



TERRA

Forest CORE Fund

Forest and Community Opportunities for Restoration and Enhancement

2018 Grant Round-Mountain Valley Region Program Manual

Administered by the Virginia Outdoors Foundation

Background

The Commonwealth of Virginia and the Mountain Valley Pipeline, LLC entered into a Memorandum of Agreement for Comprehensive Mitigation of Virginia Resource Impacts of Mountain Valley Pipeline (MVP MOA) in connection with the construction of the Mountain Valley Pipeline project, an approximately 303.4-mile, 42-inch diameter natural gas pipeline to be constructed in 17 counties in West Virginia and Virginia, specifically crossing six counties in the Commonwealth. The Agreement is a direct result of the cooperation by MVP with the Commonwealth in response to the Environmental Impact Statement prepared as part of the National Policy Act review process.

The Commonwealth of Virginia developed a methodology for assessing the total impact of linear development projects to forest cores and the habitat and ecosystem services they provide. This method was used to analyze how the gas pipeline development project changed the sizes, depths, and shapes of forest cores identified by the Virginia Natural Landscape Assessment (VaNLA) and estimated the reductions in interior habitats and ecosystem services resulting from the pipeline project.

The agreement between the Commonwealth and the Mountain Valley Pipeline LLC establishes commitments related to forest conservation based on consideration of the impacts from forest fragmentation as described above.

The Virginia Outdoors Foundation (VOF) is Virginia's leader in land conservation, protecting more than 800,000 acres in 107 counties and independent cities. VOF is a public organization, created by the Virginia General Assembly in 1966 under Virginia Code § 10.1-1800, which states:

The Virginia Outdoors Foundation is established to promote the preservation of open-space lands and to encourage private gifts of money, securities, land or other property to preserve the natural, scenic, historic, scientific, open-space and recreational areas of the Commonwealth. The Virginia Outdoors Foundation is a body politic and shall be governed and administered by a board of trustees composed of seven trustees from the Commonwealth at large to be appointed by the Governor for four-year terms.

Due to its long history of successful conservation across the Commonwealth, VOF has been tasked with the administration of this grant program. VOF has developed project selection criteria as well as a process for evaluating appropriate sites based on the goals and objectives of the MOA and in accordance with the Commonwealth's policy to conserve its natural resources. Through the review of project proposals, VOF will identify such sites that meet criteria (see project evaluation criteria below) and ensure the selection of projects that are designed to address the impacts of the MVP project on certain forest land in the Commonwealth. VOF will utilize funding received from Mountain Valley Pipeline, LLC to provide grants to projects mitigating the impact of forest fragmentation. VOF will ensure these forests are protected in perpetuity, incorporating timber management for the health of the forest ecosystem including restrictions on timber harvesting.

Overview

The purpose of this document is to solicit proposals for forest fragmentation mitigation projects designed to address the impacts of the Mountain Valley Pipeline project (MVP) on the Commonwealth's forests and the resources they support.

Mitigation funds will be obligated and expended in a timely manner that furthers the goals and objectives of the MOA. To mitigate the impact of the pipeline, funding awards will be made at the earliest stages of substantial tree clearing, grubbing, and construction activity possible. Grant funds will be made available on a phased timeline.

Projects funded will carry out mitigation activities consistent with the guidelines contained in the MVP MOA, such as avoided deforestation, the establishment of new forest, and the restoration/enhancement of forest. These guidelines are outlined in the project eligibility requirements as well as the project evaluation criteria.

While the VOF Board of Trustees has final approval authority, project review will include consultation with a designated interagency technical committee. Grant awards will be announced in December 2018 with a standard completion deadline of thirty months from that date.

Objective

To provide mitigation of forest fragmentation through:

- + Avoided deforestation
- + Establishment of forest land
- + Restoration/enhancement of forest land

Timeline

Grant Cycle – Fall 2018

August 29, 2018	Request for Proposals (RFP) Announced
September 12, 2018	Grant Workshop
October 31, 2018	Application Deadline
December 5, 2018	Grant Announcement Date*
February 4, 2019	Standard Project Start Date
August 6, 2021	Standard Project Completion Deadline

* Grant awards will be finalized as each applicant completes its agreement with VOF

Program Eligibility Requirements

Project proposals will be considered by VOF only if all the following conditions are met:

- Projects **must be located** within a reasonable proximity to, and within the same terrestrial ecoregion as, the location of forest impacts;
- Projects **must achieve the durable** protection, conservation, restoration, and/or enhancement of forest habitats similar to those adversely impacted by the pipeline;
- Projects **must be in addition** to any current or planned governmental project or requirement or any private preservation project, for which there is already designated public or private funding.

Additional Eligibility Requirements:

The applicant must start work within six months of the grant approval.

The applicant must demonstrate that resources are in place to complete the project within thirty months of project approval, with exceptions granted for projects which include afforestation, restoration, or enhancement components. These applicants may request a non-standard contract length in which to complete work.

The applicant must submit a letter from the landowner(s) indicating its/their willingness to participate in proposed projects.

The applicant must demonstrate community support of the proposed project through letters of support. Letters must be included in the application packet. These may be from, for example, local government, planning district commissions, local conservation groups, businesses, and/or community organizations. Special attention should be given to the following considerations:

- Community connection to the forest (geographic as well as figurative)
- Educational components focusing on the forest ecosystem
- Community need for forest protection
- Ability to aid in community healing process

The applicant should demonstrate that it will have the necessary funding and staffing to manage the property in a manner that will achieve the purposes described in the grant application and approval.

The applicant shall provide any proposed conservation easement terms

Any federal agency applicants purchasing or receiving donated land must designate the property to the appropriate level of resource protection, such as United States Forest Service (USFS) designations of wilderness area or area of special biological significance to ensure the intent of the program is met.

The value of any property (fee-simple or easement interest) must be substantiated by an approved appraisal that meets the requirements of Va. Code § 58.1-512.1 and that conforms to the Universal Standards of Professional Appraisal Practice, completed no more than six months prior to the disbursement of grant funds. A full appraisal is not required at the time of submission of an application, but it is encouraged. If a full appraisal is not available, an applicant may submit a preliminary appraisal.

Eligible Activities:

Projects which result in avoided deforestation such as:

- Purchase of conservation/ open-space easements on properties that will include requirements for forest management and prohibition of conversion of forest land.
- Purchase of additional limiting terms on land under conservation easement to prohibit conversion of forest land.
- Fee-simple acquisition of forestland with prohibition of conversion of forest land.

Projects which establish new forest land such as:

- Afforestation of un-forested lands

Projects which restore or enhance forestland such as:

- Timber stand improvement to create healthy native forest composition and structure
- Controlled Burning to restore and maintain fire regimes
- Invasive-Exotic Species Control

Eligible Applicants:

- State and federal agencies, localities, public bodies, park authorities, planning district commissions, regional public access authorities, tribal councils, soil and water conservation districts.
- Charitable corporations, associations, or trusts declared exempt from taxation pursuant to 26 U. S. C. A. §501 (c) (3).
- A locality or other public body seeking to use these grant funds to protect lands will be required to include language in the deed of transfer that states that the property will be taken under the authority of the Open Space Land Act, Va. Code §§ 10.1-1700 through 1705, and that the protection is perpetual in nature and not extinguishable at the option of the property owner or the local government, except pursuant to the provisions of the Open Space Land Act.
- Should the applicant be exempt from state law, then the land must be assigned the appropriate level of resource protection, such as a wilderness area or area of special biological significance, to ensure the intent of the program is met.

Eligible Funding:

- Grant awards from this grant round may be given for up to 100 percent of total project costs for acquisition of fee title or conservation/open-space easement as well as those for restoration and enhancement work, although projects that leverage outside funds may be prioritized.
- Funding may be used for due diligence costs such as surveys, title reports, appraisals including timber stand valuation, and legal services.
- Funding may be used for site preparation and maintenance costs for restoration and enhancement including site preparation, tree planting, and invasive species control.
- Applicant's indirect costs (staff time and overhead).

Eligible Match Contributions:

While matching contributions are not a requirement, proposals which leverage grant funds may be given priority. Eligible matching contributions are as follows:

- In-kind contributions
- Grant funds provided by entities other than VOF
- Donation of a portion of the value of the easement or the fee title being acquired with grant funds
- Permanent protection of property currently owned by the applicant as part of the project.
- Property used as match must have been acquired within the two years prior to the commencement of the current grant round.

Match contributions must be received by the applicant no later than the receipt of the grant funds at settlement. This does not preclude the applicant from using funds that will be reimbursed by other non-state funding.

Project Evaluation Criteria

The overall objective of projects executed pursuant to the MVP MOA is to mitigate the adverse impact of forest fragmentation. A project scoring sheet reflecting the weighted value of the following criteria will be used to evaluate each proposal (see Scoring Sheet). Proposals and score sheets will be made public within 14 days of grant announcement on the VOF website for both funded and un-funded projects.

Primary Criteria:

1. Ecological Integrity of forest to be protected (as demonstrated by the Department of Conservation and Recreation's Natural Heritage Division's 2017 Virginia Natural Landscape Assessment Ecological Cores) or the Forest Conservation Value of forest to be protected (as demonstrated by the Virginia Department of Forestry's 2007 Forest Conservation Value Model, FCV).

2. Proximity of land to be protected to forested land with a high ecological integrity or high forest conservation value, proximity to pipeline, and proximity to conserved land.
3. Acreage of forest to be protected or established.
4. Protection of resources of equivalent usefulness and location as the resources impacted by the pipeline.
5. Protection or enhancement of water quality, threatened or endangered species, rare communities, or other natural resources.

Additional Criteria:

1. The grant-funded land is made available for public use, including, but not limited to, hiking, hunting, fishing, nature study, photography, and bird watching. Activities incompatible with natural resource protection and management are not allowed.
2. The grant-funded land helps to protect:
 - ✦ Locally significant viewsheds
 - ✦ Any federally designated Wild and Scenic River or American Heritage River in or adjacent to Virginia
 - ✦ Virginia's Scenic Rivers
 - ✦ Virginia Scenic Highways
 - ✦ Virginia Byways and/or
 - ✦ Nationally designated scenic lands or recreational trails including greenways or blueways
3. The project supports local and/or regional comprehensive plans for parks, open space, and outdoor recreational facilities, and /or contributes to the protection of a state, regionally, or locally identified conservation corridor.
4. The project addresses a need identified in the Virginia Outdoors Plan (VOP) or other State, regional or local plans.
5. The project prevents forest from being converted to other kinds of land use.
6. Taking into consideration other likely funded projects, the project provides for geographic/regional diversity and equitable distribution across impacted communities.
7. The project addresses a need or supports a community disproportionately impacted by the pipeline.
8. The project has a high likelihood of success (For example, it has a qualified, experienced applicant, site selection has been well-considered, and the is project is ready for implementation).
9. The project leverages partner funding.

VOF Requirements and Deed Terms

All properties that receive grant funding hereunder shall meet the following requirements:

Eligible Virginia Public Bodies shall designate the project land as protected open space under the provisions of the Open Space Land Act Va. Code §§ 10.1-1700 through 1705. In addition, Minimum Deed Terms shall restrict or minimize division, buildings, road building, and provide for durable forest cover protection and/or forestry use. Perpetual protection of the project land must be assured and may include third party enforcement rights in favor of VOF.

Private Organizations 501 (c)(3) or Registered Nonprofit Organizations

Charitable corporations, associations, or trusts declared exempt from taxation pursuant to 26 U. S. C. A. §501 (c) (3) must designate a public body to hold or co-hold any open-space/conservation easement. Minimum Deed Terms (see above) shall provide perpetual protection of the project land and, include third party rights of enforcement in favor of VOF, reimbursement of VOF grant funds in the event of a subsequent transfer, and extinguishment only by judicial proceeding or taking pursuant to an eminent domain proceeding under local, state or federal law. An exception to the reimbursement requirements set forth above may be granted if the property has been transferred to a public body or if there is a commitment to transfer the property to a federal agency. In addition, Minimum Deed Terms shall restrict or minimize division, buildings, road building and provide for durable forest cover protection and/or forestry use. Deed restrictions on forest management must focus on the preservation, restoration, or enhancement of the forest ecosystem function. See Appendix D for required forest management language.

Federal Agencies

Any land acquired for or purchased by a federal agency must be assigned the appropriate level of resource protection, such as the USFS designation of wilderness area or area of special biological significance, to ensure the intent of the program is met.

Application Information/Deadline

Three (3) original applications on paper plus an electronic version on CD or USB drive should be delivered to the Virginia Outdoors Foundation at the address below, and must arrive **no later than 4:00 PM on Wednesday, October 31, 2018**. If the applicant is converting files to PDF format, please ensure that the file is searchable.

Each paper copy of the application should be firmly attached with staples or binder clips or placed in a soft-sided folder. **Please do not use hard binders. All pages must be 8.5 x 11.** Photographs are encouraged. All photos and images and their captions must be mounted or printed on 8.5 x 11 paper and be of a quality suitable for reproduction by photocopier. It is not necessary to submit 3 sets of original images, but all reproduced images must be clear and understandable. Images and photos will not be returned.

Address:

Virginia Outdoors Foundation
Attention: Forest CORE Fund
39 Garrett St., Suite 200
Warrenton, VA 20186

General Application Inquiry: contact the Virginia Outdoors Foundation, Conservation Program Administrator, forestCOREfund@vofonline.org

Application Review and Approval

Step 1: Initial VOF Staff Review

Project proposals will be reviewed by VOF staff for completeness. Complete applications will be forwarded to a designated interagency technical committee for review and scoring on technical criteria.

Step 2: Interagency Technical Committee Review

Following the completion of the initial review, an interagency technical committee composed of one staff person from each of the following partner agencies will review, discuss, and score each proposal. One score will be accepted from each of the following agencies:

- + Virginia Department of Conservation and Recreation (Natural Heritage Division)
- + Virginia Department of Forestry
- + Virginia Department of Game and Inland Fisheries
- + Virginia Department of Transportation
- + Virginia Outdoors Foundation

Two representatives from the Virginia Department of Environmental Quality (DEQ) will serve as an Advisory Council to the Technical Committee as well as to the VOF Board of Trustees. The Advisory Council will evaluate the environmental justice impact of each project. This will be a qualitative rather than quantitative assessment. Please see Appendix E for a description and definition of environmental justice.

The technical scores as well as the guidance from the Advisory Council will be provided to the VOF Special Forestry Committee of the VOF Board of Trustees.

Step 3: VOF Special Forestry Committee Review

The Special Forestry Committee, consisting of two VOF Board of Trustees, with the assistance of VOF staff, will review the technical scores of the Technical Committee and the guidance of the Environmental Justice Advisory Council. The Special Forestry Committee will evaluate any additional criteria that may need to be considered including but not limited to: regional/equitable distribution of funds, public benefit, environmental justice, and community impact. The Special Forestry Committee will make recommendations for funding to the VOF Board of Trustees.

Step 4: Final Review

The VOF Board of Trustees, an appointed seven-member Board, is empowered to make

the final decision on project selection. VOF staff will present the recommendations of the Special Forestry Committee to the Board for approval. Additional expert opinion from the Technical Committee or Environmental Justice Advisory Council may be requested by the Board. Following qualified approval by the VOF Board of Trustees, (pending further environmental studies, appraisal reports and reviews, etc., and for project proposed by a local governmental unit -a formal resolution of support from such unit) a formal grant agreement will be issued for execution by the applicant and VOF. Except in the case of proposed federal agency acquisition, agreements on all approved acquisition and easement projects shall include a provision that requires the property to be protected in perpetuity.

Grant Award Announcement & Requirements

Award Announcement

- ✦ Following the final review and selection process, VOF will notify a grant recipient in writing of their award and, after a grant agreement is approved, when they may proceed with the project.

Required Outreach and Printed Materials

- ✦ The successful applicant will release information to the media informing the community of the project and acknowledging that it has received funding from the Virginia Outdoors Foundation (VOF).
- ✦ All press releases and other printed materials and publications, audiovisuals, and signs pertaining to the project must be reviewed by VOF before use.
- ✦ Each protected land or project will be marked with a VOF sign (provided at no cost to the applicant).

Funds Disbursement

At or after settlement, all grant funds will be disbursed. All costs shall be incurred in accordance with the Virginia Public Procurement Act as it may be applicable. Funding at or after settlement will be based on the project costs (less matching contributions). VOF grant funds disbursed will not be more than the appraised value of real property, plus eligible documented costs incurred, not exceeding the grant amount awarded. No partial reimbursements will be made for any projects. Projects must be completed before any reimbursements will be made.

Required Deliverables:

- ✦ An appraisal of fair market value (in the case of a fee acquisition) or of the easement value of the project property by a Virginia licensed appraiser that meets USPAP standards, prepared within six months before closing.
- ✦ A survey of the project property to ALTA/ACSM standards prepared by a Virginia licensed surveyor.

- ✦ A Phase 1 Environmental Site Assessment of the property for all fee-simple acquisition projects (but not for easement projects) that receive grant approval.
- ✦ Final policy or commitment for owner's title insurance less than ninety (90) days old showing title vested in the seller of the property and that upon closing of the transaction, a public body will hold an unencumbered priority interest in the property subject to easements or other encumbrances of record acceptable to VOF.
- ✦ A copy of the final deed, the form of which has been approved by VOF, and an arrangement for final execution and recordation.
- ✦ Verification of eligible expenditures including, but not limited to: copies of invoices, bills of sale, cancelled check, etc.

Grant Completion

Projects that have been awarded grant funds must be completed within thirty months from the date of approval, or the grant funds will revert to VOF fund under which they were awarded. Projects which include afforestation, restoration, or enhancement components may request a non-standard contract length in which to complete work. For all other projects, one twelve-month administrative extension may be granted, provided there is adequate justification for the delay and reasonable assurances provided that the project will be completed as approved.

Should there be uncommitted funds after the initial grant round, additional grant rounds will be announced in the future as needed until all mitigation funds have been expended.

Reference Material (Appendices):

- A. Information about the MVP MOA may be found here:
<http://www.virginiaoutdoorsfoundation.org/terra/fcf-mvp/>
- B. Sample Public Body deed template (fee title and easement) with Minimum Deed Terms:
TO BE PROVIDED UPON REQUEST
- C. Sample Private Organization deed template (fee title and easement) with Minimum Deed Terms: TO BE PROVIDED UPON REQUEST
- D. Forestry provisions for all deeds
- E. Environmental Justice Supplement: insert link here
- F. Maps:
 - ✦ MVP Pipeline Route through Counties
 - ✦ MVP Pipeline Route through Ecoregions
 - ✦ MVP Pipeline Route through 8-Digit Hydrologic Units
- G. Copies of this grant manual, the application, the scoring sheet, and other related materials may be found here: insert web link.