

**REPORT OF THE VIRGINIA LAND CONSERVATION
FOUNDATION BOARD OF TRUSTEES AND THE
DEPARTMENT OF CONSERVATION AND RECREATION**

**2007 AND 2008 BIENNIAL REPORT
OF THE VIRGINIA LAND
CONSERVATION FOUNDATION**

(With Calendar Year 2007 Land Preservation Tax Credit
Conservation Value Summary)

**TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA**



**COMMONWEALTH OF VIRGINIA
RICHMOND
JANUARY 2009**



COMMONWEALTH of VIRGINIA

Office of the Governor

L. Preston Bryant, Jr.
Secretary of Natural Resources

P.O. Box 1475
Richmond, Virginia 23218

January 5, 2009

The Honorable Timothy M. Kaine, Governor of Virginia
Members of the Virginia General Assembly

Dear Governor Kaine and General Assembly Members:

We are pleased to provide you this report, which has been prepared on behalf of the Virginia Land Conservation Foundation Board of Trustees by the Department of Conservation and Recreation (DCR). The Department of Conservation and Recreation serves as staff to the Foundation. The report is presented in accordance with:

- § 10.1-1018.1 of the Code of Virginia, instructing the Chairman of the Board of the Virginia Land Conservation Foundation to submit to the Governor and the General Assembly an executive summary and report of the interim activity and work of the Board each even-numbered year.
- §58.1-512.C.2. of the Code of Virginia (Virginia's Land Conservation Incentives Act) , requires the Department of Conservation and Recreation (DCR) to compile an annual report on qualified tax credit donations of less-than-fee interests accepted by any public or private conservation agency. This report is on those donations made between January 1, 2007 and December 31, 2007, for which a taxpayer has requested a Land Preservation Tax Credit (LPTC), within the \$100 million cap established by Virginia Code §58.1-512.D.4.a.

The Foundation, in concert with its federal, state, local, and private conservation partners, has continued to make significant annual progress towards the Commonwealth's preservation goals since it was first funded in the 1999 General Assembly Session. Specifically, the Foundation continues to play a significant role in the Commonwealth's progress towards achieving the 2010 Chesapeake Bay Agreement land conservation goal. More recently, the Foundation has also focused its efforts in support of the Governor's 400,000-acre goal. To date, state funding to the Foundation has been leveraged to help protect over 55,000 acres across Virginia. This includes an estimated 30,697 acres from direct Foundation matching grants and 24,476 additional acres that have been protected with Foundation funds that were required to be transferred to the Virginia Outdoors Foundation. A small percentage of the accrued interest in the Fund also has allowed the Department of Conservation and Recreation to develop the Commonwealth's most comprehensive conserved lands database and other mapping tools. The

database helps to track progress towards the goals and together with the other mapping tools, offers a means for better-informed decision-making by the Foundation trustees.

Virginia should be proud of the conservation achievements of those that have been awarded grants from the Foundation. The awards made by this Foundation have had an impact across the Commonwealth and represent projects that provide for the protection or preservation of working farms and forests, natural, cultural, and historical resources, parks and other lands for recreational purposes, and lands for threatened and endangered species, fish and wildlife habitat, natural areas, and open space as well as protect water quality in many cases.

The Virginia Land Conservation Foundation program provides several important features that other state land conservation programs do not:

- The Foundation's funds have been leveraged to achieve a match greater than the 50% match required by state law. For example, in the June 2007 grant round, \$6.2 million in grants leveraged an additional \$18.7 million in match;
- The Virginia Land Conservation Foundation is strategic in the awarding of grants. The competitive process and interagency team approach used by the Foundation to score and award grant funding helps to ensure that the best lands are conserved; and
- Most land protected by the Foundation requires public access to the lands. This helps to address the public's growing desire for publicly available lands and is a significant difference between VLCF and conservation easements or purchase of development rights (PDR) programs which do not generally allow for public utilization.

The Virginia Land Preservation Tax Credit (LPTC) Program remains a key driving force behind the land preservation successes the Commonwealth has realized over the biennium. The transferability of the LPTC has proven to be a valuable incentive to persons voluntarily protecting their conservation lands. DCR's review of Land Preservation Tax Credits, instituted during this reporting period, has been both responsive and timely and has served as an important oversight tool for the Commonwealth to ensure that the lands protected for which a tax credit is issued of \$1 million or more have significant conservation value and that the natural and historical resources they contain will be adequately protected in perpetuity.

DCR's review of tax credit applications ensured, where applicable, that the deeds required a forest management plan, that the public had visual access to scenic resources, that conservation plan on farmlands would be developed and implemented, that riparian buffer areas to protect water quality were established, that resources listed on the Virginia Landmarks Register or the National Register of Historic Places were protected from demolition and alteration, and that known natural heritage resources documented to occur the donated land were protected. Additionally, the deeds were also often refined to specify building envelopes, amount of the site that may be developed, number of future divisions of the property, limitations on roads and the placement of utilities, and limitations on the disturbance of buffers around perennial

The Honorable Timothy M. Kaine, Governor of Virginia
Members of the Virginia General Assembly
January 5, 2009
Page 3

streams and other specified waterbodies. Such alterations to the deeds significantly improved the quality of the donations made under the tax credit program.

Despite limited and unpredictable funding, the Virginia Land Conservation Foundation program has contributed to the Commonwealth's conservation efforts through both its grants program and its tax credit responsibilities. As additional funds are available, we are confident that the Foundation will remain a responsible steward and partner through which Virginia will excel in its conservation efforts.

Respectfully submitted,

A handwritten signature in cursive script, reading "L. Preston Bryant, Jr.".

L. Preston Bryant, Jr.
Secretary of Natural Resources and
Chairman of the Virginia
Land Conservation Foundation

A handwritten signature in cursive script, reading "Joseph H. Maroon".

Joseph H. Maroon
Director, Department of
Conservation and Recreation and
Executive Secretary of the Virginia
Land Conservation Foundation

Attachment

cc: Virginia Land Conservation Foundation Board of Trustees
Daniel S. Timberlake, Director of Planning and Budget
Clyde Cristman, Legislative Analyst, Senate Finance Committee
Paul Van Lenten, Jr., Legislative Fiscal Analyst, House Appropriations Committee

VIRGINIA LAND CONSERVATION FOUNDATION BOARD OF TRUSTEES

Chairman and Secretary of Natural Resources

The Honorable L. Preston Bryant, Jr., Secretary of Natural Resources

Secretary of Agriculture and Forestry

The Honorable Robert S. Bloxom, Secretary of Agriculture and Forestry

Gubernatorial Appointees	Address	Term Expires	Cong. Dist.
Margaret Davis	Center Cross	06/30/09	1
Bonnie Moorman	Virginia Beach	06/30/09	2
Vacant			3
Vacant			4
Albert C. Weed, II	Lovington	06/30/10	5
Lou Giusto	Edinburg	06/30/11	6
Nancy T. Bowles	Kent Store	06/30/11	7
William C. Dickinson	Alexandria	06/30/11	8
Thomas B. Graham	Marion	06/30/12	9
Vacant			10
Mary Bruce Glaize	Winchester	06/30/12	11

Senate Appointees

The Honorable Patricia S. Ticer (Vice Chairman)	Alexandria	06/30/12
The Honorable R. Creigh Deeds	Hot Springs	06/30/12

House Appointees

L. Clifford Schroeder, Sr.	Richmond	06/30/09
Alexandra Liddy Bourne	Alexandria	06/30/10
Wendell P. Ennis	Midland	06/30/11
Mary Helen Morgan	Saluda	06/30/12

Executive Secretary

Joseph H. Maroon	Director, Department of Conservation and Recreation
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PREFACE

This report has been prepared in accordance with and fulfills the requirements of:

- § 10.1-1018.1 of the Code of Virginia, which instructs the Chairman of the Board of the Virginia Land Conservation Foundation to submit to the Governor and the General Assembly an executive summary and report of the interim activity and work of the Board on or before December 15 of each even-numbered year. ‘The document shall report on the status of the Foundation and its Fund including, but not limited to, (i) implementation of its strategic plan; (ii) land conservation targeting tools developed for the Foundation; (iii) descriptions of projects that received funding; (iv) a description of the geographic distribution of land protected as provided in § 10.1-1021.1; (v) expenditures from, interest earned by, and financial obligations of the Fund; and (vi) progress made toward recognized state and regional land conservation goals. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly’s website.’
- §58.1-512.C.2.of the Code of Virginia (Virginia’s Land Conservation Incentives Act), which requires the Department of Conservation and Recreation (DCR) to compile an annual report on qualified tax credit donations of less-than-fee interests accepted by any public or private conservation agency. This report is on those donations made between January 1, 2007 and December 31, 2007, for which a taxpayer has requested a Land Preservation Tax Credit (LPTC), within the \$100 million cap established by Virginia Code §58.1-512.D.4.a.

The following pages will provide a status report for grants awarded by the Foundation, the fiscal status of the Foundation, an update on related land conservation activities, and a status report on Land Preservation Tax Credit donations made within the period of January 1, 2007 and December 31, 2007.

TABLE OF CONTENTS

VIRGINIA LAND CONSERVATION FOUNDATION BOARD OF TRUSTEES.....	
PREFACE	
TABLE OF CONTENTS	
EXECUTIVE SUMMARY	i
Virginia Land Conservation Foundation.....	i
Table 1: Funding General Summary	ii
Table 2: Virginia Land Conservation Foundation Grant Award Summary	iv
Land Preservation Tax Credit Program.....	vii
FOUNDATION OVERVIEW AND ACTIVITIES IN 2007 AND 2008	1
Board of Trustees Meetings	1
Interagency Task-Force Meetings	1
CONSERVATION PLAN AND TOOL DEVELOPMENT.....	2
Comprehensive Plan Development.....	2
Virginia's Natural Heritage Plan.....	4
Strategic Plan Development.....	9
LAND PRESERVATION TAX CREDIT PROGRAM: CY2007 STATUS REPORT	10
Land Conservation Tax Credit Program Overview.....	10
Benefits of the Land Preservation Tax Credit Review.....	11
DCR's Review of the Conservation Value of Land Preservation Tax Credits of \$1 Million or More	12
Discussion of Calendar Year 2007 Land Preservation Tax Credit Program.....	15
Table 3: Calendar Year 2007 Land Preservation Tax Credits by Locality (dollars and acres)	16
Table 4: Acreages of Land Preserved by Conservation Value	17
Background on the Development of the Criteria	18
STATUS OF LAND CONSERVATION IN VIRGINIA	20
Land Conservation Status Summary	20
Table 5: Land Preservation Statistics in Virginia (June 30, 2008).....	21
Table 6: Current Annual Protection Trends.....	21
Governor Kaine's 400,000-acre Land Preservation Goal	21
Virginia's United Land Trusts (VaULT)	22
Virginia Office of Land Conservation	23
STATUS OF VIRGINIA LAND CONSERVATION FOUNDATION GRANTS	26

Competitive Grant Awards (December 1, 1999 Grant Round).....	26
Table 7: FY1999-2000 Competitive Grant Awards.....	27
Civil War Battlefield Grant Awards FY 2000-2001	28
Table 8: FY2000-2001 Civil War Battlefield Grant Awards.....	28
Competitive Grant Awards (January 4, 2001 Grant Round).....	29
Table 9: Competitive Grant Awards (January 4, 2001 Grant Round)	30
Competitive Grant Awards (June 7, 2005 Grant Round).....	31
Table 10: Competitive Grant Awards (June 7, 2005 Grant Round)	32
Competitive Grant Awards (December 1, 2005 Grant Round).....	33
Table 11: Competitive Grant Awards (December 1, 2005 Grant Round)	38
Competitive Grant Awards (June 13, 2007 Grant Round).....	40
Table 12: Competitive Grant Awards (June 13, 2007 Grant Round)	44
Virginia Outdoors Foundation	45
Table 13: VLCF Transfers to the Virginia Outdoors Foundation	45
 GEOGRAPHICAL DISTRIBUTION.....	 46
Table 14: Geographical Distribution of Foundation Grant Awards (By Project)	47
Table 15: Geographical Distribution of Foundation Grant Awards (By Funding)	48
 GRANT CRITERIA DISCUSSION	 49
Table 16: Virginia Land Conservation Foundation: Grant Application Scoring Sheet and Criteria	49
Open Space & Parks Category	50
Natural Areas Category	51
Historic Area Preservation Category.....	52
Agricultural Lands Category	53
Forest Lands Category.....	54
Virginia Outdoors Plan (VOP) Identified Need.....	55
Water Quality Benefit	55
Value Added	55
Public Access	55
Ratio of Match to Total Project Cost	55
 DETAILED FISCAL STATUS OF THE FOUNDATION.....	 56
Table 17: Virginia Land Conservation Foundation: Funding Source and Allocation for June 7, 2005 Grant Awards	60
Table 18: Virginia Land Conservation Foundation: Funding Source and Allocation for December 1, 2005 Grant Awards.....	61
Table 19: Virginia Land Conservation Foundation: Funding Source and Allocation for June 13, 2007 Grant Awards	62
Table 20: Virginia Land Conservation Foundation: Funding Source and Allocation for January 7, 2009 Grant Awards.....	63

APPENDICES	64
Appendix A - Land Preservation Tax Credits – Conservation Value Review Criteria	64
Appendix B - FY1999-2000 Budget Status Report	73
Appendix C - FY2000-2001 Budget Status Report	75
Appendix D - FY2005 Budget Status Report (June 2005 Grant Round).....	78
Appendix E - FY2006 Budget Status Report (December 2006 Grant Round)	80
Appendix F - FY2007 Budget Status Report (June 2007 Grant Round)	83
Appendix G - September 30, 2008 VLCF Balance Sheet and Income Statement	85

EXECUTIVE SUMMARY

The Virginia Land Conservation Foundation (Foundation) serves an important land conservation mission in the Commonwealth. It leverages limited state funds through matching grants and partnerships to protect working farms and forests, historic lands, open space and parks, and natural areas. The Foundation's distinctive features include requirements for public utilization and access on most properties conserved with Foundation monies, cross-cutting grant review criteria to maximize conservation values of funded projects, an inter-agency staff review team that involves expertise from multiple state agencies, and a final review by a unique Board of Trustees whose membership includes appointees from the Governor, Speaker of the House of Delegates, and the Senate of Virginia.

The Virginia Land Preservation Tax Credit (LPTC) Program has proven to be a valuable incentive for landowners interested in voluntarily conserving their property through perpetual conservation easements or fee-simple donations. The LPTC's transferability feature is especially important to persons with little or no state income tax liability. Responsibilities for oversight of the program are shared by the Virginia Department of Taxation and the Department of Conservation and Recreation.

Virginia Land Conservation Foundation

Since its inception in 1992, the Foundation has experienced a name change from the Virginia Conservation and Recreation Foundation to the Virginia Land Conservation Foundation, a significant expansion and improvement to its Code authority, and has sustained a successful grants program. In 2000, the Foundation's Board of Trustees grew from 9 members to 18 members. In 2006, the Secretary of Agriculture and Forestry also was added to the Board.

Total funds appropriated to the Foundation have exceeded \$40.5 million since FY2000 (Table 1). Of this amount, approximately \$26.3 million has been allocated to VLCF matching grant program with an additional \$4.3 million pending distribution at a January 2009 Board meeting. An additional \$8.8 million has been allocated to the Virginia Outdoors Foundation in accordance with state law.

Table 1: Funding General Summary

Fiscal Year	Source	Amount Available/ Approp.	Amount to VOF	Amount Expended on or allocated to Grants	Grant Date
FY2000	Approp. Act (Chap. 935 – 1999)	1,750,000	0	1,353,399.00	12/01/1999
FY2001	Approp. Act (Chap. 1073 – 2000)	3,400,000	0	3,382,004.92	
FY2001	Approp. Act (Chap. 1073 – 2000)	6,200,000	1,550,000	3,730,783.00	01/04/2001
FY2004	Vehicle Reg. (Chap. 1042 – 2003)	1,463,275	365,819	2,686,872.67	06/07/2005
FY2005	Approp. Act (Chap. 4 – 2004)	2,500,000	625,000		
FY2005	Unallocated Interest	56,982	14,246		
FY2005	Approp. Act (Chap. 951 – 2005)	10,000,000	2,500,000	9,048,340.50	12/01/2005
FY2005	Vehicle Reg. (Chap. 951 – 2005)	381,061	95,265		
FY2006	Approp. Act (Chap. 951 – 2005)	2,500,000	625,000		
FY2006	Unallocated Interest (thru 06/30/06)	188,960	47,240	6,109,253.00	06/13/2007
FY2006	Vehicle Reg.	783,563	195,890		
FY2007	Approp. Act (Chap. 3 – 2006)	2,500,000	625,000		
FY2007	Approp. Act (Chap. 847 – 2007)	500,000	125,000		
FY2007	Unallocated Interest (thru 06/13/07)	300,000	75,000		
FY2008	Approp. Act (Chap. 847 – 2007)	3,000,000	750,000		
FY2007	Vehicle Reg. (Chap. 3 – 2006)	663,269	165,817	Grants have not been awarded yet (\$4,310,945 available for distribution at Jan. 2009 meeting)	01/07/2009
FY2008	Vehicle Reg. (Chap. 847 – 2007)	397,880	99,470**		
FY2009	Approp. Act (Chap. 879 – 2008)	500,000 1,500,000*	500,000**		
FY2010	Approp. Act (Chap. 879 – 2008)	2,000,000*	500,000**		
TOTALS		40,584,990	8,858,747	26,310,653.09	

NOTE: Italicized numbers are estimated as one or more projects have not been closed out.

NOTE: Unexpended portions from several grant rounds were reverted to the General Fund.

NOTE: * - Funds not released to DCR by DPB as of report date

NOTE: ** - Funds not transferred to VOF as of report date

Since first receiving funding in FY2000, the Foundation has held five grant rounds with a sixth scheduled for January 7, 2009. As part of the six grant rounds, the Foundation received 189 applications requesting approximately \$87.4 million in state funding, or twice the available amount (Table 2). To date, the Foundation in the first five rounds awarded funding to 84 of the 189 grant projects and contributed over \$26 million to land conservation projects and helped protect over 30,000 acres.

Table 2: Virginia Land Conservation Foundation Grant Award Summary

Grant Award Date	# of Applic. Received	Amount requested from VLCF	# of Projects Awarded Funds	Amount Awarded by VLCF	# of Projects	Total Amount that is obligated	Total Acres targeted	Easement Amount that is obligated	Acres by Easement targeted	Acres Preserved as Grant Match
12/01/99	20	5,800,000.00	12	1,688,842	8	1,353,399.00	1,136.87	384,600.00	532.00	0
Projects Specified in Approp. Act		3,400,000.00	4	3,400,000	4	3,382,004.92	1,257.00	0	0	0
01/04/01	41	11,200,000.00	19	3,919,695	18	3,730,783.00	2,764.55	1,164,666.00	1,218.15	0
06/07/05	23	6,211,695.00	12	3,027,665	<i>11</i>	<i>2,686,872.67</i>	<i>6,552.80</i>	<i>1,047,279.00</i>	<i>2,923.80</i>	0
12/01/05	52	30,850,220.50	22	9,717,411	<i>20</i>	<i>9,048,340.50</i>	<i>7,220.12</i>	<i>901,210.00</i>	<i>1,965.46</i>	<i>315.53</i>
06/13/07	31	24,541,989.50	15	6,217,843	<i>14</i>	<i>6,109,253.00</i>	<i>11,450.18</i>	<i>2,382,768.00</i>	<i>2,642.00</i>	0
01/07/09	22	5,404,839.00								
TOT.	189	87,408,744.00	84	27,971,456	75	26,310,653.09	30,381.52	5,880,523.00	9,281.41	315.53

NOTE: Italicized numbers are estimated as one or more projects have not been closed out.

The Foundation has also met its charge to develop a strategic plan for the expenditure of moneys received from the Fund. The strategic plan governing fiscal expenditures has been incorporated into successive VLCF grant manuals, beginning in 1999 and has been updated regularly. The most recent revision of the grant manual was undertaken in November 2007, when the Virginia Land Conservation Foundation Board voted to adjust project scoring in order to fund more worthy projects in densely populated areas of the Commonwealth and to integrate increased emphasis on public access in consideration of grant projects. The grant manual may be found at www.dcr.virginia.gov/virginia_land_conservation_foundation/ with the scoring criteria outlined in Table 17 and the accompanying discussion.

The Foundation, if properly funded, will continue to be one of the primary tools through which Virginia will achieve its conservation targets, especially the Chesapeake Bay 2010 goal and the Governor's 400,000-acre preservation goal by 2010. The multi-state Chesapeake Bay commitment aims to permanently preserve from development 20 percent of the land in the watershed by 2010, while Governor Kaine's 400,000 acre goal represents a nearly doubling of effort annually.

The Virginia Land Conservation Foundation also serves as a coordinating mechanism for bringing together a number of state agencies' land conservation efforts and priorities. A coordinating agency task force made up of the Director of the Department of Conservation and Recreation, the Commissioner of Agriculture and Consumer Services, the State Forester, the Director of the Department of Historic Resources, the Director of the Department of Game and Inland Fisheries and the Executive Director of the Virginia Outdoors Foundation, or their designees, provide the VLCF Board with assistance on such matters as grant criteria, grant priorities, and grant selection. The Virginia Department of Conservation and Recreation serves as the lead staff for the Foundation.

The Virginia Department of Conservation and Recreation's Office of Land Conservation serves as a statewide, central contact, repository, and clearinghouse for land conservation in Virginia. During Foundation grant rounds, this Office serves as an important source of information for potential Foundation grant applicants and acts as the grant manager for projects funded. The Office's website (http://www.dcr.virginia.gov/land_conservation/), which was reorganized in 2007,

includes a wide variety of land conservation materials and contact information that assists landowners, conservation organizations, and managers with their conservation planning. In addition, the website provides a link to the state's first comprehensive statewide public lands resource mapping tool which was developed by the Department of Conservation and Recreation. This important land conservation planning tool is regularly updated and is accessible at http://www.dcr.virginia.gov/land_conservation/tools02a.shtml.

The Department of Conservation and Recreation also has developed other databases that assist in the Foundation's work. For example, the Department's Natural Heritage "Conservation Sites Database" is based upon more than 20 years of data collection and is Virginia's most comprehensive information management system on rare, threatened and endangered plants and animals and their natural habitats. DCR also has produced several statewide tools such as the Conservation Lands Database (which provides a dynamic parcel-level tracking tool for all conservation lands in the Commonwealth) and the Virginia Conservation Lands Needs Assessment (which provides statewide models to display lands ranked in conservation importance based on their recreational, cultural, agricultural, forest economics and watershed integrity assets). These tools, as well as others described below, are utilized to help assess grant applications submitted to the Foundation for funding consideration.

The 2007 version of the Virginia Outdoors Plan was expanded to substantially meet the requirements of the Foundation's comprehensive plan as required under §10.1-1021 of the Code of Virginia. The Virginia Outdoors Plan, prepared by the Department of Conservation and Recreation every five years, is the state's official plan for the protection and conservation of Virginia's important natural, outdoor recreational and open space resources. The 2007 Virginia Outdoors Plan has been nationally recognized for its content. The Outdoors Plan is based on a complete inventory of all publicly held park and open space land. This inventory includes state-owned lands and lands held by federal agencies and localities. This inventory of existing lands and facilities serves as a basis for the needs assessment. In addition to its analysis of existing conditions statewide, the Virginia Outdoors Plan also provides recommendations for each of the State's Planning Districts in meeting outdoor recreation, conservation, and open space needs. Key areas necessary to protect the Commonwealth's natural, scenic, open space and cultural resources are identified. Additionally, the Department of Conservation and Recreation has developed a Natural

Heritage Plan. This plan identifies key habitats for rare species and significant natural communities that merit preservation.

Land Preservation Tax Credit Program

Virginia's Land Preservation Tax Credit Program has continued to excel and to advance the preservation of important lands across the Commonwealth. The Virginia Department of Taxation's records indicate that as of December 15, 2008, 399,078 acres, appraised at slightly over \$1.9 billion, had been protected through 1,952 donations represented by \$907.2 million in tax credits.

The Department of Conservation and Recreation's (DCR) review of Land Preservation Tax Credits (LPTC), begun in January of 2007, has served as an important tool utilized by the Commonwealth to ensure that the lands protected for which a tax credit is issued of \$1 million or more are worthy of protection and that the natural and historical resources they contain are adequately protected in perpetuity. The tax credit report contained herein summarizes the donations made between January 1, 2007 and December 31, 2007, for which a taxpayer has requested a Land Preservation Tax Credit, within the \$100 million cap established by §58.1-512.D.4.a of the Code of Virginia. Based on the information provided to DCR, 254 applications were filed for the \$100 million in tax credits available in 2007. The appraised value of these properties was approximately \$250 million. These 254 applications requested LPTC for easements and donations on 59,331 total acres, which means that 76% of the total acres protected in 2007 (easement or fee-simple) received a tax credit. Clearly, the LPTC is an important incentive if Virginia is to reach its land conservation goals.

Taxpayers in 62 localities claimed a LPTC in calendar year 2007. The largest number of donations and acreage preserved was in Rockbridge County and the largest amount of tax credit dollars was requested by Loudoun County applicants.

Of the eight conservation purposes that a landowner can apply under, approximately 25% or 38,676 acres were in the Scenic Open Space category. Forestal Use (26,715 acres) and Agricultural Use (25,423 acres) were also prominent categories as each represents approximately

17% of the total. The remaining purposes in rank order were Watershed Preservation, Natural Habitat and Biological Diversity, Lands Designated by a Local Government, Historic Preservation, and Natural Resource Based Outdoor Education and Recreation. Applications may claim more than one conservation purpose, even though it is not necessary in order to request the LPTC.

In addition to the responsibility to prepare an annual report, DCR was also charged beginning in 2007 with conducting reviews of the Conservation Value of LPTC requests of \$1 million or more (based on a 40% credit for a donation valued at \$2.5 million or greater) and with verifying the conservation value of these donations in advance of the Virginia Department of Taxation issuing the tax credit. This review is in accordance with criteria adopted by the Virginia Land Conservation Foundation for this purpose.

In 2007, DCR reviewed and commented on the conservation value associated with 18 of the 254 LPTC applications. Of the 18 reviews, 14 final applications were filed requesting over \$28 million in LPTC for 5,638 acres. Three other final applications were filed in early 2008 and therefore eligible to receive LPTC in calendar year 2008. In addition, one applicant chose not to undertake the pre-filing review and submitted a final application, for a total of 15 donations. These 15 donations represented nearly 6% of total applications and 9.5% of the LPTC acres preserved, but over 28% of the total LPTC credits claimed in 2007.

DCR's oversight proved to be beneficial in the Commonwealth's efforts to ensure the conservation value of properties applying for the LPTC. DCR's review process resolved a number of problems with applications that would have negatively affected the donation's conservation value if the applicant had completed as submitted. In addition, DCR's review helped to ensure that persons eligible for \$1 million or more in state land preservation tax credits also addressed water quality and forest stewardship issues associated with their conserved lands. Although state law allows DCR 90 days to complete its review, DCR took only 20 business days on average to review a pre-filing application (including a site visit) and 8 business days to verify the conservation value of final applications.

In summary, the Virginia Land Conservation Foundation Program and the LPTC are critical elements in meeting the Commonwealth's conservation commitments.

FOUNDATION OVERVIEW AND ACTIVITIES IN 2007 AND 2008

Board of Trustees Meetings

The meetings of the Board of Trustees, including associated subcommittee and public meetings were as follows:

June 13, 2007 – Board of Trustees’ Meeting: Discussion of the Governor’s 400,000-acre goal; presentation of grant projects for authorization; dissemination of model conservation easement language.

October 23, 2007 – First Board subcommittee meeting to discuss revisions to LCF grant manual and scoring criteria.

November 29, 2007 – Second Board subcommittee meeting to discuss revisions to LCF grant manual and scoring criteria.

November 29, 2007 – Board of Trustees’ Meeting: Discussion and adoption of revisions to VLCF grant manual and scoring criteria; consideration of requests for grant-project extensions; update on Land Preservation Tax Credits conservation value review; presentation by Piedmont Environmental Council, “The Case for Land Conservation in Virginia;” partner agency updates.

August 7, 2008 – Board of Trustees’ Meeting: Grant projects update; new logo, sign, and brochure; review of proposed grant round schedule; consideration of biennial administrative expenses budget request; Land Preservation Tax Credit Review Criteria program update and revisions; partner agency updates.

January 7, 2009 – Board of Trustees’ Meeting is scheduled to consider grant project awards and additional Land Preservation Tax Credit Review Criteria revisions.

Interagency Task-Force Meetings

An interagency task force comprised of representatives of the Department of Conservation and Recreation, Department of Agriculture and Consumer Services, Department of Forestry, Department of Game and Inland Fisheries, Department of Historic Resources, and the Virginia Outdoors Foundation is convened to score and rank grant applications whenever there is a grant round. The task force worked with a subcommittee of the VLCF Board in 2007 to develop recommendations on updates to the VLCF Grant Manual and amendments to the grant review

criteria that are used to evaluate applications. The revisions to the grant review criteria were presented to and approved by the Board at the November 29, 2007 Board meeting.

The task force met three times to review and rank grant applications received during the November 15, 2006 through January 16, 2007 grant round. The grant awards for that round were authorized by the VLCF Board at their June 13, 2007 meeting.

The most recent grant round was opened on August 15, 2008, with a deadline for grant applications of October 10, 2008. Twenty-two applications were received, with funding requests totaling \$5,405,839. The interagency taskforce met on October 17, 2008 and November 7, 2008 to review and score applications and to develop grant award recommendations for the Board. The grants will be considered at the January 7, 2009 Board meeting.

CONSERVATION PLAN AND TOOL DEVELOPMENT

Comprehensive Plan Development

Section 10.1-1021 subsection 1 of the Code of Virginia directs the Virginia Land Conservation Foundation to prepare a comprehensive plan “that recognizes and seeks to implement all of the purposes for which the Foundation is created”. In the process of developing this comprehensive plan, the Code of Virginia directs the Foundation to:

- 1) develop a strategic plan for the expenditure of unrestricted moneys;
- 2) develop an inventory of those properties in which the Commonwealth holds a legal interest “for the protection or preservation of ecological, cultural or historical resources, lands for recreational purposes, state forest lands, and lands for threatened or endangered species, fish and wildlife habitat, natural areas, agricultural and forestal lands and open space”; and
- 3) develop a needs assessment for the future considering the reports and information listed in subsection 1c. Subsection 1c specifies that “[i]n developing the needs assessment, the Board of Trustees shall consider among others the properties identified in the following: (i) Virginia Outdoors Plan, (ii) Virginia Natural Heritage Plan, (iii) Virginia Institute of Marine Science Inventory, (iv) Virginia Joint Venture Board of the North American Waterfowl Management Plan, and (v) Virginia Board of Historic Resources Inventory. In addition, the Board shall consider any information submitted by the Department of Agriculture and Consumer Services on farmland

preservation priorities and any information submitted by the Department of Forestry on forest land initiatives and inventories.” The Department of Game and Inland Fisheries Wildlife Action Plan also will serve as a resource to the Foundation in identifying lands in need of protection.

The 2007 Virginia Outdoors Plan was expanded to substantially meet the requirements of the Foundation’s comprehensive plan as required under Section 10.1-1021 of the Code of Virginia. The Virginia Outdoors Plan, prepared by the Department of Conservation and Recreation, is the state’s official plan for the protection and conservation of Virginia’s important natural, outdoor recreational and open space resources. This has been a nationally recognized plan and is updated every five years. The plan is based on a complete inventory of all publicly held park and open space land. This inventory includes not only state-owned lands but also lands held by federal agencies and localities. This inventory of existing lands and facilities serves as a basis for the needs assessment. The Virginia Outdoors Plan includes the summary of the Virginia Natural Heritage Plan and information from the other plans mentioned in Subsection 1c above.

In addition to its analysis of existing conditions statewide, the Virginia Outdoors Plan also provides recommendations for each of the State’s Planning Districts in meeting outdoor recreation, conservation, and open space needs. Key areas necessary to protect the Commonwealth’s natural, scenic, open space and cultural resources are identified. These recommendations are collected from a number of sources including all of the involved agencies, the localities, and through the public meeting process.

The 2007 Virginia Outdoors Plan identifies and expands on the Foundation’s key land conservation needs and protection strategies and that will continue to serve as a sound foundation for future land conservation activities within the Commonwealth. A new chapter on land conservation covers not only the benefits of, and tools for achieving land conservation, but also recommendations on what types of land should be protected.

Additionally, as part of its revision, DCR staff updated the outdoor recreation resource inventory, conducted a statewide Virginia Outdoor Survey with assistance from Virginia Commonwealth University, and in the fall of 2006 held a series of 40 public input meetings statewide. Among the topics brought up in those meetings were trails and greenway linkages,

water trails and scenic waterways, urban greenspace, and eco-tourism. The VOP may be found on the DCR website at www.dcr.virginia.gov/recreational_planning/vop.shtml.

The statewide Virginia Outdoor Survey results carried out for the new VOP showed widespread support for using government resources to protect open space. The survey also showed that many Virginians considered outdoor recreation and access to open space to be important to their families. The 3,300-household mail survey included 30-questions and had a two-percent margin of error. Nearly 78% of respondents answered ‘yes’ to the question “[s]hould the state spend public funds to prevent the loss of exceptional natural areas to development?” When asked how important is it to protect Virginia’s natural and open space resources, 67% said it was “very important” and 28% said it was “important”. Less than two-percent said it was not important. More than 70% of those surveyed said they favored outright purchase from willing sellers as an appropriate tool for conserving open space. When asked about the importance of access to outdoor recreation opportunities for their families, more than nine-in-ten respondents indicated it was “important” or “very important”, and fewer than 10 percent said it was “not important”.

Virginia’s Natural Heritage Plan

The Virginia Natural Area Preserves Act (Virginia Code § 10.1-209 *et seq.*) charges the Department of Conservation and Recreation with the responsibility of establishing and maintaining the state’s Natural Heritage Program and to develop a Natural Heritage Plan to guide the preservation of habitat for rare plants, animals and significant natural communities. Land conservation planning is a key component of the Natural Heritage Plan and vital to the effective conservation of the state’s natural heritage. In 2003 the Department issued its first Natural Heritage Plan in a document entitled “Virginia’s Precious Heritage: A Report on the Status of Virginia’s Natural Communities, Plants and Animals, and a Plan for Preserving Virginia’s Natural Heritage Resources”. This plan lays out the Department’s approach to identifying and preserving the most significant habitats across the state. Many aspects of the plan are integral to the Virginia Land Conservation Foundation’s planning efforts.

Central to the Natural Heritage Plan is the Conservation Sites Database, which is based on over 20 years of data collected on the location and viability of Virginia’s rare plants and animals and natural communities. Conservation sites are mapped boundaries that enclose one or more rare

plant or animal locations, or a significant natural community, and the surrounding habitat or buffer necessary to protect the resource(s). DCR has developed boundaries for at least 1,929 areas around the state, which collectively constitute over 1,528,400 acres of terrestrial, stream- and karst-associated lands. DCR has developed a secure Internet mapping tool so that these data can be shared with land conservation partners and local governments for conservation planning and project review efforts.

Another key component to the Natural Heritage Plan is maintaining an inventory of lands already protected in Virginia, not only by DCR but by the many partners in land conservation. Toward this end, the Department has developed the Conservation Lands Database. This database addresses §10.1-1021 subsection 1b of the Code of Virginia that directs the Virginia Land Conservation Foundation to develop an inventory of those properties in which the Commonwealth holds a legal interest “for the protection or preservation of ecological, cultural or historical resources, lands for recreational purposes, state forest lands, and lands for threatened or endangered species, fish and wildlife habitat, natural areas, agricultural and forestal lands and open space”. The Conservation Lands Database, the Commonwealth’s first comprehensive, geospatial dataset for Virginia’s protected conservation lands, is continually maintained and updated by DCR. In addition to local, state and national parks, this database includes parcel-level boundaries and attributes for protected lands in Virginia that have potential significance for serving a variety of conservation, recreation, and open-space roles. The database continues to grow in size, to be made more accurate, and to be enhanced with thorough the addition of information related to management intent, legal protection status, and dates of initial conservation and boundary modifications for all lands. New parcels are constantly being incorporated into the Conservation Lands Database, through active data sharing between DCR and localities, land trusts, and other conservation organizations.

Much of the Conservation Lands Database is available to others outside of DCR. The public may view information contained in the database through DCR’s Land Conservation Data Explore (LCDE) website at www.vaconservedlands.org. This interactive mapping site (ArcIMS) allows users to view, query and explore conservation lands data in the context of several base layers (i.e. aerial photography, hydrologic data, jurisdictional boundaries, etc.) and alongside other geospatial summaries of natural and cultural resource features. Background information on the Conservation Lands database is available at

http://www.dcr.virginia.gov/land_conservation/tools02a.shtml. Local, state, and federal governments, and other GIS users can readily download shapefiles from this website for use in their own GIS systems. In order to protect landowner privacy, this access does not include spatial or tabular information regarding private conservation easements. Outside parties can only obtain this information by contacting DCR's Division of Natural Heritage.

DCR's Natural Heritage Program has also developed the Virginia Conservation Lands Needs Assessment (VLCNA), which is also featured on LCDE. VLCF provides funding for the development and maintenance of this suite of seven statewide GIS models: Ecological, Cultural, Recreational, Forest Economics, Agricultural, Watershed Integrity and Vulnerability. These models provide spatial data summaries to guide state government agencies, localities and non-profit groups that seek comprehensive ways to prioritize land use and conservation.

- The Ecological Model is a collection of models and products including the Virginia Natural Landscape Assessment (VaNLA), DGIF's Wildlife Action Plan, and the Virginia Biodiversity Assessment, using species and natural community information from DCR's Natural Heritage Program. The VaNLA is a landscape-scale GIS analysis for identifying, prioritizing, and linking natural habitats in Virginia. It identifies and connects the most important natural, unfragmented lands based on considerations of biological and ecological value and integrity.
- The Cultural Model is a statewide model showing the cultural value of lands in Virginia. The Division of Natural Heritage worked closely with the Virginia Department of Historic Resources to identify and prioritize important cultural assets in Virginia, including archaeological and architectural sites, and American Indian Areas.
- The Recreational Model is a GIS effort to map the value of lands as they contribute to recreational opportunity. The Division worked closely with the Virginia Department of Game and Inland Fisheries, DCR's Division of Planning and Recreation, and numerous other collaborators and data contributors to analyze a variety of recreational datasets (including but not limited to hunting, fishing, wildlife watching, parks, trails, population density influences and public access) in an effort to model recreational value statewide.

- The Forest Economics Model is a GIS effort to map viable forestland with economic value. The Division worked closely with the Virginia Department of Forestry to analyze biophysical parameters, management constraints, and socioeconomic influences.
- The Agricultural Model provides a statewide map of important agricultural lands, developed in cooperation with the Department of Agriculture and Consumer Services and the Virginia Department of Historic Resources. This model analyzed parameters such as soils, slope, land use, and historic farms.
- The Watershed Integrity Model maps the relative value of land as it contributes to water quality and watershed integrity. The Division worked closely with the Virginia Department of Forestry and Virginia Commonwealth University Center for Environmental Studies to analyze a variety of parameters focused on identifying important terrestrial features that contribute to water resources, and, therefore watershed integrity.
- The Vulnerability Model (or growth prediction model) consists of four statewide models showing predicted growth patterns across the landscape. The model uses GIS and statistical methods to analyze housing allocation, lot size estimation, growth hotspot, residential land conversion hotspots, and travel time proximity to model urban, suburban (urban fringe), and rural (outside the urban fringe) growth patterns. Four summary models are complete and available: an Urban Growth Prediction Model, a Sub-Urban Model, a Rural and a Composite model, where the latter summarizes the former three.

Since the last report, the Vulnerability Model has been revised, via more thorough parcel data and improved statistical techniques, to more accurately predict development threat of urban, suburban, and rural lands out to the year 2010. DCR's Division of Natural Heritage is currently exploring the next steps for developing a Vulnerability Model out to, or beyond, the year 2050. Furthermore, DCR is also identifying the best ways to advance and enhance other VCLNA models in the coming two years, as new data and imagery are anticipated.

DCR's Division of Natural Heritage is also working on implementation products that will provide the VCLNA to localities and land trusts to help them prioritize their conservation efforts.

This implementation effort began with a survey of hundreds of conservation partners in Virginia, to assess what components of the VCLNA are most valuable to them, and to determine the most efficient means of sharing these data. Natural Heritage will deliver these VCLNA “packages” to conservation partners, in formats and geographic extents that are targeted at their needs. This implementation will also include tutorials and follow-up support to help guide the local uses of these tools.

Along with the Conservation Lands Database, the VCLNA is utilized to assess grant projects submitted to the Foundation for funding consideration. Pertinent VCLNA layers are used in scoring potential lands in all VLCF interest areas, alongside other criteria. DCR is currently developing a “quick-screening” tool that will also expedite the existing scoring methods used for reviewing applications for easements. This tool will provide a method for initially screening lands for their value in all VCLNA interest categories to identify the best lands for conservation based on economic limitations and/or acreage-based goals.

DCR also is actively acquiring additional geospatial datasets to revise existing components of the VCLNA to make it a more comprehensive tool for the varied needs of the growing body of DCR conservation partners. DCR’s Division of Natural Heritage is currently working with the Department of Game and Inland Fisheries to develop the Virginia Biodiversity Assessment, the third component of the Ecological Model. This will enhance DGIF State Wildlife Action Plan data via inclusion with core Natural Heritage Resource data to develop a statewide summary of biodiversity. Lands found to be important to sustaining biodiversity are being ranked based on rarity and threat of species and natural communities present. These biodiversity-ranked lands will then be ranked in terms of their conservation status based on biodiversity management intent and legal protection status, to develop a final statewide geospatial summary of known and predicted biodiversity based on conservation need. This tool will provide the first statewide tool for specifically identifying the lands in most urgent need of conservation for biodiversity.

The Natural Heritage Plan and the assemblage of conservation information and tools developed by DCR’s Natural Heritage Program will continue to be developed and used to help the Land Conservation Foundation with strategic planning. It will be essential to help evaluate Foundation proposals, to plan future natural area conservation needs, and fulfill information requests from land planners and managers at the local, state, and federal levels.

Strategic Plan Development

Section 10.1-1021 subsection 1a of the Code of Virginia directs the Virginia Land Conservation Foundation to “[d]evelop a strategic plan for the expenditure of unrestricted moneys received from the Fund”. The current strategic plan is embodied in the grant program guidelines approved by the VLCF Board on November 29, 2007. This document clearly addresses how the unrestricted moneys are to be expended and delineates what categories the funding is to be used for, who is eligible, what the match requirements are, and what evaluation criteria are to be used to judge the applications.

These revised criteria have guided the review of applications received during the August 15, 2008 through October 1, 2008 grant round that will be considered by the Board at their January 2009 meeting. As in the past, all of the technical information collected from these grant applicants was evaluated by an interagency task force.

The interagency task force is comprised of representatives of the Department of Conservation and Recreation, the Department of Agriculture and Consumer Services, the Department of Forestry, the Department of Historic Resources, the Department of Game and Inland Fisheries, and the Virginia Outdoors Foundation. Through this rigorous multi-agency review and scoring process, only those proposals that best serve the purposes of the Foundation and that made the best fiscal sense are recommended to the Virginia Land Conservation Board of Trustees.

The Foundation also is making significant progress on development of a state-of-the-art land conservation information system and decision support tool, with the completion of the Conservation Lands and Conservation Sites Databases and Internet Portals, and the continued development of the Virginia Conservation Lands Needs Assessment Decision Support Tool. These products have assisted the Foundation in the ranking and selection of priority land preservation projects.

LAND PRESERVATION TAX CREDIT PROGRAM: CY2007 STATUS REPORT

Land Conservation Tax Credit Program Overview

Virginia's land preservation tax credit (LPTC) program is considered to be one of the most important conservation tools available in Virginia. In a state that ranks near the bottom nationally in natural resource spending, a program that leverages significant private investment is all the more important. The Department of Taxation's records indicate that as of December 15, 2008, 399,078 acres of land, appraised at slightly over \$1.9 billion, had been protected through 1,952 donations representing \$907.2 million in tax credits.

Specifically, the records show that land preservation credits registered for donations made during the first two years of the program (tax years 2000 and 2001) amounted to approximately \$52.7 million. Since, the transferability (or sale) of land preservation credits became available in 2002, credits registered through the end of CY2007 totaled more than \$777.5 million. For the period of 2001 through the end of 2007, the Department of Taxation registered credits amounting to \$830.2 million representing 1,787 donations that protected 351,134 acres. This level of tax credits, as well as the level of property easement donations, has exceeded all expectations. Twelve other states provide income tax credits for donations of conservation easements, and two other states provide for transfer of those credits, but Virginia's tax-credit program is the most generous amongst those that are transferable. In Virginia, this is a program that has enormous land conservation benefits.

As a result of legislative amendments enacted in 2006, effective January 1, 2007, the program was capped at \$100 million per year for LPTC, with donations in excess of the annual cap to be rolled over to subsequent years. The \$100 million was indexed to the Consumer Price Index and increased to \$102 million in calendar year 2008. In addition, the amount of value that can be registered for any conservation easement was limited to 40% of the fair market value of the qualified donation. These compromises represented a diminution in the peak annual tax credit expenditures, which reached \$153 million in tax year 2005, and in the 50% allowance of the fair market value of the qualified donation.

The amendments passed during the 2006 Special Session also gave a new role to the VLCF Board. The statute provided that VLCF would adopt a set of criteria to be used by the Director of DCR to verify the conservation value of land or conservation easement donations that result in tax credits of \$1 million or more. To claim \$1 million or more of LPTC, the taxpayer would have to have made a land donation equal to or greater than \$ 2.5 million. A land transaction claiming a tax credit of less than the \$1 million does not require a DCR review.

Benefits of the Land Preservation Tax Credit Review

VLCF Land Preservation Tax Credit Review Criteria involve three factors that taken together are the Conservation Value of donated land. These factors are Conservation Purpose, Public Benefit, and Water Quality and Forest Management. Review Criteria are based on IRS Code § 170(h) and those set out in §58.1-512 of the Code of Virginia, and contain specific requirements that reflect state policy.

The Conservation Purpose factor of the Criteria looks at the donation to determine if the land itself has conservation value to the Commonwealth by determining the purpose for which it is being conserved. There are eight potential Conservation Purposes in the Criteria, but an applicant only needs to satisfy one, however, they are free to select as many as are reflected in their donation. The Conservation Purposes are:

1. Agricultural Use;
2. Forestal Use;
3. Natural Habitat and Biological Diversity;
4. Historic Preservation;
5. Natural-Resource Based Outdoor Recreation or Education;
6. Watershed Preservation;
7. Preservation of Scenic Open Space; and
8. Conservation and Open Space Lands Designated by Local Governments.

There are multiple options for meeting each Conservation Purpose and designated safe harbors are available for many. If a donation meets a safe harbor then the donation satisfies the specific Conservation Purpose. For example, within the Conservation Purpose of Agricultural Use, land that a locality has designated as being subject to use value taxation is deemed to have a valid Conservation Purpose. Within the Conservation Purpose of Historical Preservation, a battlefield individually listed in the Virginia Landmarks Register or the National Register of Historic Places is also deemed to have a valid Conservation Purpose.

Some uses of the subject property specifically exclude certain Conservation Purposes. For example, public recreation lands where development covers more than 15% of the site such as with amusement parks or private beaches will not meet the Criteria for the Conservation Purpose of Natural-Resource Based Outdoor Recreation or Education.

The Public Benefit factor of the Criteria ensures that safeguards exist in the deed to protect the conservation values of the land in perpetuity; prohibit intentional destruction or significant alteration of the conservation values of the protected property; and assure that conservation value of the property will not be adversely affected by future division or development of the property.

The deed of easement must contain the following restrictions:

1. limits on the number of permitted subdivisions of property;
2. limits on permitted new buildings and structures;
3. restrictions on location of new buildings and structures;
4. restrictions on location of new roads or access ways; and
5. limits on alterations, demolition, or ground-disturbing activity that may impact cultural/historic resources and natural heritage resources.

The Water Quality and Forest Management factor is focused on protection of water quality and the stewardship of agricultural and forest lands. Concerning the protection of water quality, if the property contains wetlands, frontage on perennial stream or river, lakes, or tidal waters, then the deed must provide for a 35-foot riparian buffer that prevents certain activities determined to be harmful to water quality. In addition, if the property contains lands in agricultural use, then the deed must provide for the implementation of a written conservation plan that stipulates the use of best management practices. Additionally, if the property contains 20 acres or more of forest lands, the deed must require that a written forest management plan or Virginia Forest Stewardship Plan be in place prior to the commencement of timber harvesting or other significant forest management activities. This plan is to be developed by or in consultation with the Virginia Department of Forestry or be consistent with Forest Best Management Practices.

DCR's Review of the Conservation Value of Land Preservation Tax Credits of \$1 Million or More

DCR is responsible for conducting reviews of the Conservation Value of LPTC requests of \$1 million or more (based on a donation valued at \$2.5 million or greater) and with verifying the

conservation value of these donations in advance of the Virginia Department of Taxation issuing a LPTC. This review is in accordance with criteria adopted by the Virginia Land Conservation Foundation (VLCF) for this purpose (Appendix A).

As part of its pre-filing review process, in 2007 DCR reviewed and commented on the conservation value associated with 18 applications. The Agency does this as a service to taxpayers so that any potential issues can be resolved prior to completion of the donation and submission of a final LPTC application. Of the 18 pre-filing reviews, 14 final applications were filed in CY2007 that requested \$28,255,400 in LPTC for 5,638.449 acres. From this group, an additional 3 were filed in early 2008. In addition, one applicant chose not to undertake the pre-filing review and submitted a final application, for a total of 15 donations made in CY2007. These 15 donations represented nearly 6% of the calendar year's total applications, 9.5% of the LPTC acres preserved, and over 28% of the total LPTC in dollar value.

The objective of DCR's review was to ensure a basic level of protection for all of the known conservation values of the property at the time of the donation. DCR's reviews resulted in substantial changes to over half of the applications submitted to DCR. The pre-filing review process resolved a number of the substantial problems with applications that would have negatively affected the donation's conservation value if the donation had been completed as submitted. Deeds were modified following DCR's review to ensure the appropriate protection of the conservation values of the properties in perpetuity as follows:

- For Forestland, deeds were modified to require a forest management plan;
- For Scenic Open Space, deeds were modified to require that the public have visual access to the scenic resource;
- For Farmland the deeds were modified to require the development and implementation of a farm conservation plan;
- For Water Quality protection, deeds were modified to ensure the placement of appropriate riparian buffer areas;
- For Historic Resources, deeds were modified to ensure the protection of resources listed on the Virginia Landmarks Register or the National Register of Historic Places from demolition and alteration;
- For Natural Heritage Resources, the deeds were modified to protect known resources documented in state databases.

Additionally, deeds were also often refined to specify building envelopes, amount of the site that may be developed, number of future divisions of the property, limitations on roads and the

placement of utilities, and the establishment and limitations on the disturbance of buffers around perennial streams and other specified waterbodies. The reviews also required other minor changes to existing protections for clarification and often required the applicant to provide additional documentation of the conservation purposes they claimed.

Several examples of the conservation values protected through DCR's review are as follows. DCR's review of one application claiming Agricultural Use as its sole conservation purpose resulted in the overall development of the property being limited to protect the future agricultural use of the land. Prior to DCR's review, the deed allowed almost unlimited development (~96%) of the property with buildings. In another case, the LPTC was used to protect a small 40-acre farm in northern Virginia dedicated to organic farming and to require the appropriate buffers. This farm was within 1000 feet of several municipal groundwater wells, which provided drinking water for the community. DCR's review of another project resulted in appropriate protections of a property that was not only the site of several historically significant moments in national history, but was also the site of a rare southern upland hardwood forest, and active agricultural operation.

The common factor that ran through every single review conducted by DCR was the obvious pride landowners had in their land and the pride they had in their efforts to pass that land on in good condition to the next generation. Almost every property DCR reviewed in 2007 had some form of agricultural activity at the time of donation. Whether these were row crops in Loudoun County, cattle farming in the Tidewater Region, or equine breeding in Albemarle County. In at least one instance, the applicant's stated goal in preserving the property and requesting the tax credit, was to ease the transition of the next generation of the family into the management of the agricultural operation. In every single instance where the land was in agricultural use, the donation of a conservation easement was intended to insure the opportunity of future generations to farm the land.

In addition to improving the conservation value of the donations, DCR sought to complete its reviews in a timely fashion and worked closely with the applicants, their attorneys, and the land trusts. The law allows DCR to take up to 90 days to review an application before taking a final action. On average DCR took 20 business days to review a pre-filing application and 8 business

days to verify the conservation value of final application where the applicant had submitted a pre-filing application.

DCR's review of tax credits that claim \$1 million or more has been both responsive and timely and has served as an important tool for the Commonwealth to utilize to ensure that the lands protected for which a Land Preservation Tax Credit is issued are worthy of protection and that the natural and historical resources they contain will be adequately protected in perpetuity.

Discussion of Calendar Year 2007 Land Preservation Tax Credit Program

The Virginia's Land Conservation Incentives Act Virginia Code §58.1-512.C.2., requires the Department of Conservation and Recreation (DCR) to compile an annual report on qualified donations of less-than-fee interests accepted by any public or private conservation agency. This section reports on those donations made between January 1, 2007 and December 31, 2007, for which a taxpayer has requested a Land Preservation Tax Credit (LPTC), within the \$100 million cap established by Virginia Code §58.1-512.D.4.a.

To apply for a LPTC a taxpayer must submit a form LPC-1 to the Virginia Department of Taxation (TAX) and DCR after completing the donation. DCR has compiled this report from the information provided to the Agency by taxpayers in form LPC-1. Therefore, this section only summarizes the information received as part of the application process and may vary somewhat from the final totals managed by TAX.

Based on the information provided to DCR by taxpayers, taxpayers filed 254 applications for the \$100 million available in 2007. These same properties were appraised at over \$250 million in value. These 254 applications requested LPTC for donations totaling 59,331 acres of the 78,200 total acres were conserved statewide in CY2007. Therefore, 76% of the total acres protected in 2007 (easement or fee-simple) received a tax credit. It is unknown if any of the other 24% were qualified donations eligible to request a LPTC but chose not to.

Table 3 highlights that taxpayers made donations in sixty-two localities for which they claimed a LPTC. The largest number of donations per county was in Rockbridge County with twenty-four donations for 5,118 acres total with a total LPTC value of \$5,165,200. Rockbridge

County also had the greatest numbers of acres preserved per county. The largest number of credit dollars requested per county was in Loudoun County for \$15,531,000 for 1,484 acres in ten donations. The total of all donations in calendar year 2007 was \$100,000,000 for a total of 59,331 acres. Forty-three localities containing LPTC credit requests, each contained less than five donations. Where fewer than five donations were made in any locality, the information is aggregated in order to protect tax information confidentiality in accordance with § 58.1-3.A of the Code of Virginia. (We are utilizing the same threshold standard utilized by the Department of Taxation associated with their data.) In the forty-three localities containing less than five donations each, the total dollar value of credits requested was approximately \$29.4 million and the total acres preserved was 18,393, both totals are approximately 30% of that statewide.

Table 3: Calendar Year 2007 Land Preservation Tax Credits by Locality (dollars and acres)

Locality	# of Donations	\$ Value of Credits Requested	% of Total \$ Value Requested State Wide	Acres Preserved	% of Acres Preserved State Wide
Accomack County	6	1,628,400.00	1.63%	915	1.54%
Albemarle County	22	11,750,540.00	11.75%	3930	6.62%
Augusta County	11	3,027,200.00	3.03%	2289	3.85%
Bath County	6	1,892,400.00	1.89%	1873	3.16%
Botetourt County	7	1,490,033.00	1.49%	2492	4.20%
Clarke County	11	2,369,457.00	2.37%	1007	1.70%
Culpeper County	5	2,092,230.00	2.09%	1314	2.21%
Essex County	5	1,521,280.00	1.52%	1229	2.07%
Fauquier County	21	9,699,310.00	9.70%	3927	6.62%
Franklin County	5	1,071,600.00	1.07%	1501	2.53%
Grayson County	6	2,059,400.00	2.06%	1334	2.25%
Halifax County	7	574,118.00	0.57%	1706	2.88%
Highland County	6	2,547,600.00	2.55%	4965	8.37%
Loudoun County	10	15,531,000.00	15.53%	1484	2.50%
Nelson County	5	466,658.00	0.47%	613	1.03%
Orange County	10	4,011,969.00	4.01%	2574	4.34%
Rappahannock County	8	2,353,200.00	2.35%	1114	1.88%
Rockbridge County	24	5,165,200.00	5.17%	5118	8.63%
Wythe County	7	1,264,000.00	1.26%	1553	2.62%
Subtotal	182	70,515,595.00	70.51%	40,938	69.00%
Other*	72	29,484,405.00	29.49%	18,393	31.00%
Total	254	100,000,000.00	100%	59,331	100%

* Note: Localities containing less than five donations were: The Counties of Amelia, Amherst, Appomattox, Buckingham, Carroll, Charlotte, Dinwiddie, Floyd, Fluvanna, Frederick, Giles, Goochland, Greene, Hanover, Henry, James City, King and Queen, King George, King William, Louisa, Madison, Middlesex, Montgomery, Northampton, Northumberland, Page, Patrick, Powhatan, Prince William, Pulaski, Richmond, Roanoke, Rockingham, Shenandoah, Stafford, Surry, Sussex, Tazewell, Warren, and Wythe and the Cities of Chesapeake, Roanoke, and Hopewell.

Of the eight conservation purposes (projects may claim multiple purposes), approximately 25% or 38,676 acres were in the Scenic Open Space category (Table 4). Forestal Use (26,715 acres) and Agricultural Use (25,423 acres) were the next two prominent categories each with approximately 17%. The remaining categories in rank order were Watershed Preservation, Natural Habitat and Biological Diversity, Lands Designated by a Local Government, Historic Preservation, and Natural Resource Based Outdoor Education and Recreation.

Table 4: Acreages of Land Preserved by Conservation Value

Locality	Agric. Use	Forestal Use	Natural Habitat and Biological Diversity	Historic Preserv.	Watershed Preserv.	Preserv. of Scenic Open Space	Natural-Resource Based Outdoor Education and Recreation	Conservation of Open Space Lands Designated by Local Government
Accomack County	252	178	686	12	793	286	0	846
Albemarle County	2,386	1,587	567	2	882	2,914	0	1,023
Amelia County	0	667	0	0	672	672	0	0
Amherst County	668	885	1,149	0	1,358	1,162	0	724
Appomattox County	174	15	15	0	189	90	0	189
Augusta County	2,018	637	255	309	1,025	1,327	0	578
Bath County	442	942	1,678	61	435	1,569	0	0
Bedford County	340	461	161	0	161	829	0	829
Botetourt County	1,427	1,014	263	6	1,404	1,635	0	497
Buckingham County	108	108	108	0	108	108	0	0
Carroll County	428	225	0	0	0	320	0	153
Charlotte County	420	610	760	379	674	429	0	379
City of Chesapeake	62	20	62	0	62	62	0	62
City of Roanoke	114	0	0	10	0	116	0	0
Clarke County	903	310	302	601	709	923	0	84
Culpeper County	715	38	0	0	784	964	0	0
Dinwiddie County	40	67	0	0	0	0	0	117
Essex County	392	662	412	0	1,038	190	0	0
Fauquier County	1,826	569	362	51	882	2,736	146	1,565
Floyd County	570	370	200	0	0	420	0	0
Fluvanna County	28	70	164	3	111	148	0	108
Franklin County	178	1,247	368	0	125	1,397	0	518
Frederick County	209	209	0	0	209	209	0	0
Giles County	50	300	200	0	75	340	0	0
Goochland County	72	0	57	0	117	174	0	0
Grayson County	235	1,164	1,177	0	967	1,210	3	284

Greene County	419	345	99	0	99	453	0	140
Halifax County	479	1,309	692	0	1,373	573	0	542
Hanover County	756	406	0	10	96	446	0	96
Henry County	359	359	359	0	0	359	0	0
Highland County	405	4074	3,338	100	2,682	4,227	0	1773
Hopewell	0	23	0	0	23	23	23	0
James City County	36	189	60	400	0	0	0	0
King and Queen County	368	368	368	0	368	368	0	0
King George County	3	97	97	0	100	100	0	0
King William County	0	0	0	0	0	0	0	1
Loudoun County	819	644	0	72	256	1,187	0	48
Louisa County	342	600	0	0	0	274	0	0
Madison County	90	0	0	0	0	256	0	0
Middlesex County	72	89	0	172	85	327	0	0
Montgomery County	113	113	113	0	0	113	0	144
Nelson County	0	275	275	24	275	121	24	482
Northampton County	239	159	123	20	16	373	0	400
Northumberland County	31	96	0	127	0	127	0	0
Orange County	1,800	816	765	814	481	1,455	235	160
Page County	472	0	0	220	492	492	0	0
Patrick County	46	47	0	0	0	93	0	0
Powhatan County	54	93	51	0	51	0	0	54
Prince William County	50	200	268	0	268	268	268	268
Pulaski County	79	0	0	0	0	0	0	0
Rappahannock County	775	290	25	0	184	1,113	0	0
Richmond County	29	0	25	0	54	0		54
Roanoke County	0	0	605	0	590	605	15	0
Rockbridge County	1,843	1,470	923	0	1,439	3,697	0	2,272
Rockingham County	125	187	257	0	257	249	0	224
Shenandoah County	26	46	73	1	6	26	0	0
Stafford County	0	20	20	0	20	20	0	0
Surry County	134	83	0	3	0	220	0	0
Sussex County	124	1,141	1,275	0	139	0	0	0
Tazewell County	147	63	0	0	6	216	0	0
Warren County	358	100	158	158	458	458	0	300
Wythe County	773	658	497	0	167	207	0	0
Totals State Wide	25,423	26,715	19,412	3,555	22,765	38,676	714	14,914
Percentages	16.71	17.56	12.76	2.34	14.96	25.42	0.47	9.80

Background on the Development of the Criteria

Although the statute exempted the development of the criteria from the Administrative Process Act, it stipulated that adequate public participation should be provided. To that end, the VLCF Board, at its August 9, 2006, meeting, appointed a subcommittee that held two work sessions on September 8 and October 3, 2006. Upon completion of a draft by the subcommittee,

Secretary of Natural Resources L. Preston Bryant, Jr. as VLCF Chairman, authorized a 30-day public comment period for the Conservation Value Review Criteria that ended on November 10, 2006. During that period, four public meetings were held across the state to receive comment: two meetings were held in Charlottesville on October 18, 2006; one meeting was held in Richmond on November 1, 2006; and the fourth meeting was held in Blacksburg on November 2, 2006. Approximately 30 individuals offered comments at the four meetings, and 38 written comments also were received during the comment period from various stakeholders including conservation and historic organizations, local governments, professional or industry associations, individual landowners, tax consultants, elected officials, and state agencies.

As a result of the public comments received, significant revisions to the earlier draft criteria were made and presented to the VLCF Board for consideration at their November 21, 2006 meeting, at which time the Board amended and adopted the criteria. The final criteria adopted by the Board garnered the support of a wide range of interests from across the Commonwealth as a reasonable and balanced approach to achieving greater accountability and ensuring that donations are serving conservation purposes.

Upon passage of the criteria, DCR worked with the Department of Taxation to complete the development of tax forms and instructions and implemented an MOU between the two agencies and developed a procedures document for the review of tax credit applications. DCR hired a land conservation analyst within DCR's Office of Land Conservation to perform the required tax credit assessments.

From the beginning, DCR had expected that the Land Preservation Tax Credit Review Criteria would need to be revised in an iterative process that responded to issues and questions raised by the projects being reviewed. At the August 7, 2008 Board meeting, the Board approved a set of amendments to the criteria that incorporated guidance decisions made over the first year of the program (Appendix A). These changes were considered non-controversial and technical in nature and were widely supported by the interested public. The Board recognizing that additional changes to the criteria might be warranted, charged DCR with assembling a stakeholders' committee to discuss additional clarifications and modifications to the criteria that would benefit from group discussions. Two meetings of this stakeholder group were held during the Fall of 2008 and the draft criteria were released in late 2008 and early 2009 for public comment. It is expected

that the Board will consider additional recommendations for criteria amendments at a future meeting in 2009.

STATUS OF LAND CONSERVATION IN VIRGINIA

Land Conservation Status Summary

The Conservation Lands Database reports that as of June 30, 2008, a total of 3,480,807.25 acres across Virginia have been preserved by federal, state, and local governments and private conservation organizations (Table 5). This indicates that about 13.77 percent of the Commonwealth's total land is currently protected. In Virginia's portion of the Chesapeake Bay Watershed, a total of 2,476,096.83 acres of land or about 17.90 percent has been protected. (Approximately 60 percent of Virginia geographically lies in the Bay watershed.)

Meeting Virginia's land conservation targets will be challenging. The 20% Bay goal requires the conservation of 290,281.17 acres by 2010 or 145,141 acres per year between FY09 – FY10 (2 years). To protect 15% of land statewide acres by 2014 will require the conservation of 309,692.75 or 51,615 acres per year between FY09 – FY14 (6 years). At the current annual preservation rates (Table 6), we would protect 15% statewide by 2014 but we will fall short on the Bay goal by 2010. We will have to more than triple our annual preservation rate in the Bay watershed to reach the goal.

Table 5: Land Preservation Statistics in Virginia (June 30, 2008)

Group Holding the Property or Easement	Amount of Land preserved Statewide (Acres)	Percentage Represented by Holdings	Amount of Land preserved in Virginia's portion of the Chesapeake Bay Watershed (Acres)	Percentage Represented by Holdings	Amount of Land preserved in Virginia's Non-Bay portion (Acres)	Percentage Represented by Holdings
Federal	2,321,055.42	66.68	1,659,304.14	67.01	661,751.29	65.86
State	876,805.04	25.19	652,087.70	26.34	224,717.34	22.37
Local	125,103.44	3.59	106,371.02	4.30	18,732.42	1.86
Private/Non-profit	157,843.35	4.53	58,333.98	2.36	99,509.37	9.90
Total Protected	3,480,807.25	100.00	2,476,096.83	100.00	1,004,710.42	100.00
Total Acreage	25,270,000		13,831,890		11,438,110	
Percent Protected	<u>13.77</u>		<u>17.90</u>		<u>8.78</u>	
Target Remainder (20% Bay Goal = 2,766,378 acres)			290,281.17			
Target Remainder (15% Statewide Target = 3,790,500 acres)	309,692.75					

Table 6: Current Annual Protection Trends

Year	Statewide (acreage)	Bay (acreage)	Non-Bay (acreage)
2001	34,996.10	30,017.56	4,978.54
2002	50,008.65	36,150.39	13,858.25
2003	46,317.81	37,837.58	8,480.23
2004	59,831.98	33,571.76	26,260.22
2005	43,962.65	35,345.06	8,617.59
2006	67,328.49	52,037.38	15,291.11
2007	94,434.59	68,913.99	25,520.61
2008	89,315.52	56,676.51	32,639.02
Total	486,195.80	350,550.23	135,645.57
Average annual acreage Protected	60,774.47	43,818.78	16,955.70
Acreage needed to reach the Chesapeake Bay goal		290,281.17	

Governor Kaine's 400,000-acre Land Preservation Goal

In April 2006, Governor Kaine announced an ambitious goal, to preserve an additional 400,000 acres in Virginia by the end of the decade. Those additional acres encompass and extend a commitment made by Virginia and its Bay partner states in 2000 to protect 20% of the lands in the Chesapeake Bay Watershed by 2010. The 400,000-acre goal is based on both achieving the

Chesapeake Bay commitment and in advancing important land preservation in Virginia's southern river watersheds.

When he announced the additional 400,000-acre goal, the Governor noted that “[w]ith every passing day, land is becoming more expensive and scarcer. I will set and meet this preservation goal during my term – not just because it’s the right thing to do – I will do it because if I don’t, the opportunity to do it will not be there for future governors and future Virginians”. In his speech, the Governor also noted that to accomplish the goal, he would “rely heavily upon the open space protection tools that have served Virginia well: our land preservation tax credit and the Virginia Land Conservation Foundation”.

The Governor also recognized that preservation was needed as part of a balanced land use strategy. He noted that “[o]f all the development that has occurred in the last 400 years, more than a quarter of it has taken place in the last 15 years”. The Governor also noted that “Virginia will develop more land in the next 40 years than we have in the last 400 years”.

Progress towards the Governor’s goal has been steady. In FY07, the Commonwealth preserved 94,201.09 acres towards the goal, and another 89,283.23 acres were protected in FY08. A total of 280,501 acres had been preserved towards the goal by November 30, 2008, leaving a balance of 119,499 acres to be conserved before the end of the Governor’s term. A thermometer is maintained on the Department of Conservation and Recreation’s land conservation website to chart monthly progress towards the goal.

Virginia’s United Land Trusts (VaULT)

Virginia’s United Land Trusts (VaULT) was organized in 2000 to address the growing interest and number of organizations involved in land conservation. It represents about 30 private land conservation organizations in Virginia. The group’s goals are:

- to promote land conservation efforts statewide;
- to create or build land trust capacity;
- to foster greater coordination and communication between land trusts in Virginia;

- to coordinate private land conservation efforts with those of public sector agencies thus better enabling effective statewide conservation planning and green infrastructure promotion; and
- to promote high professional standards for land trusts in Virginia.

VaULT sponsored two statewide land trust conferences in 2007 and 2008, and is planning a third conference for 2009. At both of the first two conferences, more than 100 people gathered in Staunton, Virginia, for two days of educational sessions and keynote speakers. At the 2008 conference, Governor Tim Kaine gave the keynote address, voicing his continuing support for land conservation and discussing progress toward achieving and potentially surpassing his ambitious goal of conserving 400,000 acres of farms, forests, and open space by 2010.

Virginia Office of Land Conservation

The Virginia Department of Conservation and Recreation's Office of Land Conservation was established to serve as a statewide, central contact, repository and clearinghouse for land conservation in Virginia. The Office provides guidance on how to protect land and on who may best help an interested individual with their land conservation needs. The Office of Land Conservation facilitates cooperative ventures, provides technical assistance, and conducts or sponsors workshops and training events. The Office also serves as an important source of information for potential applicants both preceding and following each grant round.

The Office's land conservation website, at http://www.dcr.virginia.gov/land_conservation/, includes a wide variety of land conservation materials and contact information that provide land conservationists and managers with important land conservation planning tools. The site was recently updated. The Office has produced a brochure on Land Conservation in Virginia, which provides an overview of conservation options. Another brochure entitled "Assistance from Virginia State Agencies for Land Conservation" also is available on the site or in hard copy from the Office of Land Conservation. The brochure provides a listing of resource conservation offerings available from the Virginia Department of Conservation and Recreation, the Virginia Outdoors Foundation, the Virginia Department of Forestry, the Virginia Department of Agriculture and Consumer Services, the Virginia Department of Game and Inland Fisheries, and the Virginia Department of Historic Resources. An additional brochure, developed in 2005 and updated in

December 2006, provides a summary of tax benefits for land conservation in Virginia. Informational documents regarding the land preservation tax credit conservation valuation process have also been developed.

The Office also worked with the conservation community in the development of standard model conservation easement language, to assist easement drafters in crafting protective language for various conservation resources. Template language has been developed to address the conservation of agricultural resources, historic resources, natural heritage resources, open space/ scenic resources, recreation/ public access/ trails, water quality, and wildlife habitat. That model language can be found online at http://www.dcr.virginia.gov/land_conservation/documents/lcsampease.pdf.

The Department of Conservation and Recreation developed the Commonwealth's first comprehensive, continually maintained mapping tool for Virginia's protected conservation lands, which can be found on the Office of Land Conservation's website. This user-friendly conservation lands Internet portal combines layers of information about a specific conserved location to give a better understanding of that place. The "Conservation Lands Database" includes land owned by federal, state, regional, interstate and local governments, conserved lands owned by nonprofit groups, and conservation easements held by various groups and land trusts around the state. State resource agencies, universities, land trusts, and regional and local government have found this tool invaluable for environmental, recreation, and conservation planning. This important land conservation planning tool, which is regularly updated, can be accessed by going to DCR's website at http://www.dcr.virginia.gov/land_conservation/ and clicking on 'land conservation,' or by accessing it directly at http://www.dcr.virginia.gov/land_conservation/tools02a.shtml.

Beginning January 1, 2007, the Office of Land Conservation also became responsible for verifying the conservation value of donated land or conservation easements or other less-than-fee interests in land that result in tax-credit applications for \$1 million or more. The Department's recommendations are forwarded to the Department of Taxation. A report concerning the conservation value of all tax credits claimed during January 1, 2007 through December 31, 2008 is included within this report.

The Office of Land Conservation has additionally been providing education support for the Governor's 400,000-acre land preservation goal. Office staff provided assistance to Virginia's United Land Trusts (VaULT) in organizing and coordinating workshops and speakers for the group's first two annual conferences in June, 2007 and May, 2008. Staff also worked in partnership with the organizers of the Environment Virginia conference at Virginia Military Institute to coordinate workshops on land conservation issues in both 2007 and 2008.

DCR's Office of Land Conservation organized the Governor's Forum on Land Conservation in Southern Virginia, which was held at The Prizery in South Boston on December 11, 2007. More than 200 landowners, elected officials, attorneys, and citizens attended the day-long conference, which featured Governor Tim Kaine and Ward Burton, NASCAR driver and president of the Ward Burton Wildlife Foundation, as keynote speakers. An array of speakers also provided information on the benefits of land conservation and the tools and incentives available to accomplish it, along with examples from other parts of the Commonwealth of how landowners and land trusts worked together to protect their regions' resources.

DCR's Office of Land Conservation also organized two continuing legal education seminars in 2008, the first in Charlottesville on May 30, 2008, in conjunction with the Virginia Outdoors Foundation, and the second in Fredericksburg on September 23, 2008, in conjunction with the Northern Neck Land Conservancy and the Essex County Countryside Alliance.

In 2008, the Department of Conservation and Recreation began facilitating meetings of representatives from three military bases (Marine Corps Base Quantico, Fort A.P. Hill, and Naval Surface Warfare Center Dahlgren), surrounding counties, and nonprofit conservation organizations that work in the Northern Virginia region. In the three meetings held during 2008, participants began exploring ways to find common interests that would enable the bases, localities, and organizations to work together in protecting compatible buffer lands around the various bases in the northeastern quadrant of Virginia. As a result of these productive discussions, the Northern Virginia Regional Land Conservation Forum will continue into 2009.

STATUS OF VIRGINIA LAND CONSERVATION FOUNDATION GRANTS

Competitive Grant Awards (December 1, 1999 Grant Round)

The Foundation Board made grants from the FY 2000 \$1.75 million dollar appropriation on December 1, 1999. Twenty applications totaling \$5.8 million were received. The Foundation awarded \$1,688,842 in competitive grant funds to 11 projects to conserve 1,267 acres and earmarked funds for a 12th project, the Big Survey (Table 7). Of the FY1999-2000 grants awarded, the Foundation actually paid \$1,323,969 in competitive grant funds to 8 projects conserving 1,136.87 acres. **All grants from this grant round have now been closed.** In addition to the 8 grant projects that were completed, \$29,430 was awarded to the Department of Game and Inland Fisheries to reimburse them for expenses associated with the purchase of The Big Survey. Three projects originally awarded funds were withdrawn and funds were reverted to the General Fund during budget reductions. From the balance of remaining funds from this appropriation, \$22,188 was carried forward to the FY05 grant round, thus zeroing out any remaining balances.

Table 7: FY1999-2000 Competitive Grant Awards

Project Title	Cong. District	Grant Award	Estimated Acres	Project Closing Date	Final Payment	Final Acres
		(Dollars)			(Dollars)	
Open Space						
McAfee Knob Carter Land	6	43,800	72	09-2000	43,800	72.00
Powhatan Creek Program	1	250,000	48	WITHDRAWN	250,000 Reverted to GF – budget reduction	
Indian River Park Acquisition	4	100,000	108	06-2001	100,000	90.00
Natural Areas						
Powers Tract, NW River Watershed	4	286,000	187	05-2003	286,000	172.27
Hickory Hollow Nature Trail	1	150,012	225	07-2000	150,012	254.00
Cultural and Historic						
Fort Christanna Preservation Project	5	50,975	34	WITHDRAWN	50,000 Reverted to GF – budget reduction	
Purchase of the Embrey Farm	1	225,000	30	01-2001	225,000	11.60
*Talbot Farm Cons. Easement	10	76,350	25	01-2001	76,350	25.00
Palmyra Lock & Mill Site	5	6,200	5	03-2002	5,557	5.00
James River Kanawha Canal Park Expansion	6	13,255	3	WITHDRAWN	13,255 Reverted to GF – budget reduction	
*Welbourne Farm Easement	10	50,000	530	02-2001	50,000	507.00
Agricultural and Forestal						
*Welbourne Farm Easement	10	258,250	above	02-2001	258,250	above
Indian River Park Acquisition	4	100,000	above	06-2001	100,000	above
Hickory Hollow Nature Trail	1	29,000	above	07-2000	29,000	above
Project Expense Subtotal			1,267		1,323,969	1,136.87
The Big Survey	9	50,000		08-2003	29,430	
Totals		\$1,688,842			1,353,399	
* Denotes Acquisition By Easement						

Civil War Battlefield Grant Awards FY 2000-2001

Chapter 1073 of the 2000 Virginia Acts of Assembly, § 1-104. Department of Conservation and Recreation (199), Item 410, Note J1, Page 329 noted that “[o]ut of the amount for Preservation of Open-Space Lands \$3,400,000 the first year from the general fund shall be transferred to the Virginia Land Conservation Fund (§ 10.1-1020, Code of Virginia). From this deposit, the Virginia Land Conservation Foundation shall make grants to private non-profit organizations as a match for federal Land and Water Conservation Fund monies for acquisitions at four threatened Civil War battlefields. From the deposit to the Virginia Land Conservation Fund, \$2,100,000 is for acquisitions at the Brandy Station battlefield, \$250,000 is for acquisitions at the Cedar Creek battlefield, \$350,000 is for acquisitions at the Kernstown battlefield, and \$700,000 is for acquisitions at the Third Winchester (Opequon) battlefield. The Department of Historic Resources shall work in conjunction with the Virginia Land Conservation Foundation and private nonprofit organizations in securing the acquisition of the battlefields.”

A total of \$3,382,004 dollars from the Virginia Land Conservation Foundation was used to make grants to private non-profit organizations as a match for Land and Water Conservation Fund monies (Table 8). The Land and Water Conservation Fund Grants under the American Battlefield Protection Program for Civil War Battlefield Land Acquisition, awarded by the National Park Service, were for land acquisition of threatened Civil War Battlefields. The Virginia funds were used as a portion of the required match for the acquisition of four threatened Civil War Battlefields, Brandy Station (570 acres), Cedar Creek (150 acres), Kernstown (315 acres), and Third Winchester Battlefield (222 acres). In summary, 1,257 acres of battlefield were preserved through the expenditure of \$3,382,004.92.

Table 8: FY2000-2001 Civil War Battlefield Grant Awards

Battlefield Projects					
Project Title	Grant Award (Dollars)	Acres	Project Closing Date	Final Payment (Dollars)	Final Acres
Brandy Station	2,100,000	570	12-2000	2,100,000.00	570
Third Winchester	700,000	222	08-2000	700,000.00	222
Kernstown	350,000	315	09-2000	350,000.00	315
Cedar Creek	250,000	150	10-2000	232,004.92	150
Totals	\$3,400,000	1,257		3,382,004.92	1,257

Competitive Grant Awards (January 4, 2001 Grant Round)

On January 4, 2001, the Foundation's Board of Trustees considered 41 applications totaling \$11.2 million in requested funds. With the help of the Interagency Task Force, the Foundation Board reviewed the grant applications and awarded 19 grants for a total of \$3,919,695 for 3,302 acres (Table 9). **All of these grant projects have now been closed out.** In total, \$3,730,783 was expended on 18 grants that protected 2,764.55 acres. One project, Garden Creek was withdrawn and the funds from this appropriation, \$155,000 was carried forward to the FY09 grant round. Other funds remaining after project closure were allocated as follows: Waid Recreation Area (\$32,858) to FY05; and The Meadow (\$1,054) to FY07.

Table 9: Competitive Grant Awards (January 4, 2001 Grant Round)

Project Title	Cong. District	Grant Award (Dollars)	Estimated Acres	Project Closing Date	Final Payment (Dollars)	Final Project Acres	Final Match Acres
Open Space							
Waid Recreation Area	5	126,255	134	10-2003	93,397	134.00	0
Mary B. Stratton Estate	7	75,000	154	06-2006	75,000	167.00	0
Whitt- Riverbend Park	9	110,000	28	09-2001	110,000	28.00	0
*Fairfax Cross County Trail	10**	30,000	3	01-2006	30,000	0.55	0
Keister Park	6	306,575	151	09-2002	306,575	151.00	0
Jamison's Cove Marina	1	245,955	2	05-2001	245,955	2.00	0
Williams Wharf	1	36,300	1	12-2004	36,300	0.40	0
*Yorktown Beach Trail	1	117,500	2	04-2004	117,500	1.60	0
Natural Areas							
Garden Creek	1	155,000	623	WITHDRAWN	0	0	0
Clinch River	9	196,640	458	04-2002	196,640	458.00	0
Oak Hickory Forest	10	729,250	180	02-2004	729,250	226.00	0
Cultural and Historic							
*North Meadow/ Carr Property	10	187,042	125	06-2002	187,042	125.00	0
Chancellorsville Battlefield	1	150,000	11	11-2001	150,000	11.00	0
Buhrman (Malvern Hill)	3	300,000	245	04-2001	300,000	245.00	0
Totopotomoy Battlefield	7	323,000	124	03-2001	323,000	124.00	0
Agricultural and Forestal							
*Brush Creek Farm	9	72,747	94	05-2001	72,747	94.00	0
*Elgin Dairy Farm	10	317,000	314	08-2001	317,000	314.00	0
*The Meadow	1	359,625	535	11-2004	358,571	535.00	0
*Leonard Farm	9	81,806	118	04-2002	81,806	148.00	0
Totals		\$3,919,695	3,302		\$3,730,783	2,764.55	0
• Denotes Acquisition by Easement * • Originally this project contained 3 easements in Congressional District 10 and one in 11; project modified to be one parcel in Congressional District 10 **							

Competitive Grant Awards (June 7, 2005 Grant Round)

On June 7, 2005, the Foundation's Board of Trustees considered 23 applications totaling over \$6.2 million in requested funds. With the help of the Interagency Task Force, the Foundation Board reviewed the grant applications and awarded 12 grants for a total of \$3,027,665 for 6,587 acres. **All of these grant projects have now been closed out (Table 10).** In total, \$2,686,872.67 was expended on 11 grants that protected 6,552.80 acres. One project, Cedar Creek Bluff was withdrawn and the funds from this appropriation, \$244,793.50 was carried forward to the FY09 grant round. Funds remaining after project closure were allocated as follows: Gilvary Forest (\$12,528) to FY07; Brandy Station (\$75,714.83) to FY07; and Black Farm (\$7,756) to FY07.

Table 10: Competitive Grant Awards (June 7, 2005 Grant Round)

Project Title	Cong. District	Grant Award (Dollars)	Estimated Acres	Project Closing Date	Final Payment (Dollars)	Final Project Acres	Final Match Acres
Open Space							
*Cedar Creek Bluff	6	244,793.50	117	WITHDRAWN	0	0	0
*Mount Pleasant Farm	6	100,000.00	106	07-2006	100,000.00	106.80	0
Fray Tract	7	190,500.00	550	08-2006	190,500.00	624.00	0
Fairview Park Acquisition	6	250,000.00	23	03-2006	250,000.00	23.00	0
Trevilian Station – Riveroak	7	19,375.00	938	02-2006	19,375.00	938.00	0
Natural Areas							
Marks and Jacks Islands	2	500,000.00	2,000	08-2005	500,000.00	2,000.00	0
*Gilvary Forest	9	224,130.00	225	08-2006	211,602.00	233.00	0
Historic Resources							
Fishers Hill	6	212,408.50	25	12-2007	212,408.50	25.00	0
Brandy Station	7	362,400.00	19	12-2005	286,685.17	19.00	0
Trevilian Station – Riveroak	7	180,625.00	See above	02-2006	180,625.00	See above	See above
Agricultural and Forestal							
*Port Tobacco	1	258,000.00	1,803	08-2008	258,000.00**	1,803.00	0
*Black Farms Property	2	400,000.00	222	12-2006	392,244.00	222.00	0
*Page Project (PDR)	5	85,433.00	559	08-2006	85,433.00	559.00	0
Totals		\$3,027,665.00	6,587		\$2,686,872.67	6,552.80	0
* Denotes Acquisition by Easement ** Project has closed but VOF has not yet requested reimbursement payment							

Competitive Grant Awards (December 1, 2005 Grant Round)

On December 1, 2005, the Foundation's Board of Trustees considered 52 applications totaling over \$30.8 million in requested funds. The Foundation awarded funds to 22 projects for a total of \$9,717,411.00 (Table 11). For the 22 projects, total costs in this round were \$53,520,696.

The December 1, 2005 Grant Round project summaries are as follows:

1. Jamestown Campground & Yacht Basin - James City County Development Management:

A grant was awarded to assist in the purchase of the 112-acre Jamestown Campground. The waterfront property surrounds the historic and cultural resources at Historic Jamestowne on Jamestown Island and the Jamestown Settlement. It is the last group of privately owned undeveloped parcels in the Jamestown area. Note that portions of the project area outside of the grant area may or may not remain under direct county ownership and control; they may be leased or sold with tight deed restrictions or leased with strict terms and conditions to ensure the properties remain in recreational, open space or other compatible uses. **Total Project Cost: \$6,750,000.** The VLCF Grant was matched with \$6,000,000 (\$3,000,000 cash, \$3,000,000 anticipated NOAA CECLP). **CLOSED - Grant Payment: \$750,000.**

2. Rappahannock Station Park - Piedmont Environmental Council: VLCF funding was awarded to aid in preserving a Civil War Battlefield as part of a new 26-acre riverfront park. The new park will provide the only public access to the Rappahannock River in Fauquier County. Planned park activities include historic exploration, boating, fishing and wildlife viewing. The Town of Remington, a recently listed site on the Virginia Landmarks Register and the National Register of Historic Places, borders the site on the North. **Total Project Cost: \$1,552,211.** The VLCF Grant will be matched with \$939,200 (mix of public and private sources, cash, donated land value and anticipated American Battlefield Protection Funds). **Grant Award: \$200,000.**

3. Altavista/English Area Park Project - Campbell County Recreation Department: Campbell County was awarded funding to assist in purchasing 146 acres, located on the Scenic Staunton River, for development into a public park. The property is adjacent to the Staunton Riverfront Park. Acquisition will lead to the preservation of a total of 167 acres along the Scenic River and will provide picnic shelters, boat ramps and walking trails. **Total Project Cost: \$153,523.** The County will match the grant with cash. **Grant Award: \$75,000.**

4. Paradise Creek Eco-Park - The Elizabeth River Project: Grant funds were awarded to acquire 18.5 acres along Paradise Creek in the City of Portsmouth for the creation of a 40-acre urban public park. The proposed park site is the last large area of open space available for park development along Paradise Creek and will provide the only public access point to the creek. Canoe and kayak launching, trails, and picnic shelters will be made available for public use and 650 linear feet of shoreline will be protected. **Total Project Cost: \$1,124,707.** The VLCF Grant was matched with \$624,707 (land donations \$390,000, bargain sale \$234,707). **CLOSED - Grant Payment: \$500,000.**

5. Open Space Acquisition Project - Town of Chincoteague: Funds were awarded to help acquire 75 acres of forest/wetlands and 2 acres of waterfront. The property includes a parcel on

which the Town has created a trail using funds from the Virginia Recreational Trail Program. Changes in permitting process for sewage disposal in the Town has resulted in a rapid growth in the sale of properties proposed for development. Increasing development in the area has caused the Town Council to make conservation of open space one of its top priorities. **Total Project Cost: \$1,867,950.** The VLCF Grant was matched with \$1,367,950 (cash \$927,950, land donation \$440,000). **CLOSED - Grant Payment: \$500,000.**

6. Tobacco Heritage Trail Phase II Land Acquisition - Roanoke River Rails-to-Trails: VLCF funding was awarded to acquire a 20-mile segment of the former Richmond & Danville Railroad in Halifax County. A portion of the segment (13 miles) will be for open-space conservation purposes and will not have public use at this time. **Total Project Cost: \$1,117,675.** The VLCF Grant will be matched with \$731,000 (land donation of former NF&D RR property acquired using \$750,000 of legislatively appropriated funds). **VLCF Request: \$729,100 for Phases II and III. Grant Award: \$386,375 for Phase II.**

7. Huntsberry Farm Project - Shenandoah Valley Battlefields Foundation: A grant was awarded to purchase in fee the 247-acre property, which is the last large unprotected farm in Winchester's Civil War Battlefields and was at the center of the Battle of Third Winchester fought in September 1864. The property, located within the Shenandoah Valley Battlefields National Historic District established by Congress, is surrounded by land already protected by the Battlefields Foundation and other partners. The property is currently under contract for \$5 million to a developer, subject to a change in the Frederick County Comprehensive Plan for rezoning to accommodate higher-density residential use. The Battlefields Foundation proposes to conduct a cultural landscape report and archaeological field study in order to catalog the resources on the property and to develop a plan to stabilize and protect those resources. The Battlefields Foundation has an option to purchase the property for \$3.7 million by July 2006. **Total Project Cost: \$3,743,300.** The VLCF Grant will be matched with \$2,098,650 in cash. **The VLCF request: \$1,644,650. Grant Award: \$1,000,000.**

8. Hutchinson Farm/South Lot Project - Waterford Foundation, Inc.: A grant was awarded to place an easement on a 25-acre parcel, currently pastureland, within the Waterford National Historic Landmark District. The easement would reduce the allowable density on this parcel from eight homes to one, thus preserving the important agricultural character of Waterford's setting. **Total Project Cost: \$292,975.** The VLCF will be matched with \$146,500 in cash. **CLOSED – Grant Payment: \$135,000.**

9. Lick Run Civil War Battlefield - Civil War Preservation Trust: A grant was awarded to assist in the purchase of 134 acres, known as 'Lick Run,' of core battlefield at Chancellorsville in Spotsylvania County. Listed as a Priority I.2 Class A Battlefield by the Civil War Sites Advisory Commission, the land has been recently purchased for residential development. The Civil War Preservation Trust and the developer have agreed to a purchase price of \$3 million for the property. The Trust plans to open the property for public visitation, and to install a series of interpretive trails and signage. **Total Project Cost: \$3,000,000.** The VLCF grant was matched with \$635,000 in cash. **CLOSED - Grant Payment: \$500,000.**

10. Kelly's Ford Battlefield Overlook Park - Brandy Station Foundation: A grant was awarded to help fund the fee simple acquisition of 8 acres of land buffering Kelly's Ford, which is currently advertised for residential development. The Ford has been an important crossing on the Rappahannock River throughout history, and is particularly significant for its role in the Battle of

Brandy Station. The Brandy Station Foundation plans on conducting an initial site evaluation and developing a long-term management plan, based on the findings. Ultimately, the property would be open to the public, with signage, interpretive displays, and walking paths. **Total Project Cost: \$178,000.** The VLCF grant will be matched with \$103,000 in cash. **Grant Award: \$75,000.** **CLOSED – Grant payment: \$68,315.**

11. Kippax Plantation - The Archaeological Conservancy: This grant award will assist in the fee simple purchase of 9.27 acres known as the Kippax Plantation in Hopewell, Virginia. Built along the Occaneechi Trail trade route, the property served as a primary location for the exchange of goods between early European settlers and Native Americans in the 17th Century. Five separate structures with excellent archaeological integrity have been identified on the property. The property will be made available for research by qualified individuals, educational opportunities, heritage tourism, and for use by American Indians and other culturally related groups. **Total Project Cost: \$410,000.** The VLCF grant was matched with \$205,000 in cash. **CLOSED - Grant Payment: \$205,000.**

12. Four Mile Tree - The Virginia Outdoors Foundation: A grant award was made for the purchase of an easement on a 306-acre parcel known as Four Mile Tree. The easement would protect 3,800 feet of James River frontage, open and forested land, bald eagle nest and habitat, 18th Century Manor House, early smokehouse, walled family cemetery, and archaeological resources. **Total Project Cost: \$1,012,165.** The VLCF grant will be matched with \$614,015, including a \$315,850 land donation, \$257,165 in funding from the Open Space Lands Preservation Trust, and \$5,000 in cash. **CLOSED – Grant Payment: \$500,000.**

13. George Property - Fauquier County PDR Program: An award was made for the preservation of the Rebecca George farm which consists of 274.46 acres, including 52 acres of prime farmland and 5 acres of statewide important soil. The farm supports two farming operations/families, as the owner leases 141 acres to an area dairy farmer for growing corn and hay and raises beef cattle on the remaining open land as well as harvesting timber. Preserving the property would act to preserve the Elk Run stream corridor, as over 2/3 of a mile is stream frontage. Elk Run drains into the Cedar Run watershed, which provides public drinking water supplies for the Town of Warrenton and large portions of Fauquier and Prince William Counties. An easement on this farm would provide a contiguous block of 1,175 acres of permanently protected farmland and encourage other farm owners in the vicinity to consider the PDR program. **Total Project Cost: \$427,000.** The VLCF Grant will be matched with \$213,500 from the Fauquier County PDR Program. **CLOSED – Grant Payment: \$213,500.**

14. Oaken Brow Conservation Easement - The Nature Conservancy: An award was made for the purchase of an easement at Oaken Brow in King George County, which consists of 589 acres, including 375 acres of highly productive cropland, which also includes 255 of prime (soil) farmland. In addition, 180 acres is wetland forests and marshland. This is a full time, working family farm raising spinach and other high-value vegetables on irrigated land. Preservation of this property is important in preserving vegetated buffers along Gingoteague Creek and the Rappahannock River. **Total Project Cost: \$1,200,000.** The VLCF Grant will be matched by as-yet unacquired funds from the federal Farm and Ranchlands Protection Program. **Grant Award: \$600,000. WITHDRAWN - Grant Payment: \$0.**

15. Meadow Grove Property - Piedmont Environmental Council: A grant award was made to preserve the Massie Family Farm (Meadow Grove Farm) in Rappahannock County, consisting of

300 acres, including 78 acres of prime (soil) farm land and 48 acres of statewide-important land, raising 200 head of livestock and growing feed for livestock. This is a sixth-generation farm of local importance on the scenic corridor of the Shenandoah National Park and would protect at least one mile of Battle Run, a tributary within the Rappahannock River watershed. The farm is eligible for inclusion in the Virginia Landmarks Register and the National Register of Historic Places.

Total Project Cost: \$805,300. The VLCF Grant was matched in several ways: cash, bargain sale/donation, the County's Farmland Preservation Program, and by as-yet unacquired funds from the Open Space Preservation Trust Fund. **CLOSED - Grant Payment: \$300,000.**

16. Conservation Corridor Initiative - Friends of Dragon Run: Grant funds were awarded to purchase 164 acres of land in the riparian corridor of Dragon Run adjacent to 250 acres of previously protected land. The property has 35 acres of bald cypress swamp, 129 acres of timberland, and 4,700 linear feet of high-quality forested buffer along the main channel and a small tributary. FODR will manage the lands in cooperation with the Virginia Department of Conservation and Recreation and the Department of Forestry. **Total Project Cost: \$574,900.** The VLCF Grant was matched from The Nature Conservancy bargain sale, Friends of the Dragon Run Capital campaign, and match from the adjacent Dragon Bridge land purchase. **CLOSED - Grant Payment: \$194,900.**

17. Brumley Mountain - Virginia Department of Forestry: A grant award has been made to purchase one third of the Brumley Mountain Property currently owned by The Nature Conservancy. This 4,800-acre property lies between two Game and Inland Fisheries Management Areas. The property protects a key intact forest on the crest of Clinch Mountain in Washington County, Virginia, and includes a series of unusual rock crevices called the Great Channels of Virginia. This area is a migratory stop for rare Cerulean warblers as well as many raptor species. The Department currently has no state forest in southwest Virginia. **Total Project Cost: \$3,600,000.** The VLCF grant will be matched with a bargain sale from the Nature Conservancy. **CLOSED – Grant Payment: \$1,200,000 (\$885,941 from Farm and Forest category and \$314,059 from Heritage category).**

18. Portobago Creek Easement - The Trust for Public Land: A grant has been awarded for a conservation easement for the 1,320-acre Portobago Creek property adjacent to Fort A.P. Hill. This easement would conserve 1200 acres of coastal plain hardwoods and loblolly pine, 150 acres of decreasing wetland type, and 5300 feet on intermittent streams. The easement would be held by the Virginia Outdoors Foundation. **Total Project Cost: \$1,573,000.** The VLCF grant will be matched by Department of Defense Compatible Buffer Use Program not yet acquired. **Grant Award: \$252,710. CLOSED – Grant Payment: \$252,700.**

19. Fletcher Ford - The Nature Conservancy: A grant award was made for the acquisition of two tracts of land, one 21 acres and one 60 acres, adjacent to The Nature Conservancy's Fletcher Ford preserve on the Powell River, Lee County. This site supports a globally rare limestone woodland community and a suite of state and globally rare plant species. **Total Project Cost: \$136,900.** The VLCF Grant would be matched with \$68,450 from 2002 Park and Natural Area Bond Funds. **Grant Award: \$68,450**

20. Crow's Nest - Northern Virginia Conservation Trust: An award was made to assist with the fee simple acquisition of an unfragmented and regionally and globally significant coastal plain hardwood forest and extensive tidal and nontidal wetlands in Stafford County. **Total Project Cost: \$20,000,000.** The VLCF grant would be matched with private, local, state, and federal

funds. **Grant Award: \$500,000**

21. Clinch River/Pinnacle - The Nature Conservancy: An award was made for the acquisition of two tracts of land, one 48 acres and one 17 acres, that include 4,100 feet of shoreline on the Clinch River, Russell County. The site supports state and globally rare plant and animal species and natural communities. **Total Project Cost: \$124,750.** The VLCF grant would be matched with \$62,375 from 2002 Park and Natural Area Bond Funds. **Grant Award: 62,375**

22. Bulls Pond - The Nature Conservancy: An award was made to assist with the fee simple acquisition of 281 acres at the southern tip of the Eastern Shore, Northampton County. The tract supports globally significant maritime forests, and forest, scrub, and wetland habitat of international significance for migratory songbirds, raptors and waterfowl. **Total Project Cost: \$3,000,000.** The VLCF grant was matched with \$1,500,000 in USF&WS and DEQ Coastal Zone Management Program funds. **CLOSED - Grant Payment: \$1,500,000**

Table 11: Competitive Grant Awards (December 1, 2005 Grant Round)

Project Title	Cong. District	Grant Award (Dollars)	Estimated Acres	Project Closing Date	Final Payment (Dollars)	Final Project Acres	Final Match Acres
Open Space							
Jamestown Campground & Yacht Basin	1	750,000	112	02-2007	750,000.00	104.50	0
Rappahannock Station Park	1	200,000	26	<i>open</i>	<i>200,000.00</i>	<i>26.00</i>	<i>0</i>
Altavista/English Area Park Project	5	75,000	146.39	<i>open</i>	<i>75,000.00</i>	<i>146.39</i>	<i>0</i>
Paradise Creek Eco-Park	4	500,000	18.5	12-2006	500,000.00	24.00	16.6
Chincoteague Open Space Acquisition Project	2	500,000	77	08-2006	500,000.00	77.00	47.93
Tobacco Heritage Trail Phase II Land Acquisition	5	386,375	240	<i>open</i>	<i>386,375.00</i>	<i>240.00</i>	<i>0</i>
Historic Resources							
Huntsberry Farm Project	10	1,000,000	247	<i>open</i>	<i>1,000,000.00</i>	<i>247.00</i>	<i>0</i>
*Hutchinson Farm/South Lot Project	10	135,000	25	07-2007	135,000.00	25.00	0
Lick Run Civil War Battlefield	1	500,000	134	12-2006	500,000.00	134.00	0
Kelly's Ford Battlefield Overlook Park	7	75,000	8	05-2007	68,315.00	8.00	0
Kippax Plantation	4	205,000	9.27	11-2006	205,000.00	9.27	0
Four Mile Tree	3	500,000	306	06-2007	500,000.00	306.00	0
Agricultural and Forestal							
*George Property	1	213,500	274.46	07-2007	213,500.00	274.46	0
*Oaken Brow Conservation Easement	2	600,000	589	WITHDRAWN	0	0	0
*Meadow Grove Property	7	300,000	300	06-2006	300,000.00	346.00	0
Dragon Run Conservation Corridor Initiative	1	194,000	164	02-2007	194,000.00	165.60	251
Brumley Mountain	9	885,941	1600	03-2008	885,941.00	1,600.00	0
*Portobago Creek Easement	1	252,710.50	1320	01-2007	252,700.00	1,320.00	0
Natural Areas							

Cedars/Fletcher Ford	9	68,450	81	<i>open</i>	<i>68,450.00</i>	<i>81.00</i>	<i>0</i>
Crow's Nest	1	500,000	1800	<i>open</i>	<i>500,000.00</i>	<i>1,800.00</i>	<i>0</i>
Brumley Mountain	9	314,059.50	See above	03-2008	314,059.50	See above	See above
Clinch River/Pinnacle	9	62,375	64	WITHDRAWN	0	0	0
Bulls Pond	2	1,500,000	281	09-2006	1,500,000.00	285.90	0
Totals		9,717,411	7,822.62		9,048,340.50	7,220.12	315.53
* Denotes Acquisition by Easement Italicized numbers represent expected payments and acreages based on the proposal.							

Competitive Grant Awards (June 13, 2007 Grant Round)

During the November 15, 2006 through January 16, 2007 grant round, the Foundation received 31 applications requesting \$24,541,989 from the Foundation (Table 12). The total project costs including applicant match were \$43,555,144 and would have protected 14,726 acres if all were funded. The Board met on June 13, 2007 to consider these applications and approved grant awards for 15 projects to protect 11,540 acres.

The June 13, 2007, grant award project summaries are as follows:

1. Elizabeth River Project – **Paradise Creek Nature Park, Phase II:** This project will acquire the remaining 15.6 acres of the Peck property for creation of the 40-acre Nature Park. The first 24 acres of the Peck property was acquired with funding assistance from VLCF. The parcel is one of the last remaining tracts of undeveloped forest of any size in private hands on the Southern Branch of the Elizabeth River. The project is specifically recommended in the Draft 2007 Virginia Outdoors Plan as a vital link in regional wildlife corridors and water trails. The project will aid in restoration of 10 acres of tidal wetlands, and will provide full public access. **Total Project Cost:** \$925,000. Cash match of \$500,000 from Virginia Port Authority. **CLOSED - Grant Payment:** \$300,000.
2. Prince William Conservation Alliance – **Merrimac Farm:** This project will provide a natural area for public use for passive recreation, environmental education, enjoyment of diverse wildlife, fishing and possible continued use of the land for hunting on a 302-acre farm located near Quantico Marine Base. The property, which is registered with the National Registry of Historic Sites 44-PW-0066, has a 115-acre floodplain parallel to Cedar Run that is a designated USCOE jurisdictional wetland. The site also contains suitable habitat for Small Whorled Pogonia (the rarest species of American orchid) and provides a buffer for one mile along the northern border of Cedar Run with over 100 acres of contiguous forested wetlands adjacent to Cedar Run. This project will provide full public access. **Total Project Cost:** \$3,100,000. Cash match of \$1,500,000 from Quantico Marine Corps Base and \$100,000 from the Prince William Conservation Alliance. **CLOSED - Grant Payment:** \$820,773.
3. Department of Game & Inland Fisheries – **Bullpasture River (Lockridge):** The grant award will aid in the acquisition of 177.62 acres located at the head of Bullpasture River Gorge adjacent to the Highland Wildlife Management Area in Highland County. The property contains a stretch of river designated as a Stream Conservation Unit by DCR-NH and as a threatened and endangered species water by DGIF. Some of the mussel species associated with the property are listed in Virginia's Wildlife Action Plan. The property is located in one of the most significant cave and karst regions in the Commonwealth. Protection of the property will expand public access for hunting, fishing, hiking, bird watching and nature observation, provide protection for the James spiny mussel, and provide buffer for one of the state's most pristine headwater river systems. **Total Project Cost:** \$536,200. No match is required, as applicant is a state agency. **Grant Award:** \$536,200 (\$246,649 from the Open Space category and \$289,551 from the Natural Areas category for a total of \$536,200). This project will provide full public access.

4. The Nature Conservancy – Gallohan-Surgenor Cave System: The grant award is for the fee simple purchase by The Nature Conservancy of two parcels totaling 330 acres on the Powell River, Lee County. Two globally significant cave systems and 2 miles of river frontage the site supports 33 rare species and community mapped locations. **Total Project Cost:** \$715,000. VLCF funds will be matched with a \$400,000 USF&WS grant. **Grant Award:** \$315,000. This project will provide some limited public access.
5. The Nature Conservancy – Blackwater River – Old Growth: The grant award is for the fee simple acquisition by Isle of Wight County with TNC holding an easement on 500 acres adjacent to TNC's Blackwater Preserve, Isle of Wight County. This is part of a 2,500 acre tract of land. Site supports a bald cypress-tupelo swamp, and three rare animals are documented on the TNC property. **Total Project Cost:** \$900,000. VLCF funds will be matched with \$500,000 Isle of Wight County Open Space Fund. **Grant Award:** \$400,000. This project will provide full public access.
6. New River Land Trust – Sweet Spring Hollow: The grant award is for the purchase of an easement by the New River Land Trust on 232 acres in Montgomery County. Site supports a globally rare dolomite woodland and wetland communities and 13 mapped locations of rare plant and animal species. **Total Project Cost:** \$451,900. VLCF funds will be matched with a \$225,950 USF&WS Grant or NA bond funds. **Grant Award:** \$225,950.
7. The Nature Conservancy – Lower Blackwater: The grant award is for the purchase of a 415 acre conservation easement by The Nature Conservancy on the Blackwater River, Southampton County that is part of a 718 acre tract. The site is part of a high priority forested core, intersects two B2 sites, contains bald eagle nest, and is part of an unprotected stream-head pocosin (upland marsh). **Total Project Cost:** \$416,000. VLCF funds will be matched with \$208,000 existing NAWCA funds. **Grant Award:** \$208,000.
8. New River Land Trust – Ingles Ferry Farm: The grant award is for the purchase of an easement on the 314 acres of the Ingles Ferry Farm near Radford in Pulaski County, to protect the farm house, ferry site, active farmlands and viewsheds along the New River. The owners plan to open the site to the public once a year, and make the property available for educational visits and research. **Total Project Cost:** \$567,635. Match is from landowner's donation of 50% of easement value. **Grant Award:** \$283,817.50. This project will provide some limited public access.
9. Piedmont Environmental Council – Montpelier: Home of James Madison: The grant award is for purchase of an easement on 700 acres of forested and open-space land surrounding the historic core of James Madison's Montpelier estate in Orange County. Historic resources include the home of George Gilmore, an African-American slave owned by the Madison family and emancipated after the Civil War, as well as important archeological and historical resources associated with Civil War operations. The National Trust and the Montpelier Foundation plan to develop an interpretive trail and active recreation opportunities for the visiting public. **Total Project Cost:** \$1,996,200. Match is \$1,250,000 in cash from Piedmont Environmental Council and \$46,200 from other sources (privately raised funds). **Grant Award:** \$700,000. This project will provide full public access.
10. Shenandoah Valley Battlefields Foundation – Cooley Farm: The grant award is for the acquisition of 189 acres of the Cooley Farm in Warren County. Ranked as a Class A property by

the Civil War Sites Advisory Commission, the Cooley Farm is associated with the battle of Cedar Creek. Located near the center of the designated Cedar Creek and Belle Grove National Historical Park, the Cooley Farm is the largest remaining parcel of the battle unprotected. The property is currently under contract to the Shenandoah Valley Battlefields Association, who plan to protect and interpret the site in coordination with the National Park Service. This project will provide full public access. **Total Project Cost:** \$2,146,300. Match is \$1,073,150 in cash. **CLOSED - Grant Payment:** \$539,512.

11. Town of Abingdon – **Historic Dunn’s Meadow “Retirement” Residence & Property:** The grant award is for acquisition of 9 acres of the historic Dunn’s Meadow residence and property in the town of Abingdon. Historic resources on the property include an archeological site identified as a Revolutionary War encampment, as well as the “Retirement,” a brick residence of the same period. The property is also associated with the Overmountain Victory Trail Head and National Historic Trail. The Town of Abingdon plans to provide maximum public access to the property for educational, recreational, and interpretive uses. **Total Project Cost:** \$1,000,000. Match is \$795,000 in cash from uncommitted grant funding and \$5,000 from First Bank & Trust. **Grant Award:** \$200,000. This project will provide full public access.

12. Virginia Department of Forestry – **Brumley Mountain:** Assist in purchasing the remaining two-thirds of the Brumley Mountain Property currently owned by The Nature Conservancy, for which a previous VLCF grant was awarded. This 4,800 acre property lies between two Department of Game and Inland Fisheries Management Areas. The property protects a key intact forest within the Clinch Mountain Complex in Washington County, Virginia. This area is a migratory stop for rare Cerulean warblers as well as many raptor species. It includes a series of unusual rock crevices called the Great Channels of Virginia, which have become part of a 708-acre Natural Area managed by DCR. This is the first state forest in southwest Virginia, and will provide full public access. **Total Project Cost:** \$2,630,000. **CLOSED - Grant Payment:** \$1,030,000.

13. Virginia Department of Forestry – **Big Woods:** The grant award is for the acquisition of the Big Woods property in Sussex County to create the first state forest in southeastern Virginia. The project provides the opportunity to conserve a disappearing feature of Virginia’s coastal landscape – large, contiguous blocks of timberland. In addition, the property provides forests that will assist in the recovery efforts of the federally listed threatened and endangered Red-cockaded Woodpecker, found on the adjacent conserved property. Big Woods protects the water supply for the Norfolk area, provides flood abatement to the Nottoway and Blackwater watersheds, and provides nearly 5,000 acres of working forest. **Total Project Cost:** \$8,315,000. No match required, as applicant is a state agency. **Grant Award:** \$300,000. This project will provide full public access.

14. Chesapeake Bay Foundation – **Charlton Hill Conservation Easement:** A grant request has been made to purchase a conservation easement to protect 89 acres of hardwood forest on the shoreline of Piscataway Creek, an impaired stream and a tributary to the Rappahannock River, in Essex County. The project protects two Federal and State listed species (Bald Eagle, and Sensitive Joint Vetch) found on site, and also protects habitat for 41 species of fish, Blue Crab, and a variety of waterfowl. This project will restrict development rights under a conservation easement to VOF and maintain the current wildlife and water quality benefits. **Total Project Cost:** \$1,217,830. Match will be provided by a bargain sale from the landowner, VOF through the Open Space Preservation Trust Fund, TNC through the Virginia Aquatic Resources Trust Fund, and a donated easement through the U.S. Fish and Wildlife Service. **WITHDRAWN - Grant Payment:** \$0.

15. The Potomac Conservancy – Marlboro Angus: The Snapp Farm: A proposal for the Snapp Farm, a 151-acre working farm on Cedar Creek near Marlboro in Frederick County, was re-submitted. The Snapp Farm raises Angus beef cattle and replacement heifers on this property, and the family owns or leases several other pieces of land in the area, including a parcel adjacent to the easement. Mr. Snapp is actively engaged in conservation projects on his farm and uses streambank fencing, off-stream watering, and rotational grazing. Purchase of a conservation easement on this property will protect vital farmland in a rapidly developing region, protect riparian land, and help to continue a strong agricultural tradition in Frederick County. **Total Project Cost:** \$564,100. Match is more than \$300,000 committed from the Federal Farm and Ranch Lands Protection Program (FRPP). **CLOSED - Grant Payment:** \$250,000.

Table 12: Competitive Grant Awards (June 13, 2007 Grant Round)

Project Title	Cong. District	Grant Award (Dollars)	Estimated Acres	Project Closing Date	Final Payment (Dollars)	Final Project Acres	Final Match Acres
Open Space							
Paradise Creek Nature Park	3	300,000	15.60	11-2007	300,000	15.60	0
Merrimac Farm	11	820,773	302.00	01-2008	820,773	302.00	0
Bullpasture River Acquisition	6	246,649	177.62	<i>Open</i>	<i>246,649</i>	<i>177.62</i>	0
Natural Areas							
*Gallohan-Surgenor Cave System	9	315,000	330.00	<i>Open</i>	<i>315,000</i>	<i>330.00</i>	0
*Blackwater River – Old Growth	4	400,000	500.00	<i>Open</i>	<i>400,000</i>	<i>500.00</i>	0
*Sweet Spring Hollow	9	225,950	232.00	<i>Open</i>	<i>225,950</i>	<i>232.00</i>	0
*Lower Blackwater River	4	208,000	415.00	<i>Open</i>	<i>208,000</i>	<i>415.00</i>	0
Bullpasture River Acquisition	6	289,551	See above	<i>Open</i>	<i>289,551</i>	<i>See above</i>	0
Historic Areas							
*Montpelier	7	700,000	700.00	<i>Open</i>	<i>700,000</i>	<i>700.00</i>	0
Cooley Farm	10	539,512	189.00	04-2008	539,512	189.00	0
Historic Dunn’s Meadow Property	9	200,000	8.96	<i>Open</i>	<i>200,000</i>	<i>8.96</i>	0
Forests and Farmlands							
Brumley Mountain	9	1,030,000	3,200.00	03-2008	1,030,000	3,200.00	0
Big Woods	4	300,000	4,915.00	<i>Open</i>	<i>300,000</i>	<i>4,915.00</i>	0
*Charlton Hill Easement	1	108,590	89.19	WITHDRAWN	0	0	0
*Marlboro Angus: Snapp Farm	10	250,000	151.00	02-2008	250,000	151.00	0
*Ingles Ferry Farm	9	283,818	314.00	<i>Open</i>	<i>283,818</i>	<i>314.00</i>	0
Totals		6,217,843	11,539.37		6,109,253	11,450.18	

* Denotes Acquisition by Easement

Italicized numbers represent expected payments and acreages based on the proposal.

Virginia Outdoors Foundation

Since 2001, the VLCF has transferred more than \$7.75 million to the Virginia Outdoors Foundation pursuant to VLCF's funding formula (Table 13). As required by the Code of Virginia, the VLCF transfers represent 25% of its appropriation. The monies are transferred to the Open Space Land Preservation Trust Fund to assist with the purchase of farm and forest land easements by the Virginia Outdoors Foundation. The projects involve the partial purchase of development rights and/ or, the reimbursement of costs of the easement donations (legal, appraisal, etc). Funds are periodically further leveraged with grants from the VLCF and other deposits to the Open Space Land Preservation Trust Fund.

Table 13: VLCF Transfers to the Virginia Outdoors Foundation

Fiscal Year	Source	Amount to VOF
FY2001	Approp. Act	1,550,000
FY2004	Vehicle Reg.	365,819
FY2005	Approp. Act	625,000
FY2005	Interest	14,246
FY2005	Approp. Act	2,500,000
FY2005	Vehicle Reg.	95,265
FY2006	Approp. Act	625,000
FY2006	Interest	47,240
FY2006	Vehicle Reg.	195,890
FY2007	Approp. Act	625,000
FY2007	Vehicle Reg.	165,817
FY2008	Approp. Act	125,000
FY2008	Interest	75,000
FY2008	Approp. Act	750,000
TOTALS		7,759,277

As of the end of FY2008, of the \$7,759,277 in funds transferred, \$4,986,277 had been expended on 136 projects protecting 24,476.81 acres. Of the remaining balance, \$2,773,000,

project commitments had been obtained as of November 2008 on 20 projects that would protect an additional 7,918 acres if all were brought to completion.

GEOGRAPHICAL DISTRIBUTION

The Land Conservation Foundation has worked diligently to support projects across the breadth of Virginia. The greatest concentration of projects to date has come in the 1st Congressional District (Table 14). The greatest amount of grant funds also has been expended in the 1st Congressional District (Table 15). This may be a reflection of the rapid growth and loss of open space and historic resources in this area. Funds for projects have been awarded in all but the 8th District which may in part be due to its relative small geographic size. The Foundation will continue to encourage quality applications from all Districts in future funding cycles.

The Foundation has been successful in assisting with the conservation of an array of outstanding resources and habitats through easements and acquisitions. In the natural area category, projects have included outstanding native grassland communities containing a suite of rare species along the Clinch River, significant and rare wetland communities and the rare species they support in eastern Virginia, and 120+-year-old woodlands in Fairfax County. Open space and park projects have likewise been diverse ranging from historic and scenic farmlands to crucial water access points, to critical additions to existing parks and new local government parklands. Likewise farm and forestland projects have ranged from significant forest and farmland tracts in southwest Virginia to northern Piedmont Dairy Farms to important tidewater farm and forestland. Examples of cultural and historic projects naturally include important battlefield sites from the Shenandoah Valley to Fredericksburg to Richmond; critical additions to National Historic Landmarks in Loudoun County; and strategic land acquisitions to add to and buffer important historic sites such as the Palmyra Lock and Mill site in Fluvanna County. These are but a handful of the quality land conservation projects assisted by Foundation funding.

Table 14: Geographical Distribution of Foundation Grant Awards (By Project)

Congressional District	12/1/1999 Awarded	01/04/2001 Awarded	06/07/2005 Awarded	12/01/2005 Awarded	06/13/2007 Awarded	Total Awarded
1 st District	3	6	1	7	1	18
2 nd District	0	0	2	3	0	5
3 rd District	0	1	0	1	1	3
4 th District	2	0	0	2	3	7
5 th District	2	1	1	2	0	6
6 th District	2	1	4	0	1	8
7 th District	0	2	3	2	1	8
8 th District	0	0	0	0	0	0
9 th District	1*	4	1	3	5	14
10 th District	2	3.75	0	2	2	9.75
11 th District	0	.25	0	0	1	1.25
TOTAL	12	19	12	22	15	80
Congressional District	Dec. 1999 Completed	Jan. 2001 Completed To date	June 2005 Completed To date	Dec. 2005 Completed To date	June 2007 Completed To date	Total Completed
1 st District	2	5	1	5	0	13
2 nd District	0	0	2	2	0	4
3 rd District	0	1	0	1	1	3
4 th District	2	0	0	2	0	4
5 th District	1	1	1	0	0	3
6 th District	1	1	3	0	0	5
7 th District	0	2	3	2	0	7
8 th District	0	0	0	0	0	0
9 th District	1*	4	1	1	1	8
10 th District	2	4	0	1	2	9
11 th District	0	0	0	0	1	1
TOTAL	9	18	11	14	5	57

*(Reflects in District 9 DGIF's Big Survey Project. VLCF paid for administrative expenses and not the actual acquisition.)

Table 15: Geographical Distribution of Foundation Grant Awards (By Funding)

Congressional District	12/1/1999 Awarded	01/04/2001 Awarded	06/07/2005 Awarded	12/01/2005 Awarded	06/13/2007 Awarded	Total Awarded
1 st District	654,012.00	1,064,380.00	258,000.00	2,610,210.50	108,590.00	4,695,192.50
2 nd District	0	0	900,000.00	2,600,000.00	300,000.00	3,800,000.00
3 rd District	0	300,000.00	0	500,000.00	0	800,000.00
4 th District	486,000.00	0	0	705,000.00	908,000.00	2,099,000.00
5 th District	57,175.00	126,255.00	85,433.00	461,375.00	0	730,238.00
6 th District	57,055.00	306,575.00	807,202.00	0	536,200.00	1,707,032.00
7 th District	0	398,000.00	752,900.00	375,000.00	700,000.00	2,225,900.00
8 th District	0	0	0	0	0	0
9 th District	50,000*	461,193.00	224,130.00	1,330,825.50	2,054,768.00	4,120,916.50
10 th District	384,600.00	1,255,792.00	0	1,135,000.00	789,512.00	3,564,904.00
11 th District	0	7,500.00	0	0	820,773.00	828,273.00
TOTAL	1,688,842.00	3,919,695.00	3,027,665.00	9,717,411.00	6,217,843.00	24,571,456.00

*(Reflects in District 9 DGIF's Big Survey Project. VLCF paid for administrative expenses and not the actual acquisition.)

GRANT CRITERIA DISCUSSION

On November 29, 2007, the Virginia Land Conservation Foundation met and approved the revised grant evaluation criteria that will be utilized to evaluate grant applications received during August 15, 2008, through October 10, 2008 grant round. An inter-agency task force comprised of representatives of the Department of Conservation and Recreation, Department of Agriculture and Consumer Services, Department of Forestry, Department of Game and Inland Fisheries, Department of Historic Resources, and the Virginia Outdoors Foundation had worked together to develop the recommended document.

The scoring criteria developed total to 107 points and are comprised of 80 points allocated to one of the 4 primary funding categories for which the applicant had applied (Natural Area Protection, Open Spaces and Parks, Forest and Farmland Preservation, and Historic Area Preservation) and 27 points allocated amongst 5 revised criteria (Virginia Outdoors Plan Identified Need; Water Quality Benefit; Value Added; Public Access; and Match Ratio). The scoring criteria are outlined in Table 16.

Table 16: Virginia Land Conservation Foundation: Grant Application Scoring Sheet and Criteria

Primary Category	Statutory category scoring	VOP Identified Need	Water Quality Benefit	Value Added	Public Access	Match Ratio	Total Score
	Max. 80 points	Max. 3 points	Max. 4 points	Max. 11 points	Max. 6 points	Max. 3 points	Max. 107 points
Natural Area Protection							
Open Spaces & Parks							
Farmland and Forest Preservation							
Historic Area Preservation							

The scoring criteria details for each of the categories outlined in Table 16 are provided in the pages that follow. The modified criteria adopted by the Foundation will help to further ensure that land conservation funding will be expended wisely and will protect the properties with substantial resource value for the citizens of the Commonwealth.

Scoring Sheet Criteria For: _____
Open Space & Parks Category

Criterion	Score	Notes
1) Public Access to State Waters: Acquires land or an easement on land which provides increased public access to state waters offering recreational potential. Maximum score 13		Public access to state waters that provides boating, fishing, and beach/bank swimming opportunities = 13 Public access that provides two of those recreational opportunities = 10 Public access that provides one of those recreational opportunities = 5
2) Adjacency to Parks and Conserved Lands: Acquires lands or easements adjacent to existing parks, protected conservation areas, or other recreational resources that expand and protect public conservation or recreational interests. Maximum score 10		Acquisition or easement adjacent to park or conservation area that will allow full public use on the new property = 10 Acquisition or easement adjacent to park or conservation area, with limited public use = 7 Acquisition or easement contiguous to park or conservation area, with no public use = 5
3) Scenic Resources Protection: Protects scenic viewsheds or land important to the protection of any federally designated Wild and Scenic River or American Heritage River in or adjacent to Virginia, Virginia's Scenic Rivers, designated Scenic Roads, and Virginia Byways, and/or recreational trails, including greenways or blueways. Maximum score 10		Conserves land adjacent to, or in direct viewshed of, one of the listed resources = 10 Conserves land adjacent to, or in direct viewshed of, a potential resource identified in VOP = 7
4) Alignment with State, Regional, or Local Plans: Supports local and/or regional comprehensive plans for parks, open space, and recreational facilities, and/or contributes to the protection of a state, regionally, or locally identified conservation corridor. Name and Page # of plan cited. Maximum score 9		If project site/corridor is specifically mentioned in regional/local plan, or identified by Virginia Conservation Lands Needs Assessment = 9 If area of project has general reference in regional/local plan = 5
5) Virginia Outdoors Plan Need: Addresses a need identified in the <i>Virginia Outdoors Plan</i> . Applicant must specify VOP Page #. Maximum score 9		Specific numbered need from regional section of VOP = 9 General Need = 5
6) Public Utilization: Availability of land for public use, including, but not limited to, hunting, fishing, or wildlife watching. Maximum score 10		Open for public utilization = 10 Public use for more than one day per year = 5 Public use one day per year = 3 No public use = 0
7) Densely Populated and Developing Areas: Conserves land in a densely populated or rapidly developing area. Densely populated is defined as a locality with population of 90,000 or more, or a locality designated by the Commonwealth as an incorporated City, regardless of size. Rapidly developing is defined as property identified in the VCLNA Outside the Urban Fringe Vulnerability Model with a threat value of 5. Maximum score 9		Densely populated locality = 8 Threat value of 5 in VCLNA model = 5
8) Degree of Threat: Site is threatened by development. A threatened site is defined as property documented to be on the market currently or recently, in an estate that is currently being settled, or adjacent to similar property which is on the market or sold in the past year. Maximum score 10		Currently on the market or in an estate = 10 Recently on the market = 8 Adjacent to similar property on the market or sold within the previous year = 5

Total Maximum Score 80 points _____

Scoring Sheet Criteria For: _____
Natural Areas Category

Criterion	Score	Notes
1) The Natural Heritage Biodiversity Rank of the Natural Heritage conservation site, based upon the global and state rarity of the natural heritage resources present, the number of natural heritage resources present, and their condition Maximum score: 20 B1=20 B5=0 B2=15 No natural heritage resources=0 B3or B4=10		
2) Size & Natural Condition: Are the size and condition of the tract(s) adequate to protect and allow for management of natural heritage resource targets? Maximum score: 15 • Size and condition are adequate to fully protect & manage targets = 15 • Size and condition are likely to provide for full protection and management of targets = 10 • Size and condition are unlikely to allow protection & management of the conservation targets = 0 - 5		
3) Proximity: Is the tract(s) adjacent to or in close physical or functional proximity (e.g. upstream or upslope) to other conservation lands and would it expand the protection of natural heritage resources? Maximum score: 15 • Adjacent to existing conservation land = 15 • Possesses physical or functional proximity to existing conservation land = 10 • No physical or functional proximity to existing conservation land = 0.		
4) Management: Applicants capability to implement necessary management to protect the site from short-term and long-term stresses. Maximum score: 10 • Applicant has proven experience with natural community/rare species management = 10 • Applicant has land management experience = 5 • Applicant has no proven land management experience = 0		
5) Community Representation: To what extent does the site support exemplary natural communities that are not well protected in Virginia? Maximum score: 10 • Supports communities not found on other protected lands = 10 • Supports communities found on limited number (1–10) of protected lands = 5 • Supports communities well represented (10+) on other protected lands = 0		
6) No. & Quality of EOs: How many element occurrences are known for the tract(s) and what is the quality of those occurrences? Assign the value below for each occurrence based on it's EO-rank. Sum these values. Maximum score: 10 A-rank=4 D-rank=1 B-rank=3 E-rank=2 C-rank=2		

Total Maximum Score 80 points _____

Scoring Sheet Criteria For: _____
Historic Area Preservation Category

Criterion	Score	Notes
1) Strong proposals are likely to protect or preserve a resource that is: (A) Listed on the Virginia Landmarks Register (VLR) or certified as eligible for listing by the Director of the Department of Historic Resources; or (B) A resource that contributes to the integrity, enhances the setting, or provides a buffer for a property that is listed on the VLR*, or (C) a Civil War Battlefield listed as a Class A or B, Priority I or II battlefield by the <i>Civil War Sites Advisory Commission Report</i> of 1993, and as amended. <i>*Note: For applications under (B) above, the historical significance of the listed property will be evaluated. For resources which are not listed on the Virginia Landmarks Register but have been certified as eligible for listing, historical significance will be determined as if such properties were so listed.</i> <i>**Applicants must submit a copy of the National Register/VLR nomination form or Civil War Sites Advisory Commission rating, if applicable.</i> Maximum score 40		35 points: National Historic Landmark 25 points: Property individually listed in the VLR OR eligible for individual listing in the VLR OR contributing to a National Historic Landmark District 15 points: Contributing property in a VLR historic district 5 points: Other historic and cultural resources Civil War Battlefields with CWSAC rating & not in VLR: 35 points: Properties designated as Priority I, Class A or B 25 Points: Properties designated as Priority II, Class A, B, C, or D 15 Points: Properties designated as Priority III, Class A, B, C, or D 5 Points: Properties designated as Priority IV, Class A, B, C, or D Additional 0 – 5 points: Rarity, quality, and integrity of resource.
2) An identifiable threat to the resource or compelling need for immediate preservation exists. Maximum score 10		Property is currently on the market for sale OR in imminent danger of demolition = 10 Property is listed with a Threat Value of 7 or 8 on the VLCNA composite model OR property is significantly deteriorated and in need of immediate preservation = 7 Other identifiable threat to resource or compelling need for preservation = 4
3) Applicant intends to manage property according to a documented resource management plan and has demonstrated organizational and financial capacity to ensure appropriate treatment and ongoing maintenance of the resource *Project plans must meet the relevant preservation standards and be approved by the Department of Historic Resources. **Historic Structures Report or Resource Management Plan should be submitted with application, with sections applicable to grant proposal highlighted. Maximum score 15		Property managed using a Historic Structures Report and applicant has documented financial and organizational capacity to maintain resource = 15 Property managed using general Resource Management Plan and applicant has documented financial capacity to maintain resource = 10 Property owner will obtain Resource Management Plan and has limited financial capacity to maintain resource = 5.
4) Preservation of the resource may complement or enhance other cultural or historic resources or land already protected through a conservation easement OR represents a unique cultural resource opportunity within the geographical area. Maximum score 5		Adjacent to significant historic/cultural resources, and/or land already protected through conservation easement or existing conservation land = 5 In viewshed of significant historic/cultural resources, and/or land already protected through conservation easement OR existing conservation land = 3 Not adjacent to significant historic/cultural resources or in viewshed of land already protected through conservation easement or existing conservation land, but represents unique cultural resource within the geographical area = 1
5) Protection or preservation of the resource may further other public interests, such as education, research, heritage tourism promotion or orderly community development. Maximum score 5		
6) There is demonstrated public support for the protection or preservation of the resource. Maximum score 5		

Total Maximum Score 80 points _____

Scoring Sheet Criteria For: _____
Agricultural Lands Category

Criterion	Score	Notes
Category I: Land Evaluation (25 points) <u>Soil Productivity</u> Using soil classes prime, unique or important farmland, score the percentage of project land in each soils class. Value the soils classified as Prime. Value the soils classified Unique. Value the soils classified as Important Farmland.		More information on these soil classes can be found in §3.1-18.5 of the Code of Virginia
Parcel Size (10 points) Using data from the most recent Census of Agriculture, score the size of the farm as it compares to the average sized farm in the locality.		≥ 25% larger than average size – 10 points < 25% larger but ≥ average farm size – 7 points ≥ 25% smaller but < average farm size – 5 points < 25% smaller farm size – 3 points More information can be found at www.agcensus.usda.gov
Category II: Land Use (45 points) A. 1) Is the land currently being farmed; 2) Is the land being farmed by the owner or a family member; 3) Does at least one family member's primary occupation involve farming this parcel; and 4) is this a Century Farm? Maximum score 8 points B. To what degree is the land adjacent to or in close proximity to other preserved lands, either in agriculture production or non-active in farming? Maximum score 10 points C. What is the vulnerability rank for this parcel as determined by the Urban Fringe VLCNA model? Maximum score 15 points D. To what extent are Best Management Practices (BMPs) being used/implemented in the normal operation of this farm? Please define. Maximum score 4 points E. Is the project supported by local farmland protection policies (agricultural zoning, agricultural and forestal districts, use value taxation, etc.)? Maximum score 4 points F. To what degree will preserving the proposed land in agricultural use secure environmental benefits? Maximum score 4 points		A. 2 points for each Yes in A. B. Parcel adjoins other preserved lands = 10 Parcel is within one-quarter mile but not adjoining other preserved lands = 7 points Parcel is within one-half mile but further than one-quarter mile of other preserved lands = 5 points C. 3 points for each ranking from 1-5 based on the Virginia Land Conservation Needs Assessment (VLCNA) suburban model D. For questions and examples, consult DCR's BMP Manual, at 192.206.31.46/agbmpman/toc.pdf

Total Maximum Score 80 points _____

Scoring Sheet Criteria For: _____
Forest Lands Category

Criterion	Score	Notes
1) Potential for Conversion – The land is in an area where there is significant risk of conversion to other uses and there is limited forest cover remaining in the area. Conversion threat and forest cover are determined using DOF GIS analysis. Maximum score 15		Score = (1) + (2) (1) Threat of Conversion: High = 10, Moderate = 5, Low = 0 (2) Remaining Forest Cover: Low = 5, Moderate = 2, High = 0
2) Protects Watershed – The forestland contributes to the protection of (1) a public drinking water source identified by VA Dept. of Health, or (2) a watershed identified as high quality in DOF GIS analysis, or (3) an impaired waterway on the state 303(d) list. Maximum score 15		Adjacent to the water body or source of (1) and either (2) or (3) = 15 Adjacent to (1) or (2) or (3) = 10 Within the watershed of (1) or (2) or (3) = 5
3) Management of Multiple Resources – The landowner manages the property according to a multiple resource management plan prepared by a professional forester and the landowner is willing to follow plan recommendations to achieve their forest management goals. Maximum score 15		Owner has an existing management plan or is pursuing one and is willing to follow recommendations = 15 Owner has management plan but plans limited implementation = 10 Owner has a management plan but does not plan to implement = 5
4) Adjacency to Conserved Lands – The property is located adjacent to, or nearby, already conserved lands held in perpetuity. Maximum score 10		Adjacent to conserved land = 10 Multiple conserved land within 5 miles = 5 Within designated conservation area = 5
5) Education / Research Potential - The landowner will allow, and the property is suitable for long-term forest research, special landowner demonstration opportunities, or conservation education. Maximum score 10		Research /education + public access = 10 Research/education + limited access = 7 Research/education, no public access = 3
6) Meets Comprehensive Plan Objectives – The property is within an area identified in the local comprehensive plan as important for land conservation and/or open space preservation. Maximum score 5		Meets 1 or more objectives of comprehensive plan = 5
7) Potential to Protect/Restore – The property has or has the potential to protect and/or restore threatened and endangered species, diminished natural tree species, historic, archeological, or geologic sites. Maximum score 10		T & E species found on site = 10 Habitat or recovery area for T & E species = 5 Potential to restore diminished tree species = 5 Protected historic structure or archaeological site = 2 Protected geologic site = 2

Total Maximum Score 80 points _____

Scoring Sheet Criteria For: _____

Virginia Outdoors Plan (VOP) Identified Need

Degree to which a parcel satisfies resource conservation needs as identified in the *Virginia Outdoors Plan* (VOP) or in a local comprehensive plan.

Maximum 3 points

Meets a resource conservation need identified in the VOP and in a local comprehensive plan = 3 points

Meets a resource conservation need identified in the VOP or in a local comprehensive plan = 2 points

Not identified in VOP or in a local comprehensive plan = 0 points

Scoring Sheet Criteria For: _____

Water Quality Benefit

Extent to which the parcel will protect water quality through the use of permanent riparian buffers that are at least 35 ft. wide.

Maximum 4 points

Permanent buffers or streamside fencing on all streams/rivers throughout the property = 4 points

Permanent buffers or streamside fencing on a portion of the streams/rivers in the property = 2 points

No permanent buffers = 0 points

Scoring Sheet Criteria For: _____

Value Added

Degree to which the project has significant value in other categories.

Maximum 11 points

Farmland = 2 points

Forestal land = 2 points

Historic resources = 2 points

Natural heritage resources = 2 points

Recreation/parks = 2 points

Wildlife = 3 points

Scoring Sheet Criteria For: _____

Public Access

Degree to which the property has public or visual access.

Maximum 6 points

Full Public Access = 6 points

Limited Public Access = 3 points

Visual Access = 2 points

No Access = 0 points

Scoring Sheet Criteria For: _____

Ratio of Match to Total Project Cost

More than 80% of total allowable request = 3

More than 60% of total allowable request = 2

50 % of total allowable request = 0

Total Maximum Score for Additional Scoring Criteria: 27 points

DETAILED FISCAL STATUS OF THE FOUNDATION

In FY1999-2000, the VLCF received an appropriation of \$1,750,000 (Table 1) from the Water Quality Improvement Fund in accordance with Chapter 935 of the 1999 Acts of Assembly. From this appropriation, \$1,688,842 was awarded to multiple projects, leaving \$61,158 of unobligated funds that were shifted to the FY2000-2001 grant round (Appendix B). As of September 30, 2008, \$1,323,969 of the \$1,688,842 obligated for grants had been paid out to grantees, \$313,255 was reverted to the General Fund in FY03 (from 3 withdrawn projects), \$29,430 was paid to the Department of Game and Inland Fisheries to reimburse them for a portion of their administrative costs associated with acquiring the Big Survey, leaving a total unobligated balance in FY1999-2000 monies of \$22,188. The Foundation approved the reallocation of the \$22,188 to the Spring FY05 grant round. All of the grants from this round are now closed and the balance has been zeroed out.

In FY2000-2001, the VLCF received an additional appropriation of \$9,600,000 (Table 1 and Appendix C) in accordance with Chapter 1073 of the 2000 Virginia Acts of Assembly. From this appropriation, \$3,400,000 was designated for Civil War Battlefield acquisitions and \$1,550,000 was designated to the Open Space Preservation Trust Fund. This left \$4,650,000 in FY2000-2001 appropriation for grant awards. Combined with the \$61,158 FY1999-2000 carry-forward, \$4,711,158 of funds were available for grant awards. From this appropriation, \$3,919,695 was awarded to 19 projects, leaving \$791,463 of unobligated funds in this category. Of the amounts available, \$3,382,004 of the \$3,400,000 was paid out for Civil War Battlefield acquisitions (\$17,996 unexpended), the entire \$1,550,000 of the Open Space Preservation Trust Fund was paid, and \$3,730,783 in grant awards was paid out to grantees leaving an unexpended grant balance of \$188,912. Of the \$188,912, \$32,858 remained available after the close out of the Waid Recreation Area project, \$1,054 from the close out of The Meadow project, and \$155,000 from the withdrawal of the Garden Creek project. The Foundation approved the reallocation of the \$32,858 to the Spring FY05 grant round (Table 17), the reallocation of the \$1,054 to the Spring FY07 grant round (Table 19), and the \$155,000 to the January 2009 grant round (Table 20). Of the unobligated amounts (\$791,463 and \$17,996), \$791,464 reverted to the General Fund in FY01 leaving an unobligated balance of \$17,995. The Foundation approved the reallocation of the \$17,995 to the Spring FY05 grant round. All of the grants from this round are now closed and the balance has been zeroed out.

In FY2001-2002, per Chapter 1073 of the 2000 Acts of Assembly, the VLCF was appropriated \$6,200,000. The General Assembly adjourned from the 2001 regular session without enacting a budget bill amending the 2000 Appropriation Act (Chapter 1073 of the 2000 Acts of Assembly). Therefore, the 2000 Appropriation Act remained the appropriations law of Virginia for the 2000-2002 biennium. In order to prevent a potential deficit, the Governor invoked his Constitutional duty and issued Executive Order 74 (01), Balanced Budget Implementation Plan, 2000-02 Biennium on Saturday, February 24, 2001. The Governor directed the Department of Planning and Budget (DPB) to withhold general fund allotments “to the extent necessary to prevent any expenditures in excess of the estimated general fund revenue, and in an amount not to exceed 15 percent of the annual total general fund appropriation of each state agency, department and institution and other nonstate agencies and institutions listed in the Act for each year of the 2000-02 biennium”. Per this authority, the \$6,200,000 for VLCF in FY2001-2002 was unallotted. This action was documented in Chapter 814 (caboose bill) of the 2002 Virginia Acts of Assembly.

No funds were appropriated to or received by the VLCF in FY2002-2003 (Chapter 899 of the 2002 Virginia Acts of Assembly and Chapter 1042 of the 2003 Virginia Acts of Assembly).

Funding for the Foundation improved during the 2004 Session, where Item H2, Chapter 4 of the 2004 Virginia Acts of Assembly, Special Session I, provided \$2,500,000 the first year (FY05) and \$2,500,000 the second year (FY06) from the general fund to be deposited into the Virginia Land Conservation Fund. In addition to this funding, pursuant to Item K, Chapter 1042 of the 2003 Virginia Acts of Assembly and Item J, Chapter 4 of the 2004 Virginia Acts of Assembly, Special Session I, \$1,463,275 from vehicle registration fees was deposited at the end of FY04. Based on the funds available to the Foundation, the Board approved the amounts outlined in Table 17 to be allocated to the Spring FY05 grant round (June 7, 2005). This amounted to approximately \$3.1 million available for the grant round after distributions to the Virginia Outdoors Foundation and Foundation administrative expenses were made (Appendix D). During this grant round \$3,027,665 was awarded to 12 projects. From the remaining balance, \$75,715 from the Brandy Station project, \$12,528 from the Gilvary Forest project, and \$7,756 from the Black Farms project were authorized to be advanced to the Spring FY07 grant round (Table 19). From the withdrawn Cedar Creek Bluff project, \$244,793.50 was authorized to be advanced to the January 2009 grant round (Table 20). The only outstanding project in this grant round is the Port Tobacco project for

\$258,000 (Table 10). This project has closed but the reimbursement for the funds has not yet been requested by VOF. Upon this payment, all grants from this round will be closed and all remaining balances reallocated.

During the 2005 General Assembly Session, funding for FY05 improved markedly with the appropriation of an additional \$10 million to the Foundation in accordance with Chapter 951 of the 2005 Virginia Acts of Assembly. As the monies available for the Spring FY05 grant round had already been announced, the new monies were combined with FY06 funds for a late summer/early fall grant round. Table 18 shows the amounts allocated to the FY06 grant round (December 1, 2005). From the \$9,721,434 available to the grant round, \$9,717,411 was awarded to 22 projects (Appendix E and Table 11). Subsequent to the award, the Oaken Brow project was withdrawn. The \$600,000 allocated to the project was approved by the Foundation to be advanced to the Spring FY07 grant round as were the unallocated amounts of \$3,824 and \$199. Additionally, funds from the withdrawal of the Clinch/ Pinnacle project for \$62,375 were also advanced to the Spring FY07 grant round. Remaining balances from the Brumley project (\$1), the Kelly's Ford Battlefield Overlook Park project (\$6,685), and the Portobago Creek project (\$11) were authorized for advancement to the January 2009 grant round. A balance of \$2,229,825 remains in the grant round for the completion of 6 projects.

Chapter 951 of the Virginia Acts of Assembly also reduced the amount of money available to the Foundation from the vehicle registration fees as the monies allocated ahead of these funds for other activities was increased from \$5 million to \$6 million with the remaining balance generated going to VLCF.

Chapter 3 of the 2006 General Assembly Special Session 1, Item 359E provided for \$2,500,000 in FY07 and \$2,500,000 in FY08 for Foundation grants. Chapter 847 of the 2007 Virginia Acts of Assembly increased each of these amounts to \$3,000,000. These two appropriations, combined with funds advanced from previous grant rounds, vehicle registration fee monies, and interest, totaled \$6,217,843 in funds for the June 2007 grant round (Table 19). This amount was allocated in its entirety to 15 projects (Appendix F and Table 12). One project, Charlton Hill has been withdrawn and its allocation of \$108,590 was advanced to the January 2009 grant round.

Chapter 879 of the 2008 Virginia Acts of Assembly provided for \$2,000,000 in FY09 and \$2,000,000 in FY10 for Foundation grants. These two appropriations, combined with funds advanced from previous grant rounds, vehicle registration fee monies, and interest, totaled \$4,310,945 in funds for the January 2009 grant round (Table 20). The Board will consider grant awards against this amount at their January, 7, 2009 Board meeting.

Table 17: Virginia Land Conservation Foundation: Funding Source and Allocation for June 7, 2005 Grant Awards

Funding Categories	Unallocated Principal Balance	Proposed Return of Unspent Grant	Interest	FY04 Vehicle Registration	Chapter 4 Appropriation Act	TOTAL
VOF			14,246	365,819	625,000	1,005,065
Open Space and Parks	17,995	32,858	10,684	274,364	468,750	804,668.50*
Natural Area Protection	0		10,684	274,364	468,750	753,815.50*
Historic Area Preservation	1,618		10,684	274,364	468,750	755,433.50*
Farmland and Forest Preservation	20,570		10,684	274,364	468,750	774,385.50*
Proposed Admin. Expenses FY05			136,300			136,300
Proposed Admin. Expenses FY06			140,000			140,000
TOTAL	40,183	32,858	333,282	1,463,275	2,500,000	4,369,668**
Amounts Reserved for Easement Projects (33% of the 4 use areas)				362,160	618,750	
* - Includes an additional \$17.50 from a \$70 donation						
** - does not reflect FY05 interest or payments						
Open Space and Parks		[FY01 \$17,995 Battlefield Earmarks – Cedar Creek; FY00\$32,858 Waid Recreation Area]				
Natural Area Protection						
Historic Area Preservation	1,618	[FY00 \$975 Fort Christanna Preservation Project; FY00 \$643 Palmyra Lock + Mill Site]				
Farmland and Forest Preservation	20,570	[FY00 \$20,570 Big Survey]				

**Table 18: Virginia Land Conservation Foundation: Funding Source and Allocation for
December 1, 2005 Grant Awards**

Funding Categories	Interest	Unallocated Principal From Spring 05 Grant Round	FY05 Vehicle Registration	Chapter 951 Appropriation Act	Chapter 951 Appropriation Act	TOTAL
VOF	0	0	95,265	2,500,000	625,000	3,220,265.00
Open Space and Parks	0	0	71,449	1,875,000	468,750	2,415,199.00
Natural Area Protection	0	29,685.50	71,449	1,875,000	468,750	2,444,884.50
Historic Area Preservation	0	0	71,449	1,875,000	468,750	2,415,199.00
Farmland and Forest Preservation	0	30,952.50	71,449	1,875,000	468,750	2,446,151.50
Admin. Expenses FY07 proposed	198,700	0	0	0	0	198,700
Admin. Expenses FY08 proposed	182,000	0	0	0	0	182,000
TOTAL	380,700	60,638.00	381,061	10,000,000	2,500,000	13,322,399.00
Amounts reserved for Grant Program = \$9,721,434						
Amounts Reserved for Easement Projects (33% of the 4 use areas of the new monies)			94,312	2,475,000	618,750	3,188,062.00
Open Space and Parks						
Natural Area Protection		29,685.50	[Money not allocated to projects in FY05 round]			
Historic Area Preservation						
Farmland and Forest Preservation		30,952.50	[Money not allocated to projects in FY05 round]			

Table 19: Virginia Land Conservation Foundation: Funding Source and Allocation for June 13, 2007 Grant Awards

Funding Categories	Unallocated Principal Balance	Interest (thru 06/30/06)	FY06 Vehicle Registration	Chapter 3 (FY07) Appropriation Act	Chapter 3 (FY08) Appropriation Act	Chapter 847 (FY07)	Chapter 847 (FY08)	Unallocated Principal Balance	Interest allocation	TOTAL
VOF	0	47,240	195,890	625,000	625,000	125,000	125,000	0	75,000	1,818,130
Open Space and Parks	3,824	35,430	146,918	468,750	468,750	93,750	93,750	0	56,250	1,367,422
Natural Area Protection	0	35,420	146,918	468,750	468,750	93,750	93,750	74,903.00	56,250	1,438,501
Historic Area Preservation	78,082	35,420	146,918	468,750	468,750	93,750	93,750	-2,168.17	56,250	1,439,512
Farmland and Forest Preservation	601,054	35,420	146,918	468,750	468,750	93,750	93,750	7,756.00	56,250	1,972,408
TOTAL	682,960	188,960	783,562	2,500,000	2,500,000	500,000	500,000	80,490.83	300,000.00	8,035,973
Amounts reserved for Grant Program = \$6,217,843										
Open Space and Parks	3,824	[FY06 \$3,824 Unexpended – Easement]								
Natural Area Protection	0					74,903		[FY05 \$12,528 Gilvary Forest; FY06 \$62,375 Clinch River/ Pinnacle]		
Historic Area Preservation	75,913.83	[FY06 \$199 Unexpended Easement; FY05 \$75,714.83 Brandy Station – Acquisition]								
Farmland and Forest Preservation	601,054	[FY06 \$600,000 Oaken Brow – easement; FY01 \$1,054 The Meadow – Easement]				7,756		[FY05 \$7,756 Blacks Farm]		

**Table 20: Virginia Land Conservation Foundation: Funding Source and Allocation for
January 7, 2009 Grant Awards**

Funding Categories	Prior Project Balances	Canceled Projects	FY07 Vehicle Registration	FY07 Vehicle Registration	Chapter 879 (FY09) Appropriation Act	Chapter 879 (FY10) Appropriation Act	TOTAL
VOF	0	0	0	99,470	500,000	500,000	1,099,470
Open Space and Parks	0	244,794	124,363	74,603	375,000	375,000	1,193,760
Natural Area Protection	1	155,000	124,363	74,603	375,000	375,000	1,103,967
Historic Area Preservation	6,685	0	124,363	74,603	375,000	375,000	955,651
Farmland and Forest Preservation	11	108,590	124,363	74,603	375,000	375,000	1,057,567
TOTAL	6,697	508,384	497,452	397,882	2,000,000	2,000,000	5,410,415
Amounts reserved for Grant Program = \$4,310,945							
Open Space and Parks	244,793.50	[Withdrawn: FY05 Shenandoah Valley Battlefield Foundation: Cedar Creek Bluff Easement, for \$244,793.50]					
Natural Area Protection	155,001	[Withdrawn: FY01 Middle Peninsula Land Trust: Garden Creek/ Winter Harbor Acquisition, for \$155,000] [Unexpended: FY06 Department of Forestry: Brumley Mountain, \$1]					
Historic Area Preservation	6,685	[Unexpended: FY06 Brandy Station Foundation: Kelly's Ford Battlefield Overlook Park, \$6,685]					
Farmland and Forest Preservation	108,601	[Withdrawn: FY07 Chesapeake Bay Foundation: Charlton Hill Easement, for \$108,590] [Unexpended: FY06 The Trust for Public Land: Portobago Creek, \$11]					

FUNDING CATEGORIES	FY09 FUNDS AVAILABLE	FY10 FUNDS AVAILABLE
Open Space and Parks	818,760	375,000
Natural Area Protection	728,967	375,000
Historic Area Preservation	580,651	375,000
Farmland & Forest Preservation	682,567	375,000
TOTAL	2,810,945	1,500,000

APPENDICES

Appendix A - Land Preservation Tax Credits – Conservation Value Review Criteria

VIRGINIA LAND CONSERVATION FOUNDATION Land Preservation Tax Credits – Conservation Value Review Criteria Adopted November 21, 2006 and amended August 7, 2008

As of January 1, 2007, the Department of Conservation and Recreation (DCR) became responsible for conducting reviews of the conservation value of applications requesting \$1 million or more in state Land Preservation Tax Credits (LPC). This responsibility was given to DCR by the Governor and the Virginia General Assembly pursuant to the 2006 amendments to the Virginia Land Conservation Incentives Act of 1999 (Virginia Code § 58.1-512).

This document sets out the criteria adopted by the Virginia Land Conservation Foundation in November of 2006 and amended in August of 2008, pursuant to Virginia Code § 58.1-512(D)(3), that the Director of the Department of Conservation and Recreation (DCR) will use to verify to the Department of Taxation in advance of Taxation issuing a LPC, the conservation value of donated land or conservation easements or other less-than-fee interests in land that result in tax credit applications that claim \$1 million or more in credits from a donation equal to or greater than \$2.5 million. Any land transaction claiming less than the \$1 million tax credit does not require a DCR review.

Donors whose applications for tax credits are verified for conservation value by DCR should be aware that they remain responsible for full compliance with applicable federal and state requirements. Donations certified as compliant with the DCR criteria will remain subject to later audit by the Virginia Department of Taxation for items not covered by the criteria (notably, but not limited to, valuation standards). In addition, donors claiming federal tax incentives will remain subject to audit by the Internal Revenue Service.

Donations of land in fee simple

To qualify for a tax credit, any donation of a fee simple interest in real property to a public or private conservation agency (including a bargain sale) that involves a tax credit application for \$1 million or more must be documented with adequate information demonstrating that the agency's ownership of the land provides conservation value to the Commonwealth in accordance with the requirements of Va. Code § 58.1-512.

Donations of less-than-fee interests in land

To qualify for a tax credit under Virginia Code § 58.1-512, any donation of a less-than-fee interest in real property (known more commonly as a "conservation easement") that involves a tax credit application for \$1 million or more must meet the conservation values criteria set out in Sections A, B, and C below:

- Conservation purpose;
- Public benefit; and
- General water quality and forest management.

- A. **Conservation Purpose:** The donated land or conservation easement must be conveyed for at least one of the following eight Conservation Purposes, pursuant to Virginia Code § 58.1-512(A) and Internal Revenue Regulations § 1.170A-14. The applicant can select as many Conservation Purposes as apply, but is only required to have one verifiable Conservation Purpose to meet the DCR review. Each category within this section includes “safe harbors” that will meet the conservation purpose for that category.

Donations of land or conservation easements expressly given for one or more conservation purposes outlined in this section of the Criteria (as listed below in A.1 through A.8) that are accepted or approved by the Virginia Outdoors Foundation, the Department of Historic Resources, the Department of Forestry, the Department of Conservation and Recreation, or the Department of Game and Inland Fisheries will be presumed to meet the conservation purpose contained in this section.

Easements must protect the conservation purpose indicated in perpetuity. Lands indicated to have a conservation purpose of either agricultural or forestal use are not required to remain in agricultural or forestal production, however the easement must ensure that agricultural or forestal use remains a viable option in perpetuity.

1. Agricultural Use. A land area of five contiguous acres or more devoted to production for sale of plants or animals under standards prescribed by the Commissioner of Agriculture and Consumer Services, or land devoted to a soil conservation program under an agreement with an agency of the federal government.¹
 - a. The following lands will meet the safe harbors for conservation purpose for the agricultural use category.
 - (1) Land that a county, city or town has designated as real estate devoted to agricultural or horticultural use for purposes of use value assessment and taxation pursuant to Virginia Code § 58.1-3230.
 - (2) Land that is part of an agricultural or agricultural and forestal district pursuant to Virginia Code § 15.2-4300 or § 15.2-4400.
 - (3) Land that the governing body of any county, city or town, with the cooperation of the United States Department of Agriculture, has designated as important farmland within its jurisdiction pursuant to Virginia Code § 3.1-18.5(B).
 - b. Other lands will meet the conservation purpose for this category, if the taxpayer demonstrates the conservation value of the land for agricultural uses.
2. Forestal Use. Land used for tree growth and maintained as a forest area.
 - a. Land used for tree growth means an area of at least 20 contiguous acres from which livestock has been excluded and that meets one of the following conditions:²
 - (1) The land contains existing, well distributed, and commercially valuable trees. Land used for tree growth that has been recently harvested of merchantable timber, is

¹ 2 Virginia Administrative Code (VAC) 5-20

² 4VAC10-20

regenerating into a new forest, and has not been developed for non-forest use will qualify.

(2) The land has trees but is not capable of growing a commercial timber crop because of inaccessibility or adverse site conditions such as steep outcrops of rock, shallow soil on steep mountainsides, excessive steepness, heavily eroded areas, coastal beach sand, tidal marsh and other site or environmental conditions.

b. The following lands will meet the safe harbors for conservation purpose for the forestal use category.

(1) Land that a county, city or town has designated as real estate devoted to forestal use for purposes of use value assessment and taxation pursuant to Virginia Code § 58.1-3230.

(2) Land that is part of a forestal or agricultural and forestal district pursuant to Virginia Code § 15.2-4301 or §15.2-4401.

(3) Land that contains 20 acres or more of forest area that is adjacent to lands owned or managed by the United States Forest Service or the Virginia Department of Forestry.

(4) Land that contains less than 20 acres of forest area, provided that the land has greater than 50% canopy coverage and has been certified by the State Forester in consultation with the local city or county arborist, if such a position exists within the locality, as important to the establishment and preservation of urban forests, pursuant to Va. Code § 10.1-1105.

c. Other lands will meet the conservation purpose for this category, if the applicant demonstrates the conservation value of the land for forestal use.

3. Natural Habitat and Biological Diversity. Land that contains significant natural habitats and/or ecosystems that support native plant and animal species and protect a relatively natural habitat of fish, wildlife, plants, or similar ecosystems, including natural areas and natural heritage resources as defined below.

a. For the purposes of this category, the following definitions apply.

(1) Natural area – any area of land, water, or a combination thereof, that retains or has reestablished its natural character, though it need not be completely natural and undisturbed; or which is important in preserving rare or vanishing flora, fauna, native ecological systems, geological, natural historical, scenic or similar features of scientific or educational value benefiting the citizens of the Commonwealth.³

(2) Natural heritage resource – The habitat of rare, threatened, or endangered plant and animal species, rare or state significant natural communities or geologic sites, and similar features of scientific interest, as identified by the Department of Conservation and Recreation's Virginia Natural Heritage Program.⁴

³ Virginia Code § 10.1-209

⁴ Virginia Code §10.1-209

- (3) Significant natural habitat – Areas that represent high quality examples of a terrestrial community or aquatic community; caves, or areas which are included in, adjacent to, or which contribute to the ecological viability of a local, regional, state, or national park, nature preserve, wildlife refuge, wilderness area or other similar conservation area.⁵
- b. The following lands will meet the safe harbors for conservation purpose for the natural habitat and biological diversity conservation category.
- (1) Lands identified in writing by the Department of Conservation and Recreation's Virginia Natural Heritage Program as necessary to protect natural heritage resources.
- (2) Lands identified in writing by the Department of Game and Inland Fisheries as significant wildlife habitat, the protection of which would further implementation of the Comprehensive Wildlife Conservation Strategy (also known as Virginia's Wildlife Action Plan).
- (3) Undeveloped lands located within or adjacent to local, regional, state or federal lands managed primarily for their natural habitat and biological diversity.
- c. Other lands will meet the conservation purpose for this category, if the applicant demonstrates the conservation value of the land for natural habitat and biological diversity.
4. Historic Preservation. Land that contains historic landmarks, including buildings, structures, objects, sites, and landscapes, that constitute historic, archaeological, and cultural resources of significance as determined by the Virginia Department of Historic Resources. Visual or other access by the general public on a periodic basis is required to qualify under this category.⁶
- a. The following properties will meet the safe harbors for conservation purpose for the historic preservation category.
- (1) Properties individually listed in the Virginia Landmarks Register or the National Register of Historic Places.
- (2) Properties that have been determined by the Virginia Department of Historic Resources to be eligible for listing in the Virginia Landmarks Register and/or recommended for listing in the National Register of Historic Places.
- (3) Properties that are contributing resources within historic districts that are listed in the Virginia Landmarks Register and/or National Register of Historic Places.
- (4) Any battlefield that meets the above standards and/or is listed by the Civil War Sites Advisory Commission Report of 1993, as amended.
- b. Other properties may meet the conservation purpose for historic preservation if the applicant demonstrates the conservation value of the resource for historic preservation and provides documentation from the Virginia Department of Historic Resources to support such a claim.

⁵ 26 Code of Federal Regulations (CFR) §1.170A-14(d)(3)

⁶ 26 CFR §1.170A-14(d)(5)

5. Natural-Resource Based Outdoor Recreation or Education. Lands devoted to and available for natural-resource based outdoor recreation by, or education of, the general public. Access for substantial and regular use by the general public is required to qualify under this category.⁷
- a. For the purposes of this category, land devoted to and available for natural-resource based outdoor recreation or education means parks, trails, greenways or similar recreational areas, open for public use, except any use operated primarily as a business with intent for profit.⁸ Examples include a water area for the use of the public for boating or fishing, or a nature or hiking trail for the use of the public.⁹
 - b. Lands will meet the conservation purpose for this category if the applicant demonstrates the conservation value of the land for natural-resource based outdoor recreation or education, such as lands identified in the Virginia Outdoors Plan.
 - c. The following lands will not meet the conservation purpose for natural-resource based outdoor recreation or education:
 - (1) Lands where development (for example, buildings, roads, or parking lots) covers more than 15% of the site (paved trails and boardwalks are excluded from this calculation).
 - (2) Lands used for commercial recreational or amusement places, such as athletic fields or stadiums, driving ranges, golf courses, private beaches or pools, marinas, motor speedways, drag strips, or amusement parks.
 - (3) Private membership clubs, including golf or country clubs, private beaches or pools, or lands available for use only for residents of an associated development or subdivision (that is, not the general public).¹⁰
6. Watershed Preservation. Substantially undeveloped land that, by virtue of its size or by virtue of its location adjacent to rivers, streams, or other waterways, serves to protect water quality and/or quantity, hydrological integrity, riparian and/or aquatic habitat, or public drinking-water supplies. Examples, defined below, include floodplains, wetlands, vegetated buffers, sinking streams, and groundwater recharge areas.
- a. For the purposes of this category, the following definitions apply.
 - (1) Floodplains – Lands that are used for the passage or containment of waters, including the floodplains or valleys/side slopes of streams that are or may be subject to periodic or occasional overflow, such as floodplains identified by engineering surveys by the U.S. Corps of Engineers, the Federal Emergency Management Agency, or others. Floodplains also include coastal lowlands, such as bays, estuaries or ocean shores, subject to inundation by storms or high tides.¹¹

7 26 CFR §1.170A-14(d)(2)

8 4VAC5-20-20(A)

9 26 CFR §1.170A-14(d)(2)

10 4VAC5-20-20(A)

11 4VAC5-20-20(C)

- (2) Wetlands – Lands with characteristic hydric soils that are inundated or saturated by surface or ground water at a frequency or duration sufficient to support, and that under normal conditions does support, a prevalence of vegetation typically adapted for life in saturated soil conditions.¹²
 - (3) Vegetated buffers – An area of land along a river, stream, wetland, or other waterway where natural vegetation is maintained and degradation by livestock is prevented.
 - (4) Groundwater recharge areas – Lands that, by virtue of a combination of topography, soils, and underlying geology are important to the recharge of local or regional groundwater supply and have been identified as such by local, state, or federal agencies.
 - (5) Sinking streams – Perennial or intermittent streams that sink into the underlying karst features.
- b. The following lands will meet the safe harbors for conservation purpose for the watershed preservation category.
 - (1) Lands containing significant wetland acreage mapped on the U.S. Fish and Wildlife Service's National Wetland Inventory or other wetlands with delineations approved by the U.S. Army Corps of Engineers and/or the Virginia Department of Environmental Quality.
 - (2) Lands containing vegetated buffers of at least 100 feet in width with substantial frontage on a perennial stream, wetland, or tidal waters.
 - (3) Lands adjacent to reservoirs used for public drinking water supplies or within 1,000 feet of a public drinking water well.
 - c. Other lands will meet the conservation purpose for this category if the applicant demonstrates the conservation value of the land for watershed preservation. For example, lands identified by a local, state, or federal agency as important groundwater recharge areas, sinkholes receiving channelized surface flow, sinking streams and springs, each with vegetated buffers of at least 35 feet, or lands located within an identified Special Flood Hazard Area mapped by the Federal Emergency Management Agency¹³ may meet the conservation purpose for this category.
 - d. Wetlands created, restored, or protected for the purposes of providing compensation pursuant to a regulatory requirement will not meet the conservation purpose for the watershed preservation category.
- 7. Preservation of Scenic Open Space. Lands that contain views, vistas, or characteristics that contribute to, and are compatible with, the scenic character or enjoyment of the surrounding landscape. Visual access to or across the property from public lands or publicly accessible water bodies or lands, including roads or trails, is required to qualify under this category.
 - a. The following lands will meet the safe harbors for conservation purpose for the scenic preservation category.

¹² Virginia Code § 58.1-3666

¹³ 12 CFR § 339.2

- (1) Lands adjacent to or visible from a State Scenic Highway, pursuant to Virginia Code § 33.1-64, or a Virginia Byway, pursuant to Virginia Code § 33.1-63.
 - (2) Lands adjacent to or visible from a federally designated Wild and Scenic River or American Heritage River in or adjacent to Virginia, or a State Scenic River pursuant to Virginia Code § 10.1-400.
 - (3) Lands adjacent to, or visible from public parks or public hiking, biking, or riding trails.
 - (4) Lands officially designated as scenic by a local, state or federal agency, provided that in each case the designating agency supplies a specific description of the lands or area so designated or recommended.¹⁴
- b. Other lands will meet the criteria for this category if the applicant demonstrates the conservation value of the land for preservation of scenic open space. For example, lands adjacent to or visible from publicly accessible water bodies, public roads, or permanently protected lands provided that there is visual access for the public may meet the conservation purpose for this category. Where visual access to the property is not available, physical access may be used to demonstrate the conservation value of the land for preservation of scenic open space.
8. Conservation and Open Space Lands Designated by Local Governments. Lands that contain features, resources, values, or other attributes that a local government has officially designated as important to protect from inappropriate development so as to help shape the character, direction and timing of development in the area.
- a. To qualify under this category, a local government must have adopted, in an official public ordinance or comprehensive plan, one of the following as worthy of protection:
 - (1) the specific property in question;
 - (2) a specific land area that contains the property in question;
 - (3) a designated class of land with specific, identified conservation value, defined by use, location, and attributes; or
 - (4) land that is used as a public garden such as a shared green space for the use of the entire community for raising flowers, vegetables, fruit, or other produce.
 - b. A general statement of conservation goals may support verification of this conservation purpose, but is not sufficient on its own to qualify under this category.¹⁵

B. Public Benefit

1. The terms of every deed of conservation easement submitted for DCR review must contain terms and restrictions that protect the conservation purpose(s) of the land in perpetuity.
2. The terms of every deed of conservation easement submitted for DCR review must prohibit intentional destruction or significant alteration of the conservation values of the protected

¹⁴ 4VAC5-20-20(F)(3)

¹⁵ 26 CFR §1.170A-14(d)(4)

property other than for general maintenance or restoration, or for activities deemed necessary for safety considerations.

3. The terms of every deed of conservation easement submitted for DCR review must ensure that the conservation value of the property will not be adversely affected by future subdivision or development of the property. To ensure the protection of conservation value, the easement must include the following provisions:
 - a. limitations on the number of permitted subdivisions on the property;
 - b. limitations on the amount of permitted new buildings and structures, either by placing a limit on the number of new buildings or structures and placing individual limits on the size of those buildings or structures, or by placing a limit on the collective footprint of all buildings and structures; or by some combination of those approaches;
 - c. restrictions on the location of permitted new buildings and structures, either through the use of building envelopes, no-build zones, or through required review and approval by the easement holder of the location of new buildings and structures prior to construction;
 - d. restrictions on the location of permitted new roads or access ways, either through use of pre-approved routes, no-road zones, or through required review and approval by the easement holder of new roads or access ways prior to construction (however, roads or access ways for public safety needs or for permitted uses such as farming or forestry may be constructed and maintained); and
 - e. limitations on alterations, demolition, or ground-disturbing activity that may impact cultural or natural heritage resources.
4. Donated property must not have been dedicated as open space in, or as part of, a residential or commercial subdivision or development, or dedicated as open space for the purpose of fulfilling density requirements to obtain approvals for zoning, subdivision, site plan, or building permits.

C. General Water Quality and Forest Management

For tax-credit applications submitted to DCR, the deed of conservation easement must ensure the protection of water quality and forest resources through the inclusion of the following terms and restrictions, where applicable.

1. Rivers, Streams, Wetlands, Springs, or Shorelines:

Maintaining proper vegetated buffers is important for water quality protection. Scientific evidence indicates the wider the buffer, the greater the value for nutrient reduction and sediment removal, as well as for wildlife diversity and habitat. Donors are encouraged to work with the easement holders to maximize the water-quality benefits provided by the donated property. A mixture of trees, shrubs, and grasses has been shown to be most effective at protecting water quality, but the criteria do not require the buffer to include all three.

If the property contains or includes wetlands or frontage on a perennial stream or river (as depicted by a solid blue line on the USGS 7.5' topographic map), sinking streams (as defined above in section A.6.a.(5)), lakes, tidal waters, ponds, or other waterbodies, the following minimum protections for those resources apply.

- a. Conservation easement terms must require a vegetated buffer (as defined above in section A.6.a.(3)) that is at least 35 feet wide, unless a wider buffer is required by local, state, or federal law or regulations. A vegetated buffer is required for a pond only if the pond has a perennial stream flowing from it.
- b. To qualify as a buffer under these criteria, the deed of conservation easement must:
 - (1) prohibit within the buffer construction of new buildings or structures and roads (however, existing buildings or structures, reconstruction of documented historic buildings and structures on historic properties, and certain water-dependent structures such as docks are permissible, as are existing roads, limited stream crossings, and limited access points);
 - (2) restrict within the buffer other soil disturbance, including plowing (however, tree planting, forest management in accordance with Virginia's Forestry Best Management Practices for Water Quality Guide, archaeological investigations, and restoration, reconstruction, and maintenance of documented historic landscapes on historic properties are permissible);
 - (3) require a buffer of vegetative cover that includes, but is not limited to, forest, shrubs, or warm-season grasses. Lawns or grazed pastures shall not constitute vegetative cover for the purposes of this provision. However, the buffer area may be mowed up to three times in one calendar year. Historic landscapes as verified by the Department of Historic Resources may be restored or reconstructed and maintained. In addition, control of non-native vegetation or removal of diseased trees within the buffer is permissible.
 - (4) restrict regular livestock grazing within the buffer (however, limited designated points for crossing are permissible in accordance with a written conservation plan pursuant to C2). Methods for excluding livestock by fencing must be effective; however, they do not need to conform to NRCS standards.
2. Land Used for Agricultural Production: If the property contains lands in agricultural use as defined above in section A.1, then the deed of conservation easement shall require implementation of a written conservation plan that stipulates the use of best management practices (such as proper nutrient management, utilization of cover crops, and stabilization of highly erodible lands). This plan shall be developed in consultation with the local Soil and Water Conservation District or the Natural Resources Conservation Service representative and shall be implemented as long as the lands remain in agricultural production. [More information on conservation plans may be found at the Natural Resources Conservation Service's website <http://www.nrcs.usda.gov/> including a brochure at <http://www.ri.nrcs.usda.gov/conservation.html>, and contact information for the Soil and Water Conservation Districts is available on DCR's website at http://www.dcr.virginia.gov/soil_&_water/swcds.shtml.]
3. Management Plans for Forestlands: If the property contains 20 acres or more of forest lands, as defined above in section A.2.a, then the deed of conservation easement shall require that the landowner has a current written forest management plan or Virginia Forest Stewardship Plan in place prior to the commencement of timber harvesting or other significant forest management activities. The deed of conservation easement shall require the forest management plan to include a provision that all forest management and harvesting activities be developed by, or in consultation with, the Virginia Department of Forestry, or be consistent with Virginia's Forestry Best Management Practices for Water Quality Guide.

Appendix B - FY1999-2000 Budget Status Report

Virginia Land Conservation Fund						
Applications FY-00						
\$ Awards by Category						
AS OF SEPTEMBER 30, 2008						
Project #	Project Title	Name of Applicant	Awards by Category	Payments	Reverted to the General Fund	Balance
OPEN SPACES & PARKS		Beginning Balance	437,500			
98303-01	McAfee Knob (acq.) Carter Land	Appalachian Trail Conference	43,800	43,800		0
98303-02	Powhatan Creek Acq. Program	James City County	250,000	0	250,000	0
98303-03	Indian River Park Acquisition	City of Chesapeake	100,000	100,000		0
		Total Awarded	393,800	143,800	250,000	0
		Fund Balance Carryforward to FY01	43,700			
NATURAL AREA PROTECTION		Beginning Balance	437,500			
98304-01	Powers Tract, NW River	The Nature Conservancy VA. Chp.	286,000	286,000		0
98304-02	Hickory Hollow Nature Trail	Northern Neck Audubon Society	150,012	150,012		0
		Total Awarded	436,012	436,012	0	0
		Fund Balance Carryforward to FY01	1,488			
HISTORIC AREA PRESERVATION		Beginning Balance	437,500			
98305-01	Fort Christanna Preservation Project	Brunswick County	50,975	0	50,000	975
98305-02	Purchase of the Embrey Farm	George Washington's Fredericksburg Foundation	225,000	225,000		0
98305-03	Talbot Farm Cons. Easement	Land Trust of Virginia	76,350	76,350		0
98305-04	Palmyra Lock & Mill Site (acq.)	Fluvanna Historical Society	6,200	5,557		643
98305-05	James River Kanawha Canal Park Expansion	Town of Buchanan	13,255	0	13,255	0
98305-06	Welbourne Farm Easement Acquisition	Virginia Outdoors Foundation Northern Virginia Office	50,000	50,000		0
		Total Awarded	421,780	356,907	63,255	1,618
		Fund Balance Unobligated	1,618			
		Fund Balance Carryforward to FY01	15,720			
FARMLANDS & FOREST PRESERVATION		Beginning Balance	437,500			
98306-01	Welbourne Farm Easement Acq.	Va. Outdoors Foundation Northern VA. Office	258,250	258,250		0
98306-02	The Big Survey (acq.)	Western Virginia Land Trust	50,000	29,430		20,570
98306-03	Indian River Park Acquisition	City of Chesapeake	100,000	100,000		0
98306-04	Hickory Hollow Nature Trail	Northern Neck Audubon Society	29,000	29,000		0

		Total Awarded	437,250	416,680		20,570
		Fund Balance Unobligated	20,570			
		Fund Balance Carryforward to FY01	250			
		Grand Total Appropriation	\$1,750,000			
		Grand Total Award	\$1,688,842	\$1,353,399	313,255 **	\$22,188
		Total Fund Balance Carryforward to FY01	\$61,158		** Reverted to General Fund during FY03 budget reductions	
		Balance Unobligated moved to FY05 grant round to close out books	\$22,188			
		FY2000 Unspent Funds				\$0

Appendix C - FY2000-2001 Budget Status Report

Virginia Land Conservation Fund							
Applications FY-01							
\$ Awards by Category							
AS OF SEPTEMBER 30, 2008							
	Project Title	Name of Applicant	Awards by Category	Payments	Reverted to the General Fund	Returned to VLCF Fund	Balance
BATTLEFIELDS		Beginning Balance	3,400,000				
98302-01	Brandy Station		2,100,000	2,100,000			0
98302-02	Cedar Creek		250,000	232,004	17,996		0
98302-03	Kernstown		350,000	350,000			0
98302-04	Third Winchester (Opequon)		700,000	700,000			0
		Total Awarded	3,400,000	3,382,004	17,996		0
		Reverted to General Fund	17,996		17,996		
		Remaining Balance	0				
OPEN SPACE PRESERVATION TRUST FUND		Beginning Balance	1,550,000	1,550,000			
	VOF Projects						0
		Total Awarded	1,550,000	1,550,000			0
		Remaining Balance	0				
OPEN SPACES & PARKS		Beginning Balance	1,162,500				
	Carryforward from FY00		+43,700				
98303-04	Whit-Riverbend Park	Town of Pearisburg	110,000	110,000			0
98303-05	Jamison Cove Marina	Town of Urbana	245,955	245,955			0
98303-06	Mary B Stratton Estate	Dept of Conservation & Recreation	75,000	75,000			0
98303-07	Keister Park	Shenandoah County	306,575	306,575			0
98303-08	Cross Country Trail Easement (E)	Fairfax County	30,000	30,000			0
98303-09	Historic Yorktown Beach Trail (E)	York County	117,500	117,500			0
98303-10	Williams Wharf Landing Project	Mathews County Land Cons.	36,300	36,300			0
98303-11	Waid Recreation Area	Franklin County	126,255	93,397		32,858	0
		Total Awarded	1,047,585	1,014,727		32,858	0
		Reverted to General Fund	140,620		140,620		
		Remaining Balance	17,995				

NATURAL AREA PROTECTION		Beginning Balance	1,162,500				
	Carryforward from FY00		+1,488				
98304-03	Clinch River	The Nature Conservancy	196,640	196,640			0
98304-04	Rare Oak Hickory Forest	The Northern Virginia Cons. Trust	729,250	729,250			0
98304-05	Garden Creek/Winter Harbor	Middle Peninsula Land Trust	155,000			155,000	0
		Total Awarded	1,080,890	925,890		155,000	0
		Reverted to General Fund	83,098		83,098		
		Remaining Balance	0				
HISTORIC AREA PRESERVATION		Beginning Balance	1,162,500				
	Carryforward from FY00		+15,720				
98305-07	North Meadow (Carr Property) (E)	Waterford Foundation	187,042	187,042			0
98305-08	Buhrman (Malvern Hill)	APVA	300,000	300,000			0
98305-09	Chancellorsville Battlefield	Central Virginia Battlefields Trust	150,000	150,000			0
98305-10	Totopotomoy Battlefield (Rural Plains)	Historic Polegreen Church Foundation	323,000	323,000			0
		Total Awarded	960,042	960,042			0
		Reverted to General Fund	218,178		218,178		
		Remaining Balance	0				
FARMLANDS & FOREST PRESERVATION		Beginning Balance	1,162,500				
	Carryforward from FY00		+250				
98306-05	The Meadow (E)	Virginia Outdoors Foundation	359,625	358,571		1,054	0
98306-06	Elgin Diary (E)	Virginia Outdoors Foundation	317,000	317,000			0
98306-07	Leonard Farm (E)	Virginia Outdoors Foundation	81,806	81,806			0
98306-08	Brush Creek Farm (E)	Virginia Outdoors Foundation	72,747	72,747			0
		Total Awarded	831,178	830,124		1,054	0
		Reverted to General Fund	331,572		331,572		
		Remaining Balance	0				
			Received	Expended	Reverted	Returned to VLCF	Balance
		Battlefield Acquisitions	\$3,400,000	\$3,382,004	\$17,996		\$0
		Open Space Preservation Trust	\$1,550,000	\$1,550,000			\$0
		Available to Four Major Uses * Includes Carry-forward from FY00 of \$61,158	\$4,711,158	\$3,730,783	\$773,468	\$188,912	\$0
		Totals	\$9,661,158	\$8,662,787	\$791,464	\$188,912	\$0
		Reverted to General Fund in FY01			\$791,464		\$0

		Balance Unobligated transferred to FY05 grant round (never committed)				\$17,995	
		Balance Obligated transferred to FY05 grant round (left over from grant under-run)				\$32,858	
		Balance Obligated transferred to FY07 grant round (left over from grant under-run)				\$1,054	
		Balance Obligated transferred to FY09 grant round (left over from grant withdrawal)				\$155,000	
		Total FY 01 Unspent Funds					\$0
* - A minimum of \$1,550,000 of this revenue must be expended on easements							
(E) - Easement projects							

Appendix D - FY2005 Budget Status Report (June 2005 Grant Round)

Virginia Land Conservation Fund						
Applications FY-05						
\$ Awards by Category						
AS OF SEPTEMBER 30, 2008						
	Project Title	Name of Applicant-Property Location	Awards by Category	Payments	Returned to VLCF Fund	Balance
OPEN SPACE PRESERVATION TRUST FUND		Beginning Balance (\$14,246 interest, \$365,819 FY04 Vehicle Registration, and \$625,000 Approp. Act)	1,005,065	1,005,065		
		Total Awarded	1,005,065	1,005,065		0
		Remaining Balance	0			
OPEN SPACES & PARKS		Beginning Balance	804,668.50			
98303-12	Cedar Creek Bluff (E)	Shenandoah Valley Battlefield Foundation-Shenandoah Co	244,793.50		244,793.50	
98303-13	Mount Pleasant Farm (E)	Potomac Conservancy - Shenandoah County	100,000	100,000		0
98303-14	Fray Tract	Wildlife Foundation - Madison County	190,500	190,500		0
98303-15	Fairview Park Acquisition	Town of Woodstock	250,000	250,000		0
98303-16	Trevilian Station Battlefield Riveroak	Trevilian Station Battlefield Foundation-Louisa County	19,375	19,375		0
		Total Awarded	804,668.50	559,875	244,793.50	0
		Remaining Balance	0			
NATURAL AREA PROTECTION		Beginning Balance	753,815.50			
98304-06	Mark and Jacks Island	The Nature Conservancy-Accomack County	500,000	500,000		0
98304-07	Gilvary Forest (E)	The 500 Year Forest - Giles County	224,130	211,602	12,528	0
		Total Awarded	724,130	711,602	12,528	0
		Returned to VLCF Fund	29,685.50		42,213.50	
		Remaining Balance	0			

HISTORIC AREA PRESERVATION		Beginning Balance	755,433.50			
98305-11	Fishers Hill	Shenandoah Valley Battlefield Foundation-Shenandoah Co	212,408.50	212,408.50		
98305-12	Brandy Station	Brandy Station Foundation - Culpeper County	362,400	286,685	75,715	0
98305-13	Trevilian Station Battlefield Riveroak	Trevilian Station Battlefield Foundation-Louisa County	180,625	180,625		0
		Total Awarded	755,433.50	460,625	75,715	0
		Remaining Balance	0			
FARMLANDS & FOREST PRESERVATION		Beginning Balance	774,385.50			
98306-09	Port Tobacco (E)	Virginia Outdoors Foundation - Essex County	258,000**			258,000**
98306-10	Black Farms Property (E)	Nature Conservancy - Northampton County	400,000	392,244	7,756	0
98306-11	Page Project	Albemarle County	85,433	85,433		0
		Total Awarded	743,433	477,677	7,756	258,000
		Returned to VLCF Fund	30,952.50		38,708.50	
		Remaining Balance	0			
		Grand Total Appropriation*	\$4,093,368			
		Less: Open Space Preservation Trust	\$1,005,065	\$1,005,065		\$0
		Grand Total Available to Four Major Uses	\$3,088,303			
		Grand Total Award to Four Major Uses	\$3,027,665	\$2,428,872.5	\$401,430.50	\$258,000
		Total Fund Balance Available	\$0		\$0	\$0
		Balance Unobligated transferred to FY06 grant round (never awarded)			\$60,638	
		Balance Obligated transferred to FY07 grant round (left over from grant under-run)			\$75,715	
		Balance Obligated transferred to FY07 grant round (left over from grant under-run)			\$12,528	
		Balance Obligated transferred to FY07 grant round (left over from grant under-run)			\$7,756	
		Balance Obligated transferred to FY09 grant round (left over from grant under-run)			\$244,793.50	

* Grand total comprised of \$40,183 in unallocated principal balance swept from previous rounds, \$32,858 return of unspent grant, \$56,982 in interest, \$1,463,275 in FY04 vehicle registration monies, \$2,500,000 from the Appropriation Act, and \$70 from a donation.

** - Project has closed but the reimbursement has not been requested yet by VOF

Appendix E - FY2006 Budget Status Report (December 2006 Grant Round)

Virginia Land Conservation Fund						
Applications FY-06						
\$ Awards by Category						
AS OF SEPTEMBER 30, 2008						
	Project Title	Name of Applicant-Property Location	Awards by Category	Payments	Carried Forward to FY07 Grants	Balance
OPEN SPACE PRESERVATION TRUST FUND		Beginning Balance	3,220,265	3,220,265		0
		Total Awarded	3,220,265	3,220,265	0	0
		Remaining Balance	0			
OPEN SPACES & PARKS		Beginning Balance	2,415,199			
98303-17	Jamestown Campground & Yacht Basin	Shenandoah Valley Battlefield Foundation-Shenandoah Co	750,000	750,000		
98303-18	Rappahannock Station Park	Piedmont Environmental Council-Fauquier County	200,000			200,000
98303-19	Altavista / English Area Park Acquisition	Campbell County Parks & Rec-Campbell County	75,000			75,000
98303-20	Paradise Creek Eco-Park	The Elizabeth River Project-Portsmouth	500,000	500,000		0
98303-21	Chincoteague Open Space Acquisition	The Town of Chincoteague-Accomack County	500,000	500,000		0
98303-22	Tobacco Heritage Trail, Phase II	Roanoke River Rail-to-Trails, Inc-Hailfax & Brunswick Co	386,375			386,375
		Carryforward to FY07 Grants	3,824		3,824	0
		Total Awarded	2,415,199	1,750,000	3,824	661,375
		Remaining Balance	0			
NATURAL AREA PROTECTION		Beginning Balance	2,415,199			
	Carryforward from FY05		29,686			
98304-08	Cedars/Fletcher Ford	The Nature Conservancy-Lee County	68,450			68,450
98304-09	Crow's Nest Acquisition	NoVa Conservation Trust-Stafford County	500,000			500,000

98304-10	Brumley Mountain	Dept of Forestry-Washington County	314,060	314,059		1
98304-11	Clinch/Pinnacle	The Nature Conservancy-Russell County	62,375		62,375	0
98304-12	Bulls Pond Acquisition	The Nature Conservancy-Northampton County	1,500,000	1,500,000		0
		Total Awarded	2,444,885	1,814,059	62,375	568,451
		Remaining Balance	0			
HISTORIC AREA PRESERVATION		Beginning Balance	2,415,199			
98305-14	Huntsberry Farm Project	Shenandoah Valley Battlefield Foundation-Shenandoah Co	1,000,000			1,000,000
98305-15	Lick Run Civil War Battlefield	Civil War Preservation Trust-Spotsylvania County	500,000	500,000		0
98305-16	Kelly's Ford Battlefield Overlook Park	Brandy Station Foundation - Culpeper County	75,000	68,315		6,685
98305-17	Kippax Plantation	Archaeological Conservancy - Hopewell City	205,000	205,000		0
98305-18	Four Mile Tree (E)	Virginia Outdoors Foundation - Surry County	500,000	500,000		0
98305-19	Hutchison Farm - South Lot (E)	Waterford Foundation - Loudoun County	135,000	135,000		0
		Carryforward to FY07 Grants	199		199	
		Total Awarded	2,415,199	1,408,315	199	1,006,685
		Remaining Balance	0			
FARMLANDS & FOREST PRESERVATION		Beginning Balance	2,415,199			
	Carryforward from FY05		30,953			
98306-12	Rebecca George Farm PDR (E)	Fauquier County PDR Program	213,500	213,500		0
98306-13	Oaken Brow (E)	Nature Conservancy - King George County	600,000		600,000	0
98306-14	Historic Meadow Grove Farm (E)	Piedmont Environmental Council - Rappahannock County	300,000	300,000		0
98306-15	Portobago Creek (E)	The Trust for Public Land - Caroline & Essex Counties	252,711	252,700		11
98306-16	Dragon Run Conservation Corridor	Friends of Dragon Run - King & Queen County	194,000	194,000		0

98306-17	Brumley Mountain	VA Department of Forestry - Washington County	885,941	885,941		
		Total Awarded	2,446,152	1,846,141	600,000	11
		Remaining Balance	0			
		Grand Total Appropriation	\$12,941,699			
		Less: Open Space Preservation Trust	\$3,220,265	\$3,220,265		\$0
		Grand Total Available to Four Major Uses	\$9,721,434			
		Grand Total Award to Four Major Uses	\$9,721,434	\$6,818,515	\$666,398	\$2,236,521
		Total Fund Balance Available	\$0			\$0
		Balance Obligated transferred to FY07 grant round (left over from project withdrawal)				\$62,375
		Balance Obligated transferred to FY07 grant round (unallocated funds)				\$3,824
		Balance Obligated transferred to FY07 grant round (unallocated funds)				\$199
		Balance Obligated transferred to FY07 grant round (left over from project withdrawal)				\$600,000
		Balance Obligated transferred to FY09 grant round (left over from grant under-run)				\$1
		Balance Obligated transferred to FY09 grant round (left over from grant under-run)				\$6,685
		Balance Obligated transferred to FY09 grant round (left over from grant under-run)				\$11
		Total FY 06 Unspent Funds				\$2,236,521

Appendix F - FY2007 Budget Status Report (June 2007 Grant Round)

Virginia Land Conservation Fund						
Applications FY-07						
\$ Awards by Category						
AS OF SEPTEMBER 30, 2008						
	Project Title	Name of Applicant-Property Location	Awards by Category	Payments	Returned to VLCF Fund	Balance
OPEN SPACE PRESERVATION TRUST FUND		Beginning Balance	1,818,130	1,818,130		0
		Total Awarded	1,818,130	1,818,130	0	0
		Remaining Balance	0			
OPEN SPACES & PARKS		Beginning Balance	1,367,422			
98303-23	Paradise Creek Nature Park	Elizabeth River Project-City of Portsmouth	300,000	300,000		0
98303-24	Merrimac Farm Natural Area Acquisition	Prince William Conservation Alliance – Prince William County	820,773	820,773		0
98303-25	Bullpasture River (Lockridge)	DGIF – Highland County	246,649			246,649
		Total Awarded	1,367,422	1,120,773	0	246,649
		Remaining Balance	0			
NATURAL AREA PROTECTION		Beginning Balance	1,438,501			
98304-13	Gallohan-Surgenor Cave System	Nature Conservancy – Lee County	315,000			315,000
98304-14	Blackwater River Old-Growth	Nature Conservancy – Isle of Wight County	400,000			400,000
98304-15	Sweet Spring Hollow (E)	New River Land Trust – Montgomery County	225,950			225,950
98304-16	Lower Blackwater (E)	Nature Conservancy – Southampton County	208,000			208,000
98304-17	Bullpasture (Lockridge)	DGIF – Highland County	289,551			289,551
		Total Awarded	1,438,501	0	0	1,438,501
		Remaining Balance	0			
HISTORIC AREA PRESERVATION		Beginning Balance	1,439,512			

98305-20	Montpelier – Home of James Madison (E)	Piedmont Environmental Council – Orange County	700,000			700,000
98305-21	Cooley Farm	Shenandoah County Battlefields Foundation – Warren County	539,512	539,512		0
98305-22	Historic Dunn’s Meadow Retirement Residence	Town of Abingdon – Washington County	200,000			200,000
		Total Awarded	1,439,512	539,512	0	900,000
		Remaining Balance	0			
FARMLANDS & FOREST PRESERVATION		Beginning Balance	1,972,408			
98306-18	Brumley Mountain	VA Department of Forestry – Washington County	1,030,000	1,030,000		0
98306-19	Big Woods	Nature Conservancy – King George County	300,000			300,000
98306-20	Charlton Hill (E)	Chesapeake Bay Foundation – Essex County	108,590		108,590	0
98306-21	Marlboro Angus: The Snapp Farm (E)	Potomac Conservancy	250,000	250,000		0
98306-22	Ingles Ferry Farm (E)	New River Land Trust – Pulaski County	283,818			283,818
		Total Awarded	1,972,408	1,280,000	108,590	583,818
		Remaining Balance	0			
		Grand Total Appropriation	\$8,035,973			
		Less: Open Space Preservation Trust	\$1,818,130	\$1,818,130		\$0
		Grand Total Available to Four Major Uses	\$6,217,843			
		Grand Total Award to Four Major Uses	\$6,217,843	\$2,940,285	\$108,590	\$3,168,968
		Total Fund Balance Available	\$0			\$0
		Balance Obligated transferred to FY09 grant round (left over from project withdrawal)				\$108,590
		Total FY 07 Unspent Funds				\$3,168,968

Appendix G - September 30, 2008 VLCF Balance Sheet and Income Statement

ASSETS

CASH	SOURCES	
	FY00 Appropriations	\$1,750,000
	FY01 Appropriations	\$9,600,000
	FY05 Appropriations	\$12,500,000
	FY06 Appropriations	\$2,500,000
	FY07 Appropriations	\$3,000,000
	FY08 Appropriations	\$3,000,000
	FY09 Appropriations (\$500,000 out of \$2,000,000 released by DPB to date)	\$500,000
	FY04 Vehicle Registration Funds	\$1,463,275
	FY05 Vehicle Registration Funds	\$381,061
	FY06 Vehicle Registration Funds	\$783,563
	FY07 Vehicle Registration Funds	\$663,269
	FY08 Vehicle Registration Funds	\$397,880
	Interest Earned	\$2,236,003
	Donations	\$70
	USES	
	FY01 Reversion to the General Fund	(\$791,464)
	FY03 Reversion to the General Fund	(\$313,255)
	FY00 Grant Project Payments	(\$1,353,399)
	FY01 Grant Project Payments	(\$3,730,782)
	FY05 Grant Project Payments	(\$2,428,872)
	FY06 Grant Project Payments	(\$6,818,515)
	FY07-08 Grant Project Payments	(\$2,940,285)
	FY01 Battlefield Payments	(\$3,382,005)
	FY01 Open Space Preservation (VOF) Payments	(\$1,550,000)
	FY04 Vehicle Registration Payments to VOF	(\$365,819)
	FY05 Vehicle Registration Payments to VOF	(\$95,265)
	FY06 Vehicle Registration Payments to VOF	(\$195,890)
	FY07 Vehicle Registration Payments to VOF	(\$165,817)
	FY05 Open Space Preservation (VOF) Payments	(\$3,139,246)
	FY06 Open Space Preservation (VOF) Payments	(\$625,000)
	FY07 Open Space Preservation (VOF) Payments	(\$672,240)
	FY08 Open Space Preservation (VOF) Payments	(\$950,000)
	Administrative Expenses FY01	(\$83,633)
	Administrative Expenses FY02	(\$117,790)
	Administrative Expenses FY03	(\$99,280)
	Administrative Expenses FY04	(\$135,000)
	Administrative Expenses FY05	(\$136,300)
	Administrative Expenses FY06	(\$140,000)
	Administrative Expenses FY07	(\$198,700)
	Administrative Expenses FY08	(\$181,788)
	Administrative Expenses FY09	(\$35,949)
TOTAL CASH		\$8,128,826
TOTAL ASSETS		\$8,128,826

LIABILITIES		\$757,743
	FY09 Admin Expenses Payable	186,051
	FY10 Admin Expenses Payable	205,500
	FY11 Admin Expenses Payable	141,722
	FY09 Appropriation Due to VOF	125,000
	FY08 Vehicle Registration Funds due VOF	99,470
EQUITY		
	Reserved Funds (Awarded to Projects)	\$6,171,873
	Unreserved Funds (for Grants)	
	FY09 Appropriation	375,000
	FY07 Interest	28,348
	FY07 Vehicle Registration Funds	497,452
	FY08 Vehicle Registration Funds	298,410
		\$1,199,210
TOTAL EQUITY		\$7,371,083

TOTAL LIABILITIES & EQUITY	\$8,128,826
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FUND BALANCE – JUNE 30, 2008	\$7,698,775
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INCOME

	Vehicle Registration Funds	
	FY09 Appropriation - Chapter 847	\$500,000
	Interest Earned	
TOTAL INCOME		\$500,000

DISBURSEMENTS

	FY01 Project Disbursements	\$0
	FY05 Project Disbursements	\$0
	FY06 Project Disbursements	\$34,000
	FY07-08 Project Disbursements	\$0
	FY07 Open Space Preservation (VOF) Payments	\$0
	Administrative Expenses	\$35,949
TOTAL DISBURSEMENT		\$69,949

NET OPERATING - FY09	\$430,051
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FUND BALANCE – SEPTEMBER 30, 2008	\$8,128,826
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