

Vermont Housing and Conservation Board
GUIDELINES
FUNDING FOR PRIVATE WORKING FORESTLAND PROJECTS
AND FUNDING FOR SUGARBUSH PROJECTS

The following document is intended to guide the Vermont Housing and Conservation Board in making grants for the acquisition of conservation easements on privately-owned forestland and privately-owned sugarbushes. It is intended that these Guidelines will be used for projects that would not be funding priorities under the VHCB Policies for Natural Area Projects, Public Outdoor Recreation, or Conservation of Agricultural Land.

I. PRIVATE WORKING FORESTLAND PROJECTS

Vermont's working landscape includes many acres of forestland that play a key role in Vermont's economy. Working forests provide lumber, pulp, firewood, and biomass products that generate economic wealth and jobs for Vermonters. The forests also contribute to clean air and water, ameliorate the effects of climate change, provide habitat for plants and animals, and offer recreational opportunities for people. Forests contribute to flood resilience by absorbing rainwater, and also provide the scenic backdrop for Vermont's agricultural lands and villages, creating the iconic rural beauty so treasured by both visitors and Vermonters. These Guidelines are intended to broaden the use of VHCB conservation funds to include more protection of privately owned working forestland.

Background

VHCB has protected many acres of woodland as part of natural area or outdoor recreation projects. These projects have tended to be owned by state agencies, municipalities, or private nonprofit conservation organizations. VHCB has also occasionally protected privately owned woodland, in particular, several large tracts of working forest in the northern forest of Essex County. However, VHCB has not explicitly directed part of its mission toward conserving private working forestland, concentrating instead on projects that have a primary focus on natural area protection and/or public recreation.

The federal Forest Legacy Program (FLP) has been the main funding source for conservation easements on privately-owned working forests in Vermont, and VHCB natural area and public outdoor recreation projects often provide the required non-federal match for FLP projects. However, funding for FLP has not been enough to prevent the fragmentation of Vermont forestland, nor to prevent the conversion of working forests to developed land or to unproductive forest fragments.

In May of 2012 the Vermont Legislature amended VHCB's statute to explicitly include the conservation of forestland as a part of VHCB's mission. These Guidelines recognize the importance of Vermont's working forests and provide the policy framework for funding projects in which this is a primary focus.

Types of Projects, in General

These Guidelines establish the criteria and priorities for the purchase of development rights on working forestland that might not be a priority for funding under the VHCB Natural Area Policy or the VHCB Public Outdoor Recreation Policy.

Under these Guidelines, VHCB will consider funding the purchase of conservation easements on working forests that will remain in the ownership of private individuals or private entities that are not state agencies, municipalities, or nonprofit conservation organizations, provided that (1) the applicant for VHCB funds is an eligible applicant, (2) the minimum eligibility criteria below are met, and (3) VHCB-approved easement co-holders are willing to participate.

Forestland projects that are primarily sugarbushes should apply as a farm project under VHCB Guidelines for Sugarbush Projects.

Minimum Eligibility Criteria for Private Working Forestland Projects

To be eligible for VHCB funding, a project must meet all of the following criteria:

1. To be eligible for funding, the parcel must be subject to a forest management plan, prepared by a professional forester, and which is approved or approvable under the Vermont Use Value Appraisal Program (UVA).
2. The project must have at least 33 percent of total project costs derived from non-VHCB sources.
3. The project shall have soils that are well-suited for timber production as evidenced by at least 75% soils that have NRCS forestry site indexes of more than 60 for one or more commercial species, such as sugar maple, white pine, or red spruce.
4. The project will result in a perpetual conservation easement in a form approved by VHCB staff and co-held by VHCB and a nonprofit conservation organization or state agency that has a VHCB-approved easement stewardship program.
5. The conservation easement will require a forest management plan written to a standard that is roughly equivalent to an EQIP-funded NRCS Forest Stewardship Plan, or to a UVA plan with Ecologically Significant Treatment Areas (ESTAs), which may limit timber management in portions of the property to protect rare, threatened, and endangered species or significant natural communities. This plan must be in place prior to closing on the easement acquisition.
6. The conservation easement must include public access, unless the property contains endangered species or significant natural communities that would be jeopardized by public access. The public access may be for dispersed pedestrian access for activities such as walking, wildlife viewing, hunting, and fishing. Alternatively, the public access may be along designated trails. Public access easement provisions may be fine-tuned on a case-by-case basis, especially because private landowners often do not have the resources to adequately manage public use. Therefore, some limitations on public access may be built into the easement to protect natural resource values that are described in the easement and/or to ensure public safety.

7. If the public access is to be concentrated on trails or at focal points such as swimming holes, a management entity approved by VHC staff must be identified prior to closing. This could be the easement co-holder, another nonprofit organization, a municipality, or the state.

Funding Priorities for Private Working Forestland Projects

The following are funding priorities, not mandatory criteria:

Physical Features

- Parcels that are at least 80 percent forested with a predominance of tree species native to Vermont. (Christmas tree plantations, fruit orchards, and maple sugarbushes should apply as farm projects.)
- In general, preference will be given to parcels that are at least 100 acres in size, but smaller parcels will also be considered if they offer managed public access to a significant natural feature, such as a swimming hole, or a scenic vista, or if they are crucial to the protection of wildlife corridors, or if they are adjacent to public lands or to lands already under conservation easement.
- Parcels that have feasible access for timber harvest.

Location and Threat

- Parcels that abut, are integral to, or that connect previously protected land, so that a larger parcel of forestland will remain perpetually unfragmented.
- Parcels that are part of a planned aggregation of protected lands, including parcels that abut publicly owned lands or already-protected natural areas, or that are within an area that has been designated by a public entity for protection.
- Parcels that provide connectivity for wildlife, such as those identified in the Staying Connected Initiative.
- Parcels located in flood hazard areas or that have forested riparian areas or provide upland watershed protection.
- Parcels that buffer important recreational resources, such as statewide trail systems.
- Parcels that are threatened with parcelization, fragmentation, and/or conversion to uses other than managed forest, as demonstrated by the parcels' appeal for subdivision and conversion and market trends in the immediate area.

Management

- Parcels that have a healthy, mature or growing forest, or that have been harvested in strict accordance with a professional forest management plan, and in accordance with Vermont's Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont (AMPs) (1987).
- Parcels that show evidence of "sustainable forest management" meaning management that promotes the five Desired Future Conditions of Vermont Forests listed in the Vermont Forest Resources Plan:
 1. **biological diversity** (forests with species diversity and diversity of forest condition and age),

2. **forest health and productivity** (forests that conserve soil and have healthy and vigorous trees),
3. **forest products and ecosystem services** (forests that produce raw materials for the forest products industry and that contribute ecosystem services),
4. **land ethic** (forests that demonstrate the importance of forests to the community and to the general public), and
5. **legal, institutional and economic framework** (for example, forests that are enrolled in use value appraisal and that observe acceptable management practices for timber harvesting, that are enrolled in third-party certification programs, or that are managed subject to a plan with a higher standard than UVA, such as an NRCS Forest Stewardship Plan).

Other values

- Parcels that, in addition to public access for outdoor recreation, offer community benefit, such as watershed protection, or scenic backdrop protection.

Per Acre Funding Cap:

The Board will not contribute more than \$500/acre to private forestland conservation projects, not including project costs.

Associated and Stewardship Costs

Associated and stewardship costs to conserve donated private forestland easements are eligible for funding under these guidelines.

Application Process

- Applicants may submit a VHCB Letter of Interest form on a rolling basis to VHCB staff for pre-screening of private forestland projects.
- Projects chosen by staff as being well-suited to the criteria and priorities listed in the guidelines for Funding for Private Working Forestland projects will be eligible to submit an application for funding in accordance with posted submission deadlines for conservation projects.
- Applications for funding shall be made on the VHCB private forestland application form prepared by VHCB staff.

II. SUGARBUSH PROJECTS

Maple sugaring is part of Vermont's heritage. It's also an important and rapidly growing part of Vermont's agricultural economy. Sugarbushes also contribute to Vermont's scenic landscape. However, restrictions on the use of USDA Natural Resources Conservation Service (NRCS) funds in VHCB's farmland protection program have limited the acreage of sugarbush that VHCB has been able to protect with conservation easements. These Guidelines are intended to broaden the use of VHCB agricultural conservation funds to include more protection of sugarbushes.

Background

VHCB has protected many sugarbushes as components of farm projects that are funded with NRCS federal funds matched by state funds. However, VHCB's NRCS funds can only be used on farms that are no more than 67 percent wooded. In addition, NRCS requires a project to have at least 50 percent prime or statewide soils unless NRCS grants a special waiver. These two limitations have meant that productive sugarbushes have sometimes been excluded from easement configurations on VHCB farm projects, and that stand-alone sugarbushes invariably have been ineligible for federal farmland protection funding.

VHCB has asked NRCS to consider sugarbushes as agricultural land for purposes of federal funding rather than as forested land, so that federal funds can be used to protect these resources. However, NRCS has indicated that this would require a change in the federal statute or rules. It is hoped that this change may be incorporated into the next farm bill to be passed by the U.S. Congress. In the meantime, these Guidelines have been developed to guide the use of a portion of VHCB's state funds toward the protection of sugarbushes.

The protection of sugarbushes clearly falls within VHCB's mission. The Legislature established the goals of VHCB—among them “conserving and protecting Vermont's agricultural land” for agricultural use. This would include land devoted to maple sap production, particularly because “agriculture” or “farming” as defined in Vermont law (e.g., use value, Act 250) specifically includes maple sugaring.

Types of Projects, in General

These Guidelines establish the criteria and priorities for the purchase of development rights on sugarbush projects when soils or percentage of forested land preclude funding through VHCB's federally funded farmland protection program.

Under these Guidelines, VHCB will consider funding the purchase of conservation easements on working sugarbushes regardless of ownership (private individual or entity, nonprofit organization, or public entity), provided that (1) the applicant for VHCB funds is an eligible applicant, (2) the minimum eligibility criteria described below are met, and (3) VHCB-approved easement co-holders are willing to participate.

Projects that are not active sugarbushes, but that are managed for timber or other uses, should apply as a natural area or outdoor recreation project, or under VHCB Guidelines for Private Working Forestland Projects, even if sugar maples are a predominant species.

Minimum Eligibility Criteria for Sugarbush Projects

To be eligible for VHCB funding, the project must meet all of the following criteria:

1. The parcel is in active use for maple sugaring, or if not in active use, there is a sound plan to get the parcel in active use within the foreseeable future.
2. If the sugarbush is not owner-operated it must be under a written lease to a sugarmaker for a period of at least seven years.
3. The project is designed to use federal FRPP funds if possible:

- a. If the project can be funded under FRPP rules (less than 67 percent forested and at least 50% prime and statewide soils [or an NRCS soils waiver]) the project should be submitted as a farm. These Guidelines as well as the VHCB Farmland Conservation Policy should be consulted.
 - b. If the sugarbush is part of a farm that cannot meet FRPP requirements with the sugarbush included, an applicant entity may configure the project in separate tracts—a farm tract funded using state and federal FRPP funds, and a sugarbush tract, funded using state funds. These Guidelines as well as the VHCB Farmland Conservation Policy should be consulted.
 - c. If no part of the project can be funded using federal FRPP funds, the project may be submitted as a sugarbush using these Guidelines solely.
4. The project does not exceed the per acre or project caps in effect for VHCB's farmland protection program.
 5. The project will result in a perpetual conservation easement in a form approved by VHCB staff and co-held by VHCB, and by one or more appropriate partners, including one that has a VHCB-approved easement stewardship program. An easement that contains an Option to Purchase at Agricultural Value (OPAV) is not a requirement, but may be made a condition of funding at the discretion of VHCB staff under the advice of the VHCB Agricultural Advisory Committee and the VHCB Board.
 6. The easement will require a forest management plan written to a standard that exceeds the minimum requirements of a UVA plan in the following areas (see VHCB Sugarbush Management Plan Guidelines) (a) biological species diversity, (b) stand regeneration, (c) thinning practice/harvest techniques, (d) residual stand damage, and (e) forest soils and roads. The easement may allow for the development of future forest management plans that focus on general forestry rather than maple sap production, provided that those plans meet the requirements of the VHCB Guidelines for Private Working Forestland Projects.

Funding Priorities for Sugarbush Projects

The following are funding priorities, not mandatory criteria:

Physical Features

- Parcels that are 100 percent forested and in which the predominant stands are those that naturally would have sugar maple as a late succession or climax species.
- Parcels that are at least 50 acres in size.
- Parcels, regardless of size, that would result in an entire sugarbush being conserved, when only a portion is fundable under FRPP rules.
- Parcels that have soils, configuration, and topography conducive to maple sap production and collection.

Location and Threat

- Parcels that abut, are integral to, or that connect previously protected land, so that a larger parcel of forestland will remain intact.

- Parcels that are threatened with parcelization, fragmentation, and/or conversion to uses other than sugarbush or managed forest, as demonstrated by the parcels' appeal for subdivision and conversion and market trends in the immediate area.

Infrastructure

- Parcels that are equipped with sugaring infrastructure (sugarhouse, collection facility, tubing system, etc.), or that complement other property of the owner or operator who has sugaring infrastructure in place.

Management

- Parcels that have been managed so that maples can grow large crowns; parcels that have healthy trees and good maple regeneration; parcels that are conservatively tapped for sustained sap yield; parcels that are managed for a diversity of native flora and fauna as well as sap production, etc.
- Parcels that are managed to a standard higher than UVA, such as to Vermont Organic Farmers Maple Guidelines.
- Parcels in which sale of development rights will facilitate a transfer to a new owner or owners who intend to manage for sustainable production of maple sap.

Other Values

- Parcels that offer other public values, such as public access or protection of significant natural areas or wildlife habitat, may be given higher priority for funding.
- Projects that offer partial funding from non-VHCB sources may be given higher priority for funding.

Application Process

- Applicants must submit a farm preapplication for consideration by the VHCB Agricultural Advisory Committee in accordance with posted submission deadlines.
- After approval by the Agricultural Advisory Committee, the project is eligible for VHCB cost-share on an appraisal.
- Applications for funding shall be made on the VHCB farm application form, or a sugarbush project application form prepared by VHCB staff.