

THE
CONSERVATION FUND

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August 17, 2018

Emily White
Conservation Program Administrator
Virginia Outdoors Foundation
VIA EMAIL

Dear Emily:

Thank you for the opportunity to comment on the Virginia Outdoors Foundation's 2018 grant manual for the Forest CORE Fund. Please bear in mind that these comments are preliminary and relatively brief in nature due to the extremely short timeframe provided by VOF to review and comment on the material. Further, it is not possible at this time to fully comment on the program as some documents, including fee simple title deed and conservation easement terms were not provided at this time. I have not been able to solicit input from my colleagues at The Conservation Fund and prepare comprehensive comments.

In the interest of getting some thoughts to you and the VOF Board of Trustees prior to the meeting on August 22, I am sending the following thoughts and look forward to continuing this conversation with you and others at VOF prior to future grant rounds for pipeline mitigation.

I commend VOF on putting together a thoughtful grant program and comprehensive project evaluation criteria. Further, we support the program's allowance for funding the full costs of a project, including due diligence and staff costs. While using this program to leverage other sources of funding is preferable, allowing the program to cover most costs related to a project is an important recognition of the full cost of land conservation. There are several areas, however, where I have concerns and feel the program can be improved to achieve the highest conservation values possible.

First and foremost among my concerns is the VOF definition of "durable forest protection". In my view, "durable forest protection" needs to allow for continued forest production and forestry use. It is not clear in the documents that were made public what restrictions would be required by VOF to ensure "durable forest protection". At a basic level, it would be reasonable to expect that the properties funded through this program would be required to be managed for forest growth. However, it would be unwise and often infeasible, to require properties to be maintained in their existing forest cover or only managed explicitly or by default for "old growth" forest. A range of forest types and age classes of forest have been impacted by the pipeline, and a range of forest types and age classes should be allowed to exist or be created on properties protected with this funding.

I strongly urge VOF to allow continued commercial forestry to on properties protected with this funding for the following reasons:

- Production and commercial forestry is an integral component of many, if not all, of the communities impacted by both the Mountain Valley (MVP) and Atlantic Coast (ACP) pipelines. Particularly as the pipelines cross the Blue Ridge and enter the piedmont region and coastal plain, timber is a major economic driver. To prevent the continued productive use of this critical natural resource would be a major disincentive for conservation in those counties which rely on the forest products industry.
- A changing forest landscape now and in the future may necessitate significant timber harvest to preserve or restore larger blocks of forest for centuries to come. For example, in many areas, loblolly pine stands are being eliminated in favor of native longleaf pine plantings. While the initial harvest of loblolly may disrupt the forest temporarily, the reforestation of longleaf pine then provides a lasting and important ecosystem which is underrepresented on the Virginia landscape. Similarly, conversion of loblolly plantation back to native hardwoods may be a preferred outcome which requires short-term forest loss with a long term ecological gain.

Instead of a prohibition on any particular forestry practice (such as clearcutting), I would suggest that VOF consider a requirement that properties be managed for continued forest growth and require reforestation to be undertaken after any timber harvest. This would have the benefit of allowing appropriate forestry practices and continued economic benefit from forest production, while maintaining the intent of the mitigation funds to maintain healthy forests and forest habitat in the Commonwealth.

Another issue that concerned me with the scoring sheet is that the outcome of the currently proposed system could allow funding to be spread around the landscape, but ultimately result in very little meaningful landscape conservation. There is clearly a need to balance “regional/equitable distribution of funds” with the need to make the biggest impact on the landscape, however, given the scoring sheet, I fear this may not be the outcome. It would be my hope that the VOF Board, when evaluating projects in a subjective way place a higher emphasis on major conservation wins, as opposed to giving every community a small, but ecologically insignificant, piece of the funding.

This funding is a unique opportunity to effect significant land conservation that may not be possible any other way. The tax credit program and small amounts of conservation funding that have been available through state grant programs over the years have severely limited the size of conservation projects. VOF should take this opportunity to emphasize securing the largest projects that can be completed that protect major forest blocks, as opposed to scattering small projects along the pipeline route. I believe an approach that focuses on the conservation of large forest blocks is more in keeping with the purpose of the mitigation agreement between the state and the pipeline developers to address forest fragmentation.

To this point, the “Conservation Efficiency Factor” in item 23 on the scoring sheet is fundamentally flawed and counterproductive. For example, a \$15M project that is only requesting \$1.5M in mitigation funds, could have a perfect score (up to that point) of 480 points,

and still only get 10 points in this category. That means that a highly leveraged, highly qualified project is penalized simply because it is large. Since no project will get a perfect score, this seems needlessly punitive, and antithetical to the purposes of preserving large core forests.

I also believe there are inconsistencies in the scoring criteria that put certain geographic regions at a disadvantage. Specifically, #11 regarding wild trout streams will inappropriately advantage mountain properties over piedmont, valley, or coastal plain properties. In essence, this scoring criteria implies that native trout are more important than other native, at-risk species that occur in other parts of the state.

It is also unclear whether VOF's intent in the scoring criteria #14 and 15 is to give preference to reforestation projects over straight preservation projects. If a property were already fully forested, with a functioning unique forest ecosystem, it would stand to lose 100 points in this category, whereas a non-forested or partially forested property would be eligible for "extra" points here. It is unclear to me whether that is the intent of the program.

Finally, the Community Needs and Environmental Justice categories should have more explanation about how they will be applied. It is unclear from the grant manual and the scoring sheet how points will be awarded in these categories. With 40 points being offered in these categories, allowing applicants to better understand how they will be awarded is important.

Again, thank you for the opportunity to provide these preliminary comments. I look forward to seeing the fully developed grant materials.

All the best,



Heather M. Richards
Virginia State Director
Program Manager, Mitigation Solutions

Matthew J. Strickler
Secretary of Natural Resources

Clyde E. Cristman
Director



COMMONWEALTH of VIRGINIA
DEPARTMENT OF CONSERVATION AND RECREATION

Rochelle Altholz
*Deputy Director of
Administration and Finance*

Russell W. Baxter
*Deputy Director of
Dam Safety & Floodplain
Management and Soil & Water
Conservation*

Thomas L. Smith
Deputy Director of Operations

August 28, 2018

Brett Glymph
Executive Director
Virginia Outdoors Foundation
39 Garrett Street, Suite 200
Warrenton, Virginia 20186

RE: 2018 Grant Round of the Forest CORE Fund

Dear Ms. Glymph,

I write to you to offer support and assistance in the 2018 grant round of the Forest CORE Fund, so that the citizens of the Commonwealth may derive the greatest benefits from the program. Please allow me to provide the Department of Conservation and Recreation's (DCR) perspective on the importance of conserving large forest cores and background on our agency's role in the collaborative process that lead to the Memorandum of Agreement for Comprehensive Mitigation of Virginia Resource Impacts of Mountain Valley Pipeline.

Conservation of large forest cores is critical to maintaining functioning forest ecosystems within the Commonwealth of Virginia. The Virginia Natural Landscape Assessment (VaNLA) defines a forest core as a continuous forest with at least 100 acres of interior area, with the interior area beginning 100 meters from the nearest fragmenting feature, such as a road or utility corridor. Large forest cores provide a range of important benefits including biodiversity conservation, wildlife habitat, aesthetic values, recreational opportunities and protections for air and water quality. Some of these benefits are known to be far greater for large forest cores than for the same total area of forest distributed among smaller patches on the landscape. Forests are the most beneficial land cover in Virginia for performing vital ecosystem services such as maintaining water quality, recharging groundwater, sequestering carbon dioxide, and producing oxygen. Large forest cores provide the essential interior cover required by numerous sensitive species for survival and reproduction, and such cover is not present in small or linear patches of forest. Activities that convert and fragment forests reduce the area of forest and disproportionately degrade the ability of forests to provide habitat and to perform ecosystem services.

The Commonwealth of Virginia, via collaboration of DCR with Departments of Forestry, Game and Inland Fisheries, Environmental Quality and the VOF, 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 two gas pipeline development projects, the Atlantic Coast Pipeline and the Mountain Valley Pipeline, changed the sizes, depths, and shapes of forest cores

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*State Parks • Soil and Water Conservation • Outdoor Recreation Planning
Natural Heritage • Dam Safety and Floodplain Management • Land Conservation*

identified by the VaNLA and estimated the reductions in interior habitats and ecosystem services resulting from the projects. These estimates were integral to negotiations between the Governor's Cabinet and the pipeline developers to determine appropriate financial settlements to account for the habitats and ecosystem services lost. The Forest CORE Fund now being administered by the Virginia Outdoors Foundation would not exist, or be as large, if not for these negotiations that were founded on the results of the Commonwealth's impact assessment.

The Commonwealth's impact assessment and subsequent negotiations with the developers were undertaken with the intent to minimize and mitigate for the fragmentation impacts of the pipeline development projects through conservation of existing, enlarged, or created forest cores. Thus, awards granted from these funds should result in permanent protection of existing, enlarged, or created forest cores. Forest cores conserved using these mitigation funds should not be cleared, even temporarily, as this would result in loss of interior habitat and reduction of ecosystem services and, thus, would be counter to the intent of the funding. Select cutting of trees on lands protected with the Forest CORE Fund should only be carried out in a way that improves the health and ecological values of a forest and maintains the area as forest in perpetuity.

On behalf of the Virginia Department of Conservation and Recreation, I thank to you for all of the hard work of your organization to develop guidance materials and administer the mitigation funds. Please do not hesitate to contact me for clarification of any information provided in this letter.

Sincerely,



Clyde Cristman, Director

From: Nikki Rovner
To: [Emily White](#); [Martha Little](#); [Brett Glymph](#); [VOF Public Comments](#)
Cc: [Judy Dunscomb](#)
Subject: TNC Comments on Forest CORE Program
Date: Monday, August 20, 2018 5:43:09 PM
Attachments: [image001.png](#)

Dear Emily, Martha and Brett,

Thanks for the opportunity to review the draft Forest CORE Program. We would normally send something more formal than an email, but this is the best we are able to do under current time constraints. Overall, we want to commend all the hard work and good thinking you have done here. This is an impressive product.

Below are our comments based on a quick review. We may have additional comments in the future, but wanted to get you something before the VOF Board of Trustees considers this first grant round on Wednesday.

1. On page 9, paragraph 6 under Additional Criteria states: "Taking into consideration other likely funded projects, the project provides for geographic/regional diversity and equitable distribution across impacted communities." The Conservancy agrees that it is critical to ensure that project benefits are distributed proportionate to project impacts. However, we do not see the criterion in paragraph 6 reflected on the Master Scoring Sheet. The scoring sheet should be revised to clarify how VOF will determine an equitable distribution across impacted communities. If the initial slate of projects is selected without consideration of this criterion, addressing this concern will become increasingly important in subsequent grant rounds.
2. We are unclear as to the purpose of Appendix D. Are these three separate options for the Board to select from? If so, we prefer number III, but feel it does not go far enough in accommodating the timber management that may be needed to improve forest health. The Conservancy has utilized timber management extensively to achieve a variety of management objectives on our preserves and easements, including transitioning loblolly pine plantations to mixed/longleaf pine savanna habitat and restoring high quality Appalachian hardwood forests. The proposed provisions do not recognize the importance of timber stand improvement practices as a necessary part for managing for forest ecosystem resilience. Most of Virginia's forests have been harvested in the past, often without the benefit of forest management plans. In the Appalachian hardwood forests of western Virginia (where most of the pipeline forest fragmentation impacts have taken place) a legacy of high grading has led to high density of weak and poorly formed trees that may be more susceptible to damage from ice storms and insect outbreaks, and a species composition and that does not represent the reference condition of Appalachian forests. Properly managed selective thinning can also mimic the effects of fire or accelerate open stand structure restoration. In short, timber management is an effective and powerful tool for achieving durable improvements to forest health that should be available to land managers seeking funding from this program. We very strongly recommend that VOF allow timber management on lands protected through this grant program, with safeguards to ensure that the objective of the forest management is improvement of forest health or otherwise consistent with the goals of the program.
3. The Master Scoring Sheet is obviously the result of significant thoughtful effort. One concern we have is with regard to the Community Needs on page 31, Item 20. While recognizing the

importance of ensuring that communities affected by the project receive benefits from restoration efforts, we are concerned by the lack of measurable criteria to determine the extent to which a proposed project has community support. How many letters from which groups are necessary to constitute community support? We advise that either repeatable, objective criteria be established or that this requirement be removed from the scoring sheet.

4. We are somewhat concerned by the criteria under item 24. While we very much want to see efficient use of conservation dollars and a high return on investment, we also note that the primary driver of the score is going to be the per-acres cost for the property/project. Selecting for the lowest cost projects may not be consistent with other objectives for this funding. We request that reconsideration of whether this is an appropriate criterion.

Thanks again for the opportunity to comment, and for all your hard work.

Nikki Rovner
Judy Dunscomb

We envision a world where the diversity of life thrives, and people act to conserve nature for its own sake and its ability to fulfill our needs and enrich our lives.

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August 21, 2018

Emily White
Conservation Program Administrator
Virginia Outdoor Foundation
39 Garrett St., Suite 200
Warrenton, VA 20186

Re: Virginia Outdoor Foundation Draft Criteria for the Forest CORE Fund

Dear Ms. White:

I am writing you today on behalf of the undersigned organizations, representing Virginia's top economic sector, the agriculture and forestry industries. These industries contribute \$91 billion to Virginia's economy, including supporting 442,200 jobs. Specifically, the undersigned companies serve as leaders in the industry, employers to thousands and contribute greatly to Virginia's economy.

Virginia's foresters serve as stewards of our land. Our foresters take care to manage their land in a sustainable manner by implementing best management practices and through harvesting, a natural part of the ecosystem. By reforestation in a common sense and practical manner, our foresters have been able to improve water quality as well as manage eco systems naturally.

The limitations proposed in the draft criteria of the Forest CORE Fund concern us, however. Timber harvesting is essential to the stewardship of the land. We believe that our foresters, private landowners, in conjunction with the Virginia Department of Forestry can best determine the proper forest management and land use decisions. Neither management nor decisions about use of best management practices should be limited by local ordinance or restricted by grant limitations.

The exclusion or restricting of harvesting from this grant program sets a dangerous precedent; it sends a signal that timber harvesting is poor land stewardship which is simply not the case. We know that timber harvesting is a core tenant of conservation. We encourage you to allow for more in depth discussion and meaningful conversation with our forestry industry to ensure that this program reflects the importance of sustainable forest management and responsible land stewardship.

Sincerely,

American Forest and Paper Association
International Paper
West Rock
Virginia Agribusiness Council
Virginia Forestry Association
Virginia Forest Products Association
Virginia Loggers Association

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A unifying voice for Virginia's forestry community

Ms. Emily White
Conservation Program Administrator
Virginia Outdoor Foundation
39 Garrett St., Suite 200
Warrenton, VA 20186

Re: VOF Draft Criteria for the Forest CORE Fund

Dear Ms. White:

The Virginia Forestry Association (VFA) represents 1,200 forest product businesses and forest landowners who grow and produce a wide variety of forest products used by Virginians and others around the world. Virginia's forestry industry is the third largest economic sector in the Commonwealth contributing \$91 billion to our economy and supporting 442,200 jobs. VFA has always been a supporter and embracer of forest land conservation; however, we do have concerns with the current guidelines as set forth in the Forest CORE Fund program.

As President of VFA and former Virginia State Forester with the Virginia Department of Forestry (VDOF), I understand the forest issues that Virginia struggles with including fragmentation, parcelization, conversion, and the overall loss of forestland acreage. In fact, VDOF entered into and started accepting Forestland Conservation Easements under my administration due to our concerns over the loss of and the values contributed by our forest resources. VFA's concerns with the program guidelines deal more specifically with the limitations that prevent the practice of sound, scientific forest management and the ability to make land-use decisions, such as timber harvesting. Harvesting under forest management is not forest conversion and fosters greater land conservation efforts. In fact, I would suggest that it enhances conservation by reinvesting in the land, creating greater economic and ecological value promoting a forestland environment well into the future.

VFA's partners Virginia Loggers Association (VLA) and Virginia Forest Products Association (VFPA), who also represent a variety of forest product businesses in the community, are in agreement with us on our suggested resolutions to the issues at hand. We ask that you do not let idealistic goals outweigh the benefit and enhancement that a land conservation program like CORE can provide with the inclusion of sustainable forest management practices. More sustainable forestland in the program will add a substantial amount of environmental, economic, and social



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Carl E. Garrison III
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A unifying voice for Virginia's forestry community

benefits to the Commonwealth of Virginia. We encourage you to continue the vetting process and allow more meaningful and in-depth discussions with our forestry community to ensure this program provides maximum benefit to the Commonwealth's forest resources and for a sustainable forest future.

Sincerely,

A handwritten signature in black ink that reads 'Carl E. Garrison III'.

Carl E. Garrison, III

President, Virginia Forestry Association



President
Carl E. Garrison III
Gordonsville

Vice President
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