 6800 acres of the Shield Ranch, located near Austin in a rapidly urbanizing area of critical environmental concern. (It's still a working ranch, with 200 head of cattle. We also lease the ranch for deer hunting as part of our wildlife management plan.) Though not large by Texas standards, it's the largest family-owned ranch in Travis County. My mother, my sister, and I are the owners today.

When my grandfather died in 1987, we were already beginning to think long-term about the property because there were plans for a state highway to be built through the ranch. The proposed highway would have crossed Barton Creek, a beautiful stream that is a significant conservation feature of the property. We had to decide if this was a good thing or a bad thing. Did we want to fight the highway, or influence its location on our property? Did we want to sell the ranch? To figure out what the next 50 years would look like, we started working with consultants who specialize in both long-range planning and land planning.

*Bob Ayres is the managing partner of the Shield Ranch. He lives in Austin, Texas with his wife and two teenage daughters.*

### Conservation Easements

A conservation easement is a legal means of extinguishing development rights on private property in perpetuity. The easement must be held by a qualified conservation organization. Each easement is individually negotiated between the non-profit or government entity and the landowner. There can be significant tax benefits to the landowner.

For more information about land trusts and conservation easements, contact the Land Trust Alliance, which provides advice on conservation easements and other land transfer options, 202-638-4725, [www.lta.org](http://www.lta.org).

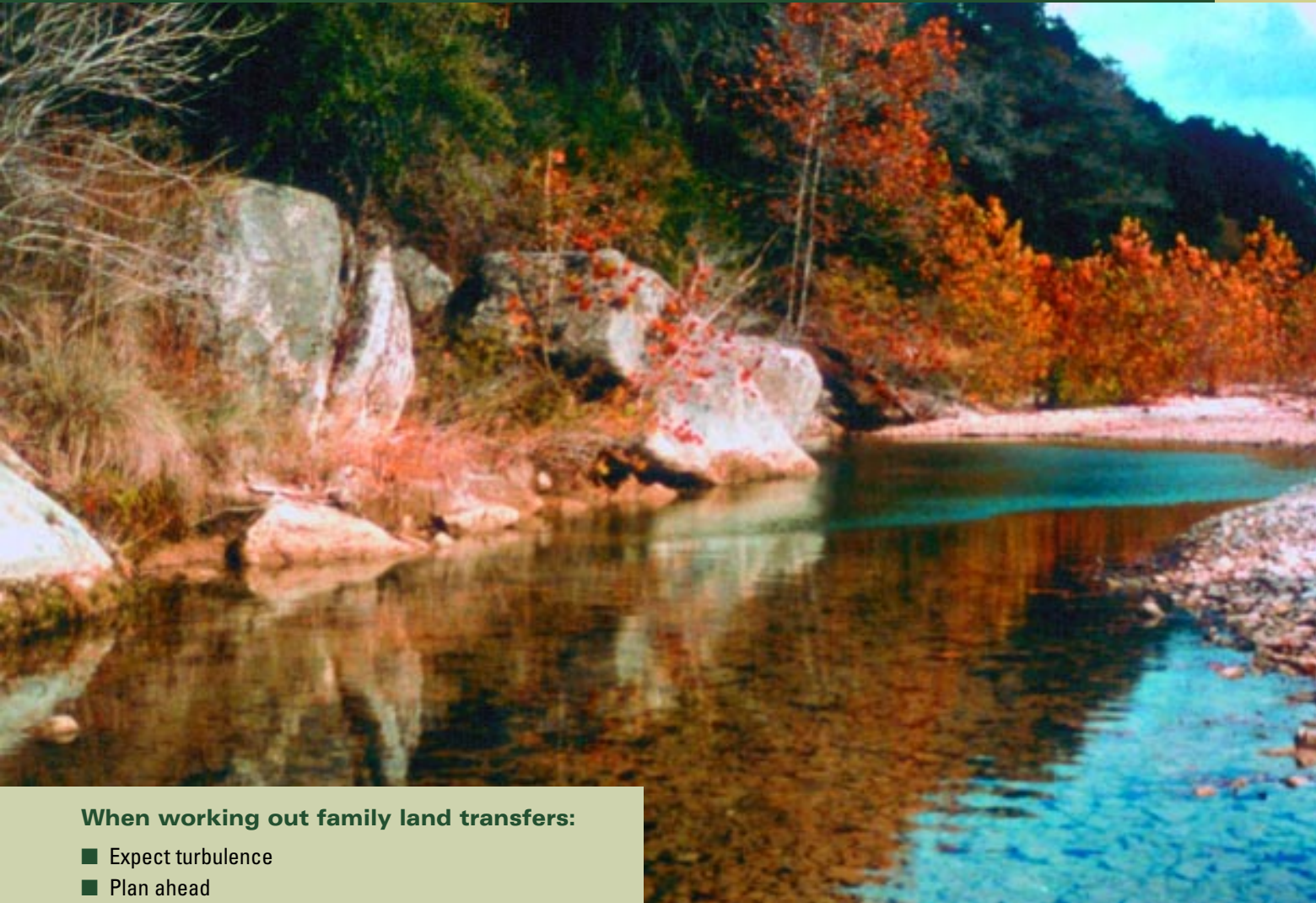
We decided we wanted to keep the ranch and protect the unique features of the property. We were not interested in subdivisions and commercial development. At the same time, we recognized the value of the land as an asset to the family and we wanted to retain at least a portion of that value.

We began to do some inventory work so that we could understand what was unique about the property. For example, golden cheek warblers, a federally-listed endangered species, were occupying habitat on the ranch, and thanks to the range management practices begun by my grandparents, we learned that we had an excellent oak-grass savannah in an area where this landscape has been largely replaced by invasive brush species. In this way, we came to understand the importance of our property to the surrounding community, from an ecological and environmental point of view.

Despite basic agreement on those points, there were several issues we still needed to work out; for example, whether or not to create a conservation easement. Were conservation easements a good idea for us? Did we want to limit the economic value of the land that dramatically forever? Did we want to continue to own the property together? Would we partition the land into our respective ownership interests? Would anyone prefer to sell their share and not be involved with the ranch anymore? Not everyone was convinced that conservation easements were the best strategy.

We are not a family that communicates easily and the process definitely had its difficult moments. At one point we reached something of an impasse, so we engaged a consultant with a background in mediation to help us talk through the issues and find common ground. We were asked to talk about specific places on the property and what the ranch meant to each of us. It was immensely helpful to think about those things, say them to other family members, and listen to their points of view. We could not get to a win-win situation until we knew what everyone wanted and cared about.

In 1998, we decided to donate a conservation easement to The Nature Conservancy of Texas and sell a conservation easement to the city of Austin on contiguous parts of the ranch. We placed more than 95% of the ranch under easement, but left out two developable tracts on the periphery of the ranch. The sale of



### When working out family land transfers:

- Expect turbulence
- Plan ahead
- Be as proactive as possible
- Work through, rather than avoid, whatever the difficult issues might be
- Look for creative, win-win solutions that address everyone's needs and desires for the property
- Hire professionals, as needed (surveyors, accountants, realtors, attorneys, mediators, coaches—whatever is necessary to make the process go smoothly)

—Bob Ayres

the easement to the city meant we were able to realize a portion of the value of the land without having to sell or develop it. We also lowered the value of the land significantly for estate planning purposes, and we received the benefit of a large charitable contribution of an appreciated asset. We continue to own and operate the property as a working ranch. We can enjoy it recreationally and pass it on to our heirs. We can sell the land, but any future owner will always be subject to the restrictions of the easement. We have retained some development rights; my sister or I can build a home, for example, but we can never build a shopping mall or residential subdivision. Because of the property's proximity to town, we're interested in developing some programs on the ranch—for example, a retreat for inner-city

*A view of the Shield Ranch near Austin, Texas*

kids. We retained the right to do some limited development for those kinds of uses under the easements. It's a win-win solution—we feel we can do what's important to us, and, even if we choose to exercise all our retained development rights, the conservation values of the property will still be protected. (The location of the proposed highway became moot when the state decided not to build this segment of the project.)

It took us almost ten years to educate ourselves about the various options and reach our decision; the actual negotiations with The Nature Conservancy and Austin took only about six months. While things were a bit tumultuous at times, everyone in the family felt pleased with the outcome.

What I found most valuable in the process was reaching a place where we, as a family, could say there's no right or wrong action for any one person to take. Any of us could have chosen to partition our part, with or without easement, or to sell our part of the property to other family members—all those came to be considered legitimate options. Once we reached that basic understanding, we began a process of looking for solutions where everybody got to do what they wanted without imperiling what others wanted. That meant, however, that we had to accept the possibility

continued on p. 34

---

**Bob Ayres** *continued from p. 27*

that we might not continue to own the land together in the future, and that was a big step for all of us to take. Once we took that step, no one felt coerced. In terms of the emotional dynamic, that was a critical moment in the process.

One piece of advice I would give to others is to expect that in making decisions about family lands, other family issues will probably come to the surface. You need to be prepared to deal with that. The process of reaching agreement will of course be different in other families, but in our case, a consultant was critical. I knew the most about the day-to-day operation of the ranch and had done the most research on the issues, and I also have facilitation skills—but I was hardly a disinterested party. It is extremely helpful to have a third party without a vested interest in the outcome who is familiar with land planning and who understands how families work. ■

*—Based on an interview with Pamela Gerloff*