



Shenandoah County Conservation Easement Authority

Office of Community Development
600 North Main Street, Suite 107
Woodstock, VA 22664

www.shenandoahcountyva.us/committees/cea

MEETING MINUTES

May 7, 2014; 9:00-11:00 AM

Board Conference Room

CEA Members present: Supervisor Steven Baker, Doug French, Chairperson Kelly Watkinson, Bud Griswold, and Vice-Chairperson Dee Hockman

Others Present: Patrick Felling, Jed Rau, and Crystal Copenhaver

Call to Order

The meeting was brought to order by Chairperson Watkinson at 9:00 a.m.

Approve Prior Meeting Minutes

The minutes of the CEA meeting on March 5, 2014 was approved as presented.

Vote on Easement Program Ordinance Revision

An extensive discussion of the ordinance final draft ensued, Chairman Watkinson was mainly concerned with "*fund leveraging*" (page 5) as this may not be known at the time an application is submitted. After some discussion, it was decided that the fund leveraging question would be separated on the criteria score sheet to reflect its use as a final criteria that may not be known until an easement project is far along in the process. The final draft revisions were approved as presented and all members present voted in favor of sending the proposed ordinance revision to the BOS for their consideration.

Review PDR Funding Options

A. Discuss Recent Board Decision

Mr. Felling stated the BOS denied the funding request of \$120,000 of current roll back taxes be allocated to CEA. CEA has approximately \$2,500 of funds remaining in the account. It was however, discussed the BOS might consider a future set-aside from roll back taxes to CEA. Mr. Baker stated he feels that the roll back taxes taken from agriculture should go back to support agriculture. He also asked if Mr. Felling could check with Carroll County, Maryland CEA, as they have a good program. Mr. Baker stated if we want to enhance future agriculture in this County, which goes with our comprehensive plan, we need to help young farmers.

B. Discuss Changes to NRCS Easement Funding Program

Mr. Felling explained a new NRCS program that may waive the usual 25% cash match requirement for agricultural easements. He stated if properties meet certain NRCS criteria (i.e. “lands of special significance”), they could qualify for this waiver program. The table, below, provides an illustration comparing how one project’s funding split might look using the three NRCS funding options.

	NRCS Portion	Cash Portion	Landowner Donation Value
Traditional: 25% Cash Match Required	\$500,000 (50%)	\$250,000 (25%)	\$250,000 (25%)
Waiver option A: 12.5% Cash Match	\$500,000 (50%)	\$125,000 (12.5%)	\$375,000 (37.5%)
Waiver option B: 5% Cash Match	\$500,000 (50%)	\$50,000 (5%)	\$450,000 (45%)

**Funding examples based on \$1M Easement value*

This program requires less funding match (for the properties that qualify) which creates flexibility because less cash has to be brought forward for the project. However, a significant downside is that landowners have to donate so much more. Wealthy donors who pay high taxes could recoup as much as two-thirds of their donation in tax benefits, but donors with low (or no) income tax bills may only recoup a third or less. This program only works if the state offers tax benefits. The cash portion can come from any source (except from the landowner or tax benefits).

C. Review State Funding Opportunities

Mr. Felling stated on the state funding level; VDACS reported that some localities had decided not to spend local moneys and therefore declined to use their allotted state funding, in effect returning those funds to VDACS to redistribute. Those funds could be available for VDACS to issue next year to localities that have local funds to use as match. Virginia gave back \$2.8 million to NRCS in unused funds, which will be allocated to other states; that money will not come back to Virginia. VCLF should have money available next year, they do require a match, but it does not have to be local funds. The deadline to apply for state funds this year has passed.

View Outreach Materials From Outside Groups

Mr. Felling presented a Valley Conservation Council report entitled *Protecting Shenandoah Valley Lands: A Landowner's Guide*. CEA members recommended he arrange a presentation by VCC to the BOS.

Mr. Felling introduced Mr. Rau from Potomac Conservancy to give an update on the Frederick County video project. Mr. Rau stated Frederick County is currently waiting for their equipment before they can begin creating 5 or 6 informative easement videos, 2-3 minutes long. Mr. Rau will check on available funds, but they are hoping to come to Shenandoah County to create 1 or 2 videos if current easement land holders are interested. Mr. French volunteered, it was also suggested the Hawkins family should be approached.

Other Business

Vice-Chairperson Hockman stated there have been several recommendations that the County Farm be put into an easement. It has also been mentioned to Mr. Baker that the County Farm be put into an easement. Mr. Felling will look into options for external funds that could possibly support the easement.

Mr. Rau announced that Potomac Conservancy is doing low grant matches to help with appraisals, closing cost or small fees that landowners may need assistance with. He stated the focus areas are Cedar Creek, Passage Creek, property has to have water source, 100+ acres, and forestry.

Mr. Felling ask if members would like to watch other videos at the next scheduled meeting, with all members expressing interest.

Chairperson Watkinson would like to put together a plan for future "set-aside" from roll back taxes to CEA. That topic is to be discussed at the next CEA meeting.

Meeting Adjourned