

## **Memorandum**

Date: June 9, 2016

To: VOF Trustees

From: Tamara Vance, Deputy Director for New Easements and Leslie Grayson, Deputy Director for Policy and Acquisitions

Re: Background for recommendations on Open Space Lands Preservation Trust Fund (OSLPTF)

cc: Brett Glymph, Executive Director

Beginning July 1, 2016, VOF will receive an allocation for the OSLPTF of two million dollars. This is an increase over last year, when we received one million, and the previous five years, for which the allocation ranged from \$125,000 to \$375,000, averaging \$250,000 per year. With the expected higher level of funding, staff has discussed various options for prioritizing expenditures. A resolution is enclosed requesting Board support for general guidelines for staff developing project proposals which will make use of the funds. The following provides background on the proposed action items.

The resolution proposes revising income guidelines, continuing to tie the definition of financial need to that established by Virginia Housing Development Authority, which establishes "low income" at 80% of the median state income, at the level of \$62,000 for 2016.

Because of the higher level of funding available, and because of rising costs to potential easement donors with financial need, (including the new processing fee for easements) staff recommends VOF cover a higher amount of the actual costs incurred. Across the state, professionally prepared appraisals and required legal work show a big range in costs, and in some places are higher than funding provided. OSLPTF only reimburses actual costs, and unused allocations are returned to the fund. Last year, while it was not a hard cap, the general guideline was \$10,000 per project which frequently did not cover all of the actual costs for easement donors. Staff proposes we raise the reimbursement request amount to \$11,500 per project as a general guideline for those with highest financial need, and proportionately less for those with higher incomes using the same income brackets as previously used (offering partial subsidy of costs for up to \$100,000 in annual income). Also, staff recommends continuing the policy of using this opportunity to make sure we are getting a clear boundary identification, sometimes necessitating survey work, so the proposal for funding includes covering survey costs, on recommendation of VOF staff.

For overall allocation of the funds for FY17, staff recommends that \$500,000 be reserved for “cost-only” projects. Allocating a significant portion of the Fund to “cost-only” allows for a few purchase projects to be considered, while supporting the suggested priority for “cost-only” indicated by the enabling legislation for this program.

For purchase of easement projects, staff proposes outreach efforts to inform the public about the availability of the funds, and to allow time to review preliminary project proposals for funding decisions. We hope a number of projects will come forward, that could be compared and ranked against each other so that the limited funds can be recommended for the best projects, with most public benefit and conservation value, rather than “first come, first serve”.

Because the Governor McAuliffe has established a land conservation goal for his Administration related to “Treasures”, and because Secretary of Natural Resources, Molly Ward has indicated a preference for public access opportunities within the “Treasures” effort, VOF proposes to support those goals by giving highest priority to projects for purchase of easement, which offer a public access component.

## RESOLUTION

**A RESOLUTION OF THE VIRGINIA OUTDOORS FOUNDATION (VOF)  
BOARD OF TRUSTEES  
TO ESTABLISH GUIDELINES FOR THE OPEN SPACE LAND  
PRESERVATION TRUST FUND FOR FY17**

WHEREAS, the Open Space Land Preservation Trust Fund (herein after “OSLPTF” or “The Fund”) was created by the General Assembly in 1997 [Code of Virginia section 10.1-1801.1 herein after “enabling legislation”]; and

WHEREAS, Section 10.1-1801.1D. states “the purpose of the grants made from the Fund shall be to aid localities acquiring open-space easements or persons conveying conservation or open-space easements with the costs associated with the conveyance of the easements, which may include legal costs, appraisal costs or all or part of the value of the easement”; and

WHEREAS, the OSLPTF allocation from Virginia Land Conservation Foundation in FY17 is expected to amount to two million dollars; and

WHEREAS, the enabling legislation directs VOF to administer, manage and make expenditures and allocations from the Fund”; now therefore be it

RESOLVED by the Virginia Outdoors Foundation Board of Trustees this 30th day of June, 2016, that regarding OSLPTF, guidance for the allocation of funds for this program is adopted as follows:

- The income threshold qualifying for financial need shall, in general, be \$62,000 for FY17 (and tied to the determination of “low income” as 80% of state median income used by the Va. Housing Development Authority); this is not considered a hard limit on income level and other factors may contribute to establishing financial need.
- The generally recommended limit on the amount for cost-only requests shall be 11,500 per project, not including survey costs if needed. For properties with legal descriptions inadequate to establish good boundaries for mapping and stewardship, VOF staff will recommend additional funding to cover partial or full survey costs.
- In addition to prioritization suggested by the enabling legislation that in evaluating grant applications the Foundation *may* give priority to applications that: 1.) Request a grant to pay only costs for a donated easement, or 2.) Request a grant to pay costs associated with conveyance of an easement on a family-owned or family-operated farm, or 3.) Demonstrate the applicant’s financial need for a grant; that priority for purchase of easement projects will be given to projects which include public access.
- Approximately \$500,000 of the Fund shall be reserved for cost-only projects, unless prior to the end of the fiscal year, it is evident that such amount is not needed for that purpose.

FURTHER RESOLVED that guidance for the recommended grant amounts and income eligibility brackets is adopted as follows:

Annual Income	Recommended Request	Apply To
Up to \$62,000	\$11,500	100% of BDR Prep and Processing Fee/ OR Processing Fee, BDR Review Fee, plus estimated other costs
\$62- \$79,000	\$8,000	100% of BDR Prep and Processing Fee/ OR Processing Fee, BDR Review Fee, plus approximately 50% of other costs
\$80- \$100,000	\$2250 to \$3000	50% of VOF Fees (lower if portion of BDR Review Fee rather than BDR Prep fee)

ADOPTED by a vote of: \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Brett Glymph, Executive Director