

# **OFFICE OF FARMLAND PRESERVATION**

# **ANNUAL REPORT**

By:

Matthew J. Lohr Commissioner of Agriculture and Consumer Services

December 1, 2012

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# **EXECUTIVE SUMMARY**

This report presents the primary accomplishments of the Office of Farmland Preservation (OFP) for the period December 1, 2011 through December 1, 2012.

Significant accomplishments for this reporting period include the following:

- OFP continued to work with key agricultural, conservation and governmental partners to refine the allocation process for state matching funds to local purchase of development rights (PDR) programs;
- To date, \$6.45 million has been allocated to 18 local PDR programs;
- OFP worked with local PDR programs to permanently preserve 5,733.10 acres of working farm and forest lands in 12 localities. OFP provided \$5.3 million of the \$14.84 million in total purchase price and transaction costs paid for these easements;
- OFP delivered 22 presentations/workshops to a wide variety of audiences. Topics included OFP, PDR programs, farmland preservation tools/techniques, conservation easements, use value assessment, farmland loss data and the Virginia Farm Link program;
- OFP and VDACS' Commissioner continued outreach efforts with the Working Lands Discussion Group, which was developed to encourage more donations of conservation easements by working farm and forest landowners;
- OFP continued to oversee the Virginia Farm Link database. Since May 2008, 118 active farm owners have received 1,457 individual requests from 461 active farm seekers interested in discussing various transition options with them;
- OFP has allocated \$117,410 to Virginia Cooperative Extension since December 2008 for workshops designed to help farm families and their service providers transition farms and farming operations to the next generation; and
- OFP continued collaboration with the Virginia Farm Bureau Young Farmers on the "Pilot Farm Link and Transition Workshops" and the development of the Certified Farm Seekers (CFS) Program.

The amount of state funding for local PDR programs continued at the previous level of \$1.2 million for FY 2013, and the current budget for FY 2014 continues this allocation amount. While the funding for FY 2013 was the same as the previous year, there were five localities (Franklin, Northampton, Shenandoah and Washington Counties, and the City of Chesapeake) that applied for FY 2012 funding that chose not to do so again for FY 2013. (One applicant for FY 2013, Rappahannock County, did not apply in FY 2012.) For those localities that did not apply again in FY 2013, many of them indicated the desire to use the previous funding first to complete a particular easement transaction, and then decide on next steps for the program and future acquisitions based on the availability of funding at the local level.

OFP still expects to see continued demand for these state matching funds, especially if the funds are either maintained at this higher level, or even possibly increased. In addition to providing technical assistance on establishing and improving local PDR programs, OFP also will continue to provide technical assistance on other farmland preservation tools. These additional tools

include the following: use value assessment, agricultural and forestal districts, transfer of development rights, and lease of development rights.

OFP plans to continue the outreach phase of its work to encourage more working farm and forest landowners to donate conservation easements in Virginia. To that end, OFP will be meeting in early December 2012 with the Working Lands Discussion Group to outline outreach efforts that can be conducted during the next year.

OFP also plans to continue its expansion of farm transition efforts in the future. OFP will continue to work with the Virginia Farm Bureau Young Farmers to develop farm transition and farm link workshops. VDACS and Virginia Farm Bureau are working on a Memorandum of Agreement to provide up to \$1,500 (capped at a total of \$10,000) for any county Farm Bureau that would like to hold a transition or linking workshop for its members. The first workshop held under this new arrangement is expected in Bedford County in January 2013. OFP also plans to continue working with the Young Farmer Committee on the implementation of the Certified Farm Seekers (CFS) program, and a significant revision of the Virginia Farm Link database toward the end of 2013.

Finally, OFP staff plans to do another large reprint of the "Planning the Future of Your Farm: A Workbook Supporting Farm Transfer Decisions". Almost all of the original 3,000 workbooks printed in November 2011 have been handed out, and there is strong support from partners to have OFP continue to provide these workbooks free of charge to landowners, attorneys, accountants, lenders and others. The reprint, with some updates for changes to federal estate tax laws, is expected in early 2013.

#### **OVERVIEW**

Section 3.2-203 of the Code of Virginia requires that the Commissioner of VDACS submit a written report on the operation of OFP to the chairmen of the House Committee on Agriculture, Chesapeake and Natural Resources and the Senate Committee on Agriculture, Conservation and Natural Resources by December 1 of each year.

The following are the specific powers and duties of OFP as established in § 3.2-201 of the Code of Virginia:

- "1. To develop, in cooperation with the Department of Business Assistance, the Virginia Farm Bureau Federation, the American Farmland Trust, the Virginia Land Conservation Foundation, the Virginia Outdoors Foundation, the Virginia Association of Counties, and the Virginia Cooperative Extension: (i) model policies and practices that may be used as a guide to establish local purchase of development rights programs; (ii) criteria for the certification of local purchase of development rights programs as eligible to receive grants, loans or other funds from public sources; and (iii) methods and sources of revenue for allocating funds to localities to purchase agricultural conservation easements;
- 2. To create programs to educate the public about the importance of farmland preservation to the quality of life in the Commonwealth;
- 3. To provide technical, professional, and other assistance to farmers on matters related to farmland preservation;
- 4. To provide technical, professional, and other assistance to local governments interested in developing additional farmland preservation policies and programs. Such policies and programs shall include (i) use value assessment and taxation pursuant to §§ <u>58.1-3230</u> and <u>58.1-3231</u>; (ii) transfer of development rights pursuant to Article 7.1 (§ <u>15.2-2316.1</u> et seq.) of Chapter 22 of Title 15.2; (iii) agricultural and forestal districts pursuant to Chapter 43 (§ <u>15.2-4300</u> et seq.) of Title 15.2; and (iv) establishment of local lease of development rights; and
- 5. To administer the Virginia Farm Link program established pursuant to § 3.2-202."

In addition, § 3.2-201 was expanded in 2008 to include the following additional language regarding the allocation of state matching funds to local purchase of development rights (PDR) programs:

"State grants shall be distributed to local purchase of development rights programs under policies, procedures, and guidelines developed by the Office of Farmland Preservation. In general, for each \$1 in grant moneys awarded by the Office, the applicable local purchase of development rights program of the county or city shall be required to provide a \$1 match. However, as part of these policies, procedures, and guidelines developed by the Office, the Office shall include incentives that recognize and encourage counties and cities participating in use value taxation pursuant to Article 4 (§ 58.1-3229 et seq.) of Chapter 32 of Title 58.1."

By establishing the Virginia Agricultural Vitality Program, and subsequently OFP, the General Assembly was attempting to address two issues that threaten the future viability of the Virginia agricultural sector. The first of these challenges is the aging farm population and the difficulty young farmers have when entering the profession. Statistics describing this problem are quite dramatic. The average principal farm operator in Virginia is 58.2 years of age. Previous estimates from economists at Virginia Tech indicated that more than 70 percent of Virginia farmland and a significant percentage of Virginia's farm businesses are expected to be transitioned over the next 15 years. At the same time, research from OFP indicates that many Virginia farmers are not planning for this transition. During the period January through March 2002, OFP sponsored a survey of 1,500 Virginia farmers, with the intent of determining how many had plans for the transition of their farm businesses to the next generation of farmers. This survey was part of a larger strategy adopted by the International Farm Transition Network (IFTN) to develop conclusions about the state of farm retirement planning in the United States, Europe and Japan. This survey showed that of the 512 Virginia farmers that responded, 76 percent either did not plan to retire at all or only planned semi-retirement. Of those 24 percent of farmers who planned to retire, only 30 percent had identified a successor.

The second challenge relates to the loss of farm and forest lands to developed uses in Virginia. The Farmland Information Center (FIC) compiles data showing the rate of farmland lost to development in Virginia. The FIC, a clearinghouse for information about farmland protection and stewardship authorized by the federal Farmland Protection Policy Act (FPPA), is a public/private partnership between the USDA Natural Resources Conservation Service (NRCS) and American Farmland Trust (AFT). According to the most recent numbers from the FIC, between 1997 and 2002, Virginia lost 81,500 acres of agricultural land directly to developed uses. That loss of agricultural land slowed to 60,800 acres between 2002 and 2007. A similar trend occurred when looking at other rural lands as well. When looking at agricultural land, forestland and other rural lands combined, Virginia lost 274,900 acres directly to developed uses between 1997 and 2002, and 206,700 acres between 2002 and 2007.

The 2007 Census of Agriculture conducted every five years by USDA National Agricultural Statistics Service also captures the change in land used for farming during the same time period, though these data do not illustrate whether or not the farmland was converted to developed uses, was left fallow, was managed for conservation, or was used for other purposes. Those data report that between 1997 and 2002, there was a 128,796 acre decline in "land in farms" in Virginia. This decline significantly increased between 2002 and 2007, with a 520,904 acre decline in "land in farms" during this five-year period. While the two data sets track different information, together they illustrate the increasing amount of farmland no longer available for agricultural use in Virginia each year. This loss results in an increase in the competition for the remaining farmland, and in many cases, land values that make generating the income needed to pay for that land by agricultural uses difficult in many parts of the state. This loss also results in increased fragmentation of the remaining farm and forest land, which places additional pressures on farmers and foresters who now face a public that is increasingly divorced from agriculture, and who are not accustomed to the sights, sounds and smells associated with working lands.

#### **ACCOMPLISHMENTS**

The following are the accomplishments of the office during December 1, 2011 – December 1, 2012:

#### ADMINISTERING PDR MATCHING FUNDS

Since opening in 2007, OFP staff has worked with local governments, farm and conservation organizations, and other interested parties to establish local purchase of development rights (PDR) programs. PDR programs compensate landowners that permanently preserve their land by voluntarily placing a perpetual conservation easement on the property. Twenty-two local PDR programs exist to date in Virginia, 18 of which have some level of local funding currently available (see Appendix 1).

The 2007 budget amendment provided OFP with \$4.25 million in state matching funds for the 2006-2008 biennium. OFP allocated these funds in February 2008. These funds were to be used to match local funds from certified local PDR programs. This funding was significant, as it was the first time that the Commonwealth of Virginia provided state funds to match local PDR efforts. An additional \$500,000 was approved for FY 2009; \$400,000 for FY 2010; \$100,000 for FY 2011; and \$1.2 million for FY 2012. During the 2012 legislative session, the General Assembly and Governor McDonnell again allocated an additional \$1.2 million to the Virginia Farmland Preservation Fund for both FY 2013 and FY 2014.

OFP worked with key stakeholders to develop a two-part certification process for these funds. The first part was a certification of the amount of local matching funds that the locality had available for their PDR program. The second part was an application to certify the elements of the local PDR program, based on *A Model Purchase of Development Rights (PDR) Program for Virginia*, which was developed by the State Farmland Preservation Task Force in 2005.

During the FY 2012 state matching funds grant round, OFP allocated \$1.2 million in new funding. Localities had until October 21, 2011 to submit their fiscal and program certification form. Thirteen localities met the fiscal and certification deadline for FY 2012 funding. These 13 localities certified that they had a total of more than \$18 million in non-state funding (\$5,598,643 in FY 2012, and \$12,623,422 from previous years) available to match state funds.

To determine the state matching fund amount for each locality in FY 2012, OFP divided the \$1.2 million allocation amount by 13. These funds were available to certified localities to the extent that each locality was able to provide an equal match using local funds. This equaled \$92,307.69 that was available for each locality that could provide an equal or greater amount of local match. Eight localities provided more than this average, and five localities provided less. Those localities that provided less received a match equal to their local contribution minus any remaining state funds previously matched. Those localities that provided more divided the remaining funding. The allocations for FY 2012 were awarded to localities in December 2011 (see Appendix 2).

Localities have up to two years from the execution of the Intergovernmental Agreement (IGA) between the locality and VDACS to go to closing on approved agricultural conservation

easements (see Appendix 3). Prior to going to closing, each locality must submit the individual easement to VDACS for review by OFP and the Office of the Attorney General. Once the easement language is approved, localities may go to closing and submit to VDACS a claim for reimbursement form for up to 50 percent of the total "reimbursable costs" allowed by the IGA.

Given that VDACS now has the non-reverting Virginia Farmland Preservation Fund established as a non-general fund account, VDACS did change the procedure for reprogramming unspent funds from FY 2010. Similar to the past few years, OFP gave localities with remaining FY 2010 funding until May 25, 2012, to go to closing and to record an approved agricultural conservation easement. This year, however, for any locality that did not meet this extended deadline, the FY 2010 funds remaining were reprogrammed back to the Virginia Farmland Preservation Fund and will be reallocated as part of the FY 2013 allocation process.

A total of \$112,111.55 of the original \$635,973.00 in FY 2010 funding (\$400,000 in new FY 2010 and \$235,973 in previously allocated funding) was reprogrammed from the following three localities: Franklin County, Spotsylvania County and the City of Chesapeake (see Appendix 4).

As of November 2, 2012, \$5,302,159.42 in state matching funds from the Virginia Farmland Preservation Fund administered by OFP has been used in part to permanently protect 5,733.10 acres (43 easements) in partnership with 12 local PDR programs (see Appendix 5).

VDACS currently is in the process of allocating the \$1,200,000 available in FY 2013 state matching funds, and an additional \$129,611.55 in reprogrammed funding (\$112,111.55 from FY 2010, \$12,500 returned from FY 2011 funding to New Kent County, and \$5,000 in unallocated FY 2012 funds originally awarded to Washington County) to local PDR programs. Nine localities with more than \$15.4 million available in local matching funds (\$5,723,055 for FY 2013, and \$9,996,638 from previous years) submitted their fiscal and program certification applications by the October 19, 2012 deadline (see Appendices 6 and 7). This is a decline of 31 percent from the 13 applications that were received as part of the FY 2012 application round. OFP staff will be working to formally release these funds by December 31, 2012.

**PROVIDING TECHNICAL ASSISTANCE AND EDUCATION ON FARMLAND PRESERVATION** Since the opening of OFP in January 2007, staff has been consistently asked to provide technical assistance to local and state governments, agricultural and conservation organizations, individual landowners and farmers, and others interested in learning more about farmland preservation in Virginia.

The following are efforts by OFP to provide technical assistance and outreach on farmland preservation issues from November 29, 2011 to December 1, 2012:

*Presentations*: OFP delivered 22 presentations/workshops to a wide variety of audiences. Topics included OFP, PDR programs, farmland preservation tools/techniques, conservation easements, use value assessment, farmland loss data and the Virginia Farm Link program (see Appendix 8). *Website:* OFP continued to provide updated information on its website at <u>www.vdacs.virginia.gov/preservation</u>. The website provides information on the office, as well as the issues and challenges related to the loss of Virginia's working farm and forest lands. It also includes links to the websites, program ordinances, easement templates and other materials for many of the 22 local PDR programs and one TDR program currently established.

*Display:* The OFP display was used at the Virginia Vineyards Association Winter Technical Meeting (Charlottesville, February 3-4, 2012); the Virginia Grain and Soybean Producers Annual Meeting (Williamsburg, February 23, 2012); the 2012 Virginia Ag Expo at Grainfield Farm (Mechanicsville, August 2, 2012); the Virginia Association of Counties (VACo) annual meeting (Warm Springs, November 11-13, 2012); and the Virginia Farm Bureau Convention (Chantilly, November 27, 2012). OFP and Agriculture and Forestry Development Services (AFDS) staff was on hand to provide additional information and to answer any questions.

*Annual PDR survey:* OFP staff continued to work with technical assistance staff from American Farmland Trust (AFT) to encourage local PDR programs in Virginia to provide data annually as part of AFT' "Status of Local PACE Programs" survey. This survey was sent to respondents in January 2012, and the numbers were reported and released will be released in late 2012.

*Landowner phone calls:* The OFP coordinator talked with numerous landowners and farmers interested in understanding the range of options for permanently protecting their land. OFP also fielded numerous calls from farm owners and farm seekers interested in the Virginia Farm Link program and the Virginia Century Farm Program.

*State Land Evaluation Advisory Council (SLEAC):* OFP staff participated in the October 2012 meeting of SLEAC. SLEAC is responsible for setting the suggested use value assessment rates for each locality that has adopted this program for real estate devoted to agriculture, horticulture, forestry or open space. OFP also participated in the coordination of the SLEAC Manual Review Committee. This committee was the result of discussions at the August 2011 SLEAC meeting about the need to update the SLEAC manual, which last was revised in 2003 and has sections of the manual that have not been revised since the early 1990's. The committee conducted a survey of commissioners of revenue and local assessing officers to gauge program information and solicit frequently asked questions. OFP worked with the committee to review and edit numerous drafts of the manual update and frequently asked questions. The revised version of the manual is expected to be released by December 2012.

#### WORKING LANDS DISCUSSION GROUP

In June 2010, the Commissioner of VDACS and OFP began a new project designed to increase the amount of working farm and forest land permanently protected as part of Governor McDonnell's 400,000 acre land conservation goal. To this end, VDACS worked to increase the number of working farm and forest land owners that take advantage of the Virginia Land Preservation Tax Credit (LPTC) for donated conservation easements. While funding for Virginia's other land conservation programs has seen a sharp reduction over the past few years, funding and legislative support has remained strong for the LPTC. Given that the General Assembly still supports the LPTC with more than \$100 million each year in forgone tax revenue, the LPTC remains the predominant incentive available in Virginia for land conservation. In examining this goal, VDACS determined that there is a perception by some in the agricultural community that the donation of a conservation easement is not a viable option for protecting productive working lands. Even though much of the land protected by the Virginia Outdoors Foundation (VOF) is in fact working farm and forest land, VDACS felt that a collaborative effort to address this perception might be beneficial. To that end, VDACS coordinated a small group to discuss these issues comprised of representatives from Virginia Farm Bureau, Virginia Agribusiness Council, VOF, Valley Conservation Council, Department of Forestry, Department of Conservation and Recreation, Department of Historic Resources and a few private landowner attorneys familiar with Internal Revenue Service (IRS) regulations pertaining to conservation easements. In particular, VDACS was interested in providing specific recommendations for variations to the existing VOF easement template that might appeal to a broader range of farm and forest landowners, while still meeting IRS requirements for charitable conservation donations. VDACS also was interested in providing opportunities for better partnership and outreach from the agricultural community on the benefits of donating easements on working lands.

The result of this effort was the formal adoption of the "working lands variant" by the VOF board at their fall board meeting in October 2011. Since that time, OFP staff worked to continue the outreach efforts on conservation easements to farm and forest landowners. This outreach included the development of a conservation easement session at the 2011 Virginia Farm Bureau Annual Convention in Norfolk (November 29, 2011). Approximately 350 farmers attended this session, which included VDACS Commissioner Matt Lohr, as well as OFP and VOF staff, landowner attorneys, and a young farmer who owns land with a conservation easement. Outreach efforts also included the delivery of the second and third "Conservation Easement Workshop for Working Lands" in Pittsylvania County (December 13, 2011) and Dinwiddie County (January 5, 2012). Roughly 100 farmers, local government staff, service providers and others attended these workshops. The workshop provided an in-depth overview of conservation easement mechanics, land owner considerations, tax benefits for donated easements and easement purchase options. The workshop also provided an overview of the conservation easement process and how to build an effective team to help with placing a conservation easement on a property. Finally, each workshop included a landowner panel that provided insight from the landowner perspective.

As part of this outreach effort, OFP worked with VOF and Virginia Farm Bureau staff to develop a brochure on conservation easements and the new working lands variant to the standard VOF easement template for farm and forest landowners. The brochure included an introduction from Commissioner Lohr talking about the importance of conservation easements and the need for each farm family to decide for itself whether or not an easement is a good idea. These brochures were delivered at the Virginia Farm Bureau Annual Convention, and have been handed out at numerous workshops/events/meetings since then. Virginia Farm Bureau also sent around a letter to all county Farm Bureau presidents from Commissioner Lohr asking them to consider holding a smaller conservation easement workshop and offering to provide speakers and support on the topics if the county was so inclined.

#### VIRGINIA FARM LINK PROGRAM

OFP is charged with administering the Virginia Farm Link program. Pursuant to  $\frac{3.2-202}{2}$  of the Code of Virginia, the purpose of the Virginia Farm Link program is to do the following:

"provide assistance to retiring farmers and individuals seeking to become active farmers in the transition of farm businesses and properties from retiring farmers to active farmers. Such assistance shall include, but not be limited to, (i) assistance in the preparation of business plans for the transition of business interests; (ii) assistance in the facilitation of transfers of existing properties and agricultural operations to interested buyers; (iii) information on innovative farming methods and techniques; and (iv) research assistance on agricultural, financial, marketing, and other matters."

To date, the primary efforts at VDACS to implement the Virginia Farm Link program has been the establishment of the Virginia Farm Link database. Released by VDACS in May 2008, this database attempts to bring together farm owners and farm seekers to begin the discussion about possible farm transition arrangements. As of November 1, 2012, the database has 13 "active farm owners" and 221 "active farm seekers" currently registered. Since May 2008, 118 active farm owners have received 1,457 individual requests from 461 active farm seekers interested in discussing various transition options with them. The database is located at <u>www.vafarmlink.org</u>.

In November 2010, OFP met with members of the Virginia Farm Bureau Young Farmers (VAFBYF) to discuss concerns regarding the effectiveness of the Virginia Farm Link database, and opportunities to better address the initial duties established for the Virginia Farm Link program. While the database has been effective in providing opportunities for interested farm seekers to easily contact interested farm owners, no successful transition had yet been confirmed. As a result of that meeting, VAFBYF established an ad-hoc sub-committee to work with OFP to address these concerns. Through conference calls and meetings throughout 2011, several initiatives were discussed to help enhance the Virginia Farm Link program through effective farm transition programming.

To this end, VAFBYF and OFP decided to collaborate on a series of pilot workshops to enhance relationships between farm seekers and farm owners while exploring key steps to successful farm transitioning. The first pilot workshop took place in Isle of Wight County on August 13, 2011, with approximately 35 participants ranging in ages from 24 to 72 years. Additional workshops were held in Pittsylvania County on February 11, 2012, and in Augusta County on August 4, 2012, with a similar number of attendees for each of these workshops. After each workshop, OFP and VABFYF made revisions to the agenda based on feedback and review from the participants and the planning team. This effort resulted in the development of a flexible workshop format that can be tailored to individual county Farm Bureau offices interested in further pursuing farm transition and farm linking opportunities for both older and younger members.

This collaboration also resulted in the development of a proposal for a Farm Seeker Certification program as part of a sub-award funding opportunity tied to the larger Virginia Beginning Farmer and Rancher Coalition Project (BFRCP) led by Virginia Tech. The Certified Farm Seeker (CFS) program was designed to provide individuals seeking farming opportunities with the tools

needed to successfully demonstrate their farming commitment and vision to interested landowners. This new program officially was unveiled at the Virginia Farm Bureau Young Farmers Summer Expo July 27-29, 2012 in Lynchburg. The CFS program uses the five curriculum modules (whole farm planning introduction, business, land acquisition and tenure, marketing, and on-farm experience) developed by BFRCP and will help farm seekers develop a farm business plan and resume, as well as demonstrate on-farm experience. The program is being designed to help all levels of beginning and experienced young farmers who are looking to farm or to expand their farm. The program also plans to provide significant incentives to certified farmer seekers including the following: enhanced profile/visibility on the Virginia Farm Link database; invitations to social events for farm owners and certified farm seekers arranged by Virginia Farm Bureau; and professional review of submitted business plans or cost-share for attorney/mediator fees incurred as part of the farm transition. A total of 16 farm seekers have submitted applications for the new CFS program as of November 1, 2012, and will be working on the five modules over the next year. Numerous inquiries have been received from other interested farm seekers as well.

The Office of Farmland Preservation also continued to allocate funding for farm transition workshops designed to help farm families and their service providers transition farms and farming operations to the next generation. An additional \$16,000 has been allocated to Virginia Cooperative Extension (VCE) for these efforts between September 2012 and December 2013, and \$117,410 has been allocated overall since September 2008. These pilot workshops are funded by the revenue generated from the Virginia Agriculture license plate, which since 2006 has provided \$220,515 in funding to OFP.

# VIRGINIA CENTURY FARM PROGRAM

In October 2010, the Office of Farmland Preservation was assigned with administering the Virginia Century Farm Program. Pursuant to  $\S 3.2-105$  of the Code of Virginia,

"The Commissioner shall establish a century farm program to honor farm families in the Commonwealth whose property has been in the same family for 100 years or more. In order to be eligible for recognition under the program, a farm shall: (i) have been owned by the same family for at least 100 consecutive years; (ii) be lived on, or actually farmed by, a descendent of the original owners; and (iii) gross more than \$2,500 annually from the sale of farm products. At the discretion of the Commissioner, a farm that does not gross more than \$2,500 annually but is being used for a bona fide silvicultural purpose may be recognized under the program."

OFP staff has certified a total of 89 new Century Farms since October 2010. In addition, OFP continues to work to compile a searchable database that will include key information for all 1,226 Century Farm applications that have been certified since the beginning of the program in 1997. This new online database is expected to be completed in early 2013.

#### PLANS FOR THE FUTURE

The amount of state funding for local PDR programs continued at the previous level of \$1.2 million for FY 2013, and the current budget for FY 2014 continues this allocation amount. While the funding for FY 2013 was the same as the previous year, there were five localities (Franklin, Northampton, Shenandoah and Washington Counties, and the City of Chesapeake) that applied for FY 2012 funding that chose not to do so again for FY 2013. (One applicant for FY 2013, Rappahannock County, did not apply in FY 2012.) For those localities that did not apply again in FY 2013, many indicated the desire to use the previous funding first to complete a particular easement transaction, and then decide on next steps for the program and future acquisitions based on the availability of funding at the local level.

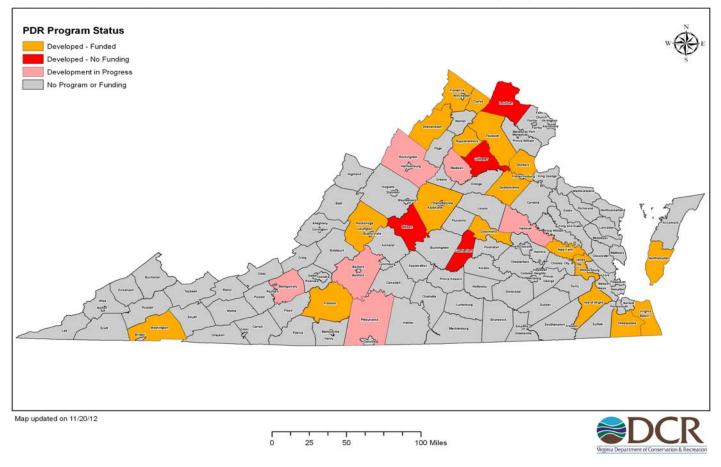
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Finally, OFP staff plan to do another large reprint of the "Planning the Future of Your Farm: A Workbook Supporting Farm Transfer Decisions". Almost all of the original 3,000 workbooks printed in November 2011 have been handed out, and there is strong support from partners to have OFP continue to provide these workbooks free of charge to landowners, attorneys, accountants, lenders and others. The reprint, with some updates for changes to federal estate tax laws, is expected in early 2013.

# STATUS OF LOCAL PURCHASE OF DEVELOPMENT RIGHTS (PDR) PROGRAMS



# FY 2012 ALLOCATIONS FOR LOCAL PDR PROGRAMS

<u>Locality</u>	Local Funds <u>Available</u> (Oct 2011)	Previous State Funds Remaining (Oct 2011)	FY 2012 State Funds Awarded
Albemarle County	\$619,459.94	\$0.00	\$110,952.46
Chesapeake City	\$271,284.00	\$93,765.52	\$110,952.46
Clarke County	\$300,000	\$12,500.00	\$110,952.46
Fauquier County	\$1,042,716.00	\$0.00	\$110,952.46
Franklin County	\$63,385.31	\$13,385.31	\$50,000.00
Isle of Wight County	\$3,542,560.00	\$12,500.00	\$110,952.46
James City County	\$2,469,464.44	\$93,932.19	\$110,952.46
Northampton County	\$45,287.30	\$0.00	\$45,287.30
Shenandoah County	\$105,000.00	\$0.00	\$105,000.00
Spotsylvania County	\$413,805.00	\$67,270.00	\$110,952.46
Stafford County	\$66,093.00	\$0.00	\$66,093.00
Virginia Beach City	\$9,237,010.00	\$0.00	\$110,952.46
Washington County	\$46,000.00	\$0.00	\$46,000.00
TOTAL	\$18,222,065	\$293,353.02	1,200,000.00

# TEMPLATE INTERGOVERNMENTAL AGREEMENT Between

#### Virginia Department of Agriculture and Consumer Services and [locality]

This INTERGOVERNMENTAL AGREEMENT is entered into this 31<sup>th</sup> day of December, 2011, in the City of Richmond, Virginia, between the Virginia Department of Agriculture and Consumer Services ("VDACS") and [locality] (collectively, "the parties") to provide mutually advantageous terms for cooperation between VDACS and [locality] to implement VDACS' contribution of funds in support of [locality]'s purchase of agricultural conservation easements.

WHEREAS, the General Assembly, by Chapter 890 of the 2011 Acts of Assembly, has appropriated \$1,200,000 in the fiscal year ending June 30, 2012 to VDACS for the continuation of a state fund to match local government purchase of development rights program funds for the preservation of working farms and forest lands; and,

WHEREAS, § 3.2-201 of the Code of Virginia authorizes VDACS' Office of Farmland Preservation to develop methods and sources of revenue for allocating funds to localities to purchase agricultural conservation easements, and to distribute these funds to localities under policies, procedures, and guidelines developed by VDACS' Office of Farmland Preservation; and,

WHEREAS, for all purposes of this INTERGOVERNMENTAL AGREEMENT, the term "agricultural conservation easement" shall mean a negative easement in gross that has the primary conservation purpose of preserving working farm and/or forest land; and,

WHEREAS, [local governing body] has enacted an ordinance or passed a resolution that: authorizes, in accordance with Title 10.1, Chapter 17 of the Code of Virginia ("the Open-Space Land Act") and other applicable law, [locality] to purchase agricultural conservation easements from landowners (each hereinafter called "Grantor"); sets forth a clear, consistent, and equitable administrative process governing such purchases; and outlines the goals and purposes of [locality]'s farmland preservation program; and,

WHEREAS, [locality] has agreed to maintain a public outreach program designed to educate various stakeholders in [locality]—including farmers, landowners, public officials, and the non-farming public—about [locality]'s initiatives to preserve working farms and forest lands; and,

WHEREAS, [locality] has agreed to establish a transparent and replicable process for valuation of agricultural conservation easements; and,

WHEREAS, the purchase of agricultural conservation easements is one component of [locality]'s broader farmland preservation program; and,

WHEREAS, [locality] has agreed to use a deed of easement that is sufficiently flexible to allow for future agricultural production in purchases of agricultural conservation easements for which [locality] uses funds contributed to it by VDACS; and,

WHEREAS, [locality] has agreed that any agricultural conservation easement purchased as per the terms of this INTERGOVERNMENTAL AGREEMENT shall meet the definition of "real estate devoted to

agricultural use", "real estate devoted to horticultural use" or "real estate devoted to forest use" as established in § 58.1-3230 of the Code of Virginia; and,

WHEREAS, [locality] has agreed to establish a clear strategy for monitoring and enforcing the terms of the agricultural conservation easements that [locality] purchases; and,

WHEREAS, [locality] has agreed to establish a process that [locality] will use to evaluate the effectiveness of its farmland preservation program, including a protocol for making changes to [locality]'s agricultural conservation efforts based on such evaluations; and,

WHEREAS, VDACS, in reliance on the veracity of the foregoing recitals, certifies [locality] is eligible to receive contributions of funds from VDACS in reimbursement for certain costs [locality] actually incurs in the course of purchasing agricultural conservation easements; and,

WHEREAS, [locality], and the agents and employees of [locality], in the performance of this INTERGOVERNMENTAL AGREEMENT, are acting on behalf of [locality], and not as officers or employees or agents of the Commonwealth of Virginia;

NOW, THEREFORE, VDACS and [locality] agree their respective responsibilities, pursuant to this INTERGOVERNMENTAL AGREEMENT, shall be defined as follows:

#### 1. VDACS Responsibilities

- a. VDACS shall, within thirty (30) days of the date of execution of this INTERGOVERNMENTAL AGREEMENT, restrict \$ (hereinafter "the allocation amount') in an account, from which VDACS shall withdraw funds only to pay contributions of funds that [locality] is eligible to receive pursuant to this INTERGOVERNMENTAL AGREEMENT, except that upon the expiration of two (2) years from the date of this INTERGOVERNMENTAL AGREEMENT, or immediately upon [locality]'s failure to perform any of its obligations under the terms of this INTERGOVERNMENTAL AGREEMENT, VDACS shall have the right to withdraw any funds then remaining in such account and the right to redirect those funds to other localities that VDACS certifies as being eligible to receive matching funds and that enter into an intergovernmental agreement with VDACS to govern the distribution of matching funds for the purchase of agricultural conservation easements. The allocation amount from this and any prior INTERGOVERNMENTAL AGREEMENT shall not be considered to be a grant as that term is used in paragraph 1(b) of this INTERGOVERNMENTAL AGREEMENT.
- b. Upon [locality] or any agent acting on behalf of [locality]'s recordation of a deed evidencing [locality]'s purchase of an agricultural conservation easement in the circuit court of the city or county where the Grantor's land is located and [locality]'s submission to VDACS of a completed claim for reimbursement, on a form prescribed by VDACS, together with the supporting documentation required under paragraph 2(e) of this INTERGOVERNMENTAL AGREEMENT, VDACS shall reimburse [locality] fifty percent (50%) of the reimbursable costs that [locality] actually incurred in the course of purchasing that agricultural conservation easement, limited to that portion of the allocation amount remaining in the account maintained by VDACS pursuant to paragraph 1(a) of this INTERGOVERNMENTAL AGREEMENT. The following shall not be considered to be reimbursable costs that [locality] actually incurred and shall be subtracted from the total amount of reimbursable costs considered for reimbursement by

VDACS in connection with any particular agricultural conservation easement transaction: grants made by the United States of America, the Virginia Department of Agriculture and Consumer Services (VDACS), the Virginia Department of Conservation and Recreation (DCR), the Virginia Outdoors Foundation (VOF), or any other governmental agency or political subdivision of the Commonwealth of Virginia; payments made by any other funding sources either directly to the landowner or to reimburse [locality]; or in-kind donations or contributions. VDACS may make alternative arrangements for the distribution of funds pursuant to this INTERGOVERNMENTAL AGREEMENT, provided [locality] presents a written request for such alternative arrangement to the Commissioner of VDACS or the Commissioner of VDACS's designated agent (referred collectively hereinafter as "the Grant Manager") prior to incurring any expense for which [locality] seeks a distribution of funds under the proposed alternative arrangement.

For purposes of this INTERGOVERNMENTAL AGREEMENT, "reimbursable costs" include:

- 1. The purchase price of the agricultural conservation easement actually incurred by [locality], at present value, including any portion that [locality] will pay over time pursuant to an installment purchase agreement;
- 2. The cost of title insurance actually incurred by [locality];
- 3. The cost actually incurred by [locality] of any appraisal of the land by a licensed real estate appraiser upon which [locality] purchases an agricultural conservation easement;
- 4. The cost actually incurred by [locality] of any survey of the physical boundaries of the land by a licensed land surveyor upon which [locality] purchases an agricultural conservation easement, including the cost of producing a baseline report of the conditions existing on the land at the time of the conveyance of the agricultural conservation easement;
- 5. Reasonable attorney fees actually incurred by [locality] associated with the purchase of an agricultural conservation easement, where reasonable attorney fees include those fees associated with outside counsel required for the completion of the easement, but do not include fees related to county or city attorneys serving as staff and who are paid regular salary in the county's or city's employ;
- 6. The cost actually incurred by [locality] of issuing public hearing notices associated with [locality]'s purchase of an agricultural conservation easement that [locality] is required by law to issue; and
- 7. Any recordation fees actually incurred by [locality] that [locality] is required to pay pursuant to the laws of the Commonwealth of Virginia.
- c. VDACS shall only be responsible for reimbursing [locality] under paragraph 1(b) of this INTERGOVERNMENTAL AGREEMENT for reimbursable costs that [locality] actually incurs in the course of purchasing an agricultural conservation easement when [locality] or any agent acting on behalf of [locality] acquires, by such purchase, a deed of easement that, at a minimum, provides:

- 1. The primary conservation purpose of the easement conveyed by the deed of easement is the conservation of the land in perpetuity for working farm and/or forestal uses.
- 2. The Grantor and [locality] agree that the land subject to the agricultural conservation easement shall not be converted or diverted, as the Open-Space Land Act employs those terms, until and unless the Grant Manager, with the concurrence of [locality] or an assignee of [locality]'s interest in the agricultural conservation easement, certifies that such conversion or diversion satisfies the requirements of the Open-Space Land Act.
- 3. The Grantor and [locality] agree that, in the event of an extinguishment of the restrictions of the agricultural conservation easement that results in the receipt of monetary proceeds by [locality] or an assignee of [locality]'s interest in an agricultural conservation easement in compensation for the loss of such property interest, VDACS shall be entitled to a share of those proceeds proportional to VDACS' contribution toward the total reimbursable cost of acquiring the agricultural conservation easement as evidenced by the completed claim for reimbursement required under paragraph 1(b) of this INTERGOVERNMENTAL AGREEMENT.
- 4. If the Grantor conveys the agricultural conservation easement for less than its fair market value, the Grantor and [locality] mutually acknowledge that approval of the terms of this Deed of Easement by VDACS and/or its legal counsel does not constitute a warranty or other representation as to the Grantor's qualification for any exemption, deduction, or credit against the Grantor's liability for the payment of any taxes under any provision of federal or state law.
- 5. All mortgagors and other holders of liens on the property subject to the restrictions contained in the deed of easement have subordinated their respective liens to the restrictions of the deed of easement acquired by [locality]. All such mortgagors and other holders of liens shall manifest their assent to the easement's priority over their respective liens by endorsing the deed of easement.
- 6. A baseline report documenting the conditions existing on the land at the time of the conveyance of the agricultural conservation easement is incorporated into the deed of easement by reference.

#### 2. [locality] Responsibilities

- a. [locality] shall, within thirty (30) days of the date of execution of this INTERGOVERNMENTAL AGREEMENT, appropriate funds equal to the allocation amount for the purpose of purchasing agricultural conservation easements.
- b. [locality] shall use matching funds that VDACS contributes to [locality], pursuant to this INTERGOVERNMENTAL AGREEMENT, only for the purpose of purchasing agricultural conservation easements that are perpetual and that have the primary conservation purpose of preserving working farm and/or forest lands.
- c. Within one (1) year from the date of this INTERGOVERNMENTAL AGREEMENT, and for each subsequent year in which the INTERGOVERNMENTAL AGREEMENT or

a subsequent agreement is in force, [locality] shall submit to VDACS a progress report that:

- 1. describes any properties that [locality] has identified as prospects for [locality]'s purchase of agricultural conservation easements and the status of any negotiations for the purchase of such agricultural conservation easements;
- 2. estimates the timeframes within which [locality] will execute contracts for any such purchases, close on such purchases, and request reimbursement of reimbursable costs for those purchases from VDACS;
- 3. describes the measures [locality] has undertaken to develop and/or maintain a public outreach program designed to educate various stakeholders in [locality]'s community—including farmers, landowners, public officials, and the non-farming public—about [locality]'s agricultural conservation easement program and other initiatives to preserve working agricultural land;
- 4. describes the measures [locality] has undertaken to develop and/or maintain a formal plan for stewardship and monitoring of the working agricultural land on which [locality] acquires agricultural conservation easements; and
- 5. describes the measures [locality] has undertaken to develop and/or maintain a process that [locality] will use to evaluate the effectiveness of its program, including a protocol for making changes to [locality]'s agricultural conservation efforts based on such evaluations.
- d. For any purchase of agricultural conservation easements for which [locality] requests reimbursement from VDACS pursuant to this INTERGOVERNMENTAL AGREEMENT, [locality] shall obtain a policy of title insurance on its purchased interest that covers at least an amount equal to the amount for which [locality] requests reimbursement from VDACS.
- e. Prior to closing on a purchase of an agricultural conservation easement for which [locality] requests reimbursement from VDACS pursuant to this INTERGOVERNMENTAL AGREEMENT, [locality] shall submit, for review and approval by VDACS and its legal counsel, the following documentation:
  - 1. a written agreement setting forth, in the manner prescribed by [locality]'s ordinance or resolution governing its program to acquire agricultural conservation easements, the terms of [locality]'s purchase of the agricultural conservation easement, including the purchase price;
  - 2. a written confirmation from the [locality] Commissioner of Revenue or the [locality] Commissioner of Revenue's designated agent that the property/properties to be encumbered by the agricultural conservation easement meet the definition of "real estate devoted to agricultural use", "real estate devoted to horticultural use" or "real estate devoted to forest use" as established in § 58.1-3230 of the Code of Virginia;

- 3. a written description of the agricultural, environmental and social characteristics of the property/properties to be encumbered by the agricultural conservation easement;
- 4. any installment purchase agreement;
- 5. the deed of easement that the Grantor will deliver to [locality] at closing, including all exhibits, attachments, and/or addenda;
- 6. a title insurance commitment for a policy to insure the easement interest under contract indicating an amount of coverage at least equal to the amount of funds for which [locality] requests reimbursement from VDACS; and
- 7. an itemized list of all reimbursable costs that [locality] has or will, up to the time of closing, incur in the course of purchasing the agricultural conservation easement.

[locality] shall make whatever changes to the proposed deed of easement and/or the installment purchase agreement, where applicable, that VDACS and/or its legal counsel deem necessary to ensure compliance with applicable state law and the requirements and purposes of this INTERGOVERNMENTAL AGREEMENT.

[locality] may fulfill its obligation under this paragraph by submitting accurate and complete copies of all documents enumerated in this paragraph, provided that [locality] shall deliver or make available the original documents to VDACS for review at VDACS' request.

- f. Together with any claim for reimbursement pursuant to this INTERGOVERNMENTAL AGREEMENT that [locality] submits to VDACS, [locality] shall also submit the following supporting documentation:
  - 1. a copy of the recorded deed of easement that VDACS and/or its legal counsel approved prior to closing, showing the locality, deed book, and page of recordation, and including all exhibits, attachments, and/or addenda;
  - 2. copies of invoices, bills of sale, and cancelled checks evidencing [locality]'s incursion of reimbursable costs in the course of purchasing the agricultural conservation easement;
  - 3. a copy of any executed installment purchase agreement related to the purchase, which shall indicate the purchase price; and
  - 4. a copy of any deed of trust related to the purchase.
- g. [locality] shall provide the Grant Manager immediate written notice of [locality]'s receipt of any application or proposal for the conversion or diversion of the use of any land upon which [locality] or its assignee, where applicable, holds an agricultural conservation easement, for the purchase of which VDACS contributed funds pursuant to this INTERGOVERNMENTAL AGREEMENT.
- h. [locality], or any assignee of [locality]'s interest in an agricultural conservation easement for which [locality] receives a contribution from VDACS pursuant to this

INTERGOVERNMENTAL AGREEMENT shall at all times enforce the terms of that easement. [locality] shall provide the Grant Manager immediate written notice of any actions, whether at law, in equity, or otherwise, taken by locality to enforce the terms of the easement or to abate, prevent, or enjoin any violation thereof by any party. Any failure by [locality] or such assignee to perform its enforcement responsibility shall constitute a breach of this INTERGOVERNMENTAL AGREEMENT, for which VDACS shall have a remedy by way of a civil action for specific performance of that enforcement responsibility; or, VDACS shall have the right and authority, at its option, to demand and receive from [locality] a portion of the full market value of the agricultural conservation easement at the time of the breach in proportion to VDACS' contribution toward the total reimbursable cost of acquiring the agricultural conservation easement as evidenced by the completed claim for reimbursement required under paragraph 1(b) of this INTERGOVERNMENTAL AGREEMENT.

i. For any purchase of an agricultural conservation easement for which [locality] requests reimbursement from VDACS pursuant to this INTERGOVERNMENTAL AGREEMENT, [locality] shall derive its valuation of the agricultural conservation easement according to the valuation methods prescribed by ordinance or resolution.

#### 3. Merger and Supersedure of Prior Agreement

The parties agree that terms of any INTERGOVERNMENTAL AGREEMENT previously entered into between the parties to govern VDACS' distribution of funds to [locality] in support of [locality]'s purchase of agricultural conservation easements shall be merged into the instant INTERGOVERNMENTAL AGREEMENT, the latter of which shall supersede all former INTERGOVERNMENTAL AGREEMENTS to the extent that there are any inconsistencies between the terms of these INTERGOVERNMENTAL AGREEMENTS. Notwithstanding the language of this paragraph, VDACS shall be required to restrict the allocation amount(s) provided in paragraph 1(a) of any prior agreement(s) in addition to the current allocation amount, but shall only be required to restrict any prior allocation amount(s) until the expiration of two (2) years from the date of execution of the prior agreement(s).

#### 4. Recertification

This INTERGOVERNMENTAL AGREEMENT pertains exclusively to VDACS' contribution of funds that the General Assembly has appropriated to VDACS through the fiscal year ending June 30, 2012. VDACS shall not contribute other funds in the future to [locality] except upon VDACS' recertification of [locality]'s eligibility to receive such funds. VDACS may establish and communicate to [locality] certain benchmarks of program development that VDACS will impose upon [locality] as preconditions to [locality]'s recertification for future contributions.

#### 5. Governing Law

This INTERGOVERNMENTAL AGREEMENT is governed by and shall be interpreted in accordance with the laws of the Commonwealth of Virginia. In all actions undertaken pursuant to this INTERGOVERNMENTAL AGREEMENT, preferred venue shall be in the City of Richmond, Virginia, at the option of VDACS.

#### 6. Assignment

[locality] shall not assign this INTERGOVERNMENTAL AGREEMENT, either in whole or in part, or any interest in an agricultural conservation easement for the purchase of which

VDACS contributes funds pursuant to this INTERGOVERNMENTAL AGREEMENT, without the prior, written approval of the Grant Manager.

#### 7. Modifications

The parties shall not amend this INTERGOVERNMENTAL AGREEMENT, except by their mutual, written consent.

#### 8. Severability

In the event that any provision of this INTERGOVERNMENTAL AGREEMENT is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this INTERGOVERNMENTAL AGREEMENT have force and effect and shall not be affected thereby.

In witness, whereof, the parties hereto have executed this INTERGOVERNMENTAL AGREEMENT as of the day and year first written above.

(The rest of this page is intentionally left blank. Signatures manifesting the parties' mutual assent to the terms contained in this INTERGOVERNMENTAL AGREEMENT appear on the next page.)

Matthew J. Lohr Date Commissioner Virginia Department of Agriculture & Consumer Services [Name]Date[City Manager/County Executive]

APPROVED AS TO FORM ONLY:

APPROVED AS TO FORM ONLY:

Assistant Attorney General Date

[City/County] Attorney

Date

# FY 2010 FUNDING REPROGRAMMING FOR LOCAL PDR PROGRAMS

Locality	Returned/Lost FY 2010 <u>Funds</u>
Chesapeake City	\$93,765.52
Franklin County	\$13,385.31
Spotsylvania County	\$4,960.72
TOTAL	\$112,111.55

# ACRES PROTECTED WITH STATE PDR MATCHING FUNDS

<u>Locality</u>	<b>Easements</b>	<u>Acres</u> <u>Protected</u>	<u>*Local</u> Funding	<u>*State PDR</u> <u>Funding</u>	<u>*Other</u> <u>Funding</u>
Albemarle County	6	712.66	\$1,333,673.29	\$774,014.71	—
Clarke County	16	1,284.58	\$569,376.08	\$569,376.11	\$1,357,250.00
Fauquier County	5	1,331.00	\$1,054,347.19	\$789,671.81	
Frederick County	1	89.75	\$5,000.00	\$130,027.00	\$260,000.00
Goochland County	1	500.93	\$155,623.50	\$155,623.50	—
Isle of Wight County	3	585.40	\$1,794,862.79	\$1,547,744.21	—
James City County	2	142.70	\$489,551.71	\$344,713.39	—
Northampton County	2	440.25	\$114,027.85	\$114,027.85	\$1,238,000.00
Rappahannock County	2	343.23	\$157,431.00	\$156,666.00	—
Spotsylvania County	1	59.08	\$49,809.28	\$49,809.28	\$87,500.00
Stafford County	1	97.83	\$303,055.00	\$299,242.00	—
Virginia Beach City	3	145.69	\$570,142.44	\$371,243.56	—
TOTAL	43	5,733.1	\$6,596,900.13	\$5,302,159.42	\$2,942,750.00

# AS OF NOVEMBER 1, 2012

\* Includes easement purchase price and in some cases incidentals such as surveys, title insurance, appraisals, reasonable legal fees, etc.

# CERTIFICATION OF LOCAL PURCHASE OF DEVELOPMENT RIGHTS (PDR) PROGRAM MATCHING FUNDS – FY 2013

### **Application Deadline: Friday, October 19, 2012**

The	of hereby certifies that on
(County Administrator/City Manager)	(Locality)
this day of	, local funds in the amount of
\$ were app	propriated for the July 1, 2012, to June 30, 2013 fiscal year
and that local funds in the amount of \$	are currently available from
previous fiscal years, for the purpose of	of purchasing agricultural conservation easements. Added
together, this equals a total of \$	in local matching funds currently
available to match funding from the V	irginia Farmland Preservation Fund, as referenced in
Section 3.2-201 of the Code of Virgini	a.

It also is certified that none of the funds listed above are from any of the following: grants made by the United States of America; the Virginia Department of Agriculture and Consumer Services (VDACS), the Virginia Department of Conservation and Recreation (DCR), the Virginia Outdoors Foundation (VOF), or any other agency or political subdivision of the Commonwealth of Virginia; payments made by any other funding sources either directly to the landowner or to reimburse the locality; or in-kind donations or contributions. It is further certified that the total amount above is comprised only of local funding available for the purchase of agricultural conservation easements by the locality.

It is understood and agreed that participation in VDACS' agricultural conservation easement program requires meeting additional criteria as promulgated by the Office of Farmland Preservation, and that certification of the locality's available funds does not guarantee nor obligate acceptance into the agricultural conservation easement program.

County Administrator/City Manager

County/City Chief Fiscal Officer

Date

Date

Completed certification form and any questions should be addressed to:

Kevin Schmidt Coordinator, Office of Farmland Preservation Virginia Department of Agriculture and Consumer Services 102 Governor Street Richmond, VA 23219 Phone: (804) 786-1346 Fax: (804) 371-7786 kevin.schmidt@vdacs.virginia.gov www.vdacs.virginia.gov/preservation

## **Application Deadline: Friday, October 19, 2012**

Locality:

<b>Contact person:</b>
Title:
Address:
Address 2:
City, State, Zip:
Phone:
Fax:
E-mail:

### Date:

The following application is based on *A Model Purchase of Development Rights (PDR) Program for Virginia*, which was released by the Virginia Department of Agriculture and Consumer Services (VDACS) Farmland Preservation Task Force in November 2005. It is strongly suggested that applicants refer to the model PDR document while completing this application. Please visit <u>www.vdacs.virgina.gov/preservation</u> or call (804) 786-1346 to obtain a copy of this report.

To complete this application, please answer each of the questions listed below. Also, please submit any additional documentation to help support or clarify your answers. *If your locality is currently certified for FY 2012, please only provide an update covering the changes that have occurred to your program since you submitted your application last year.* 

# 1. Adopted PDR ordinance/resolution

Please attach your local PDR ordinance/resolution was adopted. If your ranking system is not part of your ordinance/resolution, please include this as well.

#### 2. Program goals and purposes

Please specify your program goals/purposes as outlined in your local PDR ordinance/resolution. *VDACS will be looking for clearly defined program goals/purposes, with a program ordinance/resolution that supports them.* 

# 3. Action plan for education/outreach

Please provide information on how your program reaches out to farmers/landowners, public officials and the non-farming public.

VDACS will be looking for examples of efforts to educate various stakeholders in the community on the PDR program and other working farm and forest land preservation initiatives.

#### 4. Easement valuation process

Please outline how your locality determines easement value. VDACS will be looking for transparency and replicability in the easement valuation process.

# 5. Broader agricultural enhancement strategy

Please outline what additional strategies your locality is using to preserve working farm and forest land, and how these various strategies work together. Examples include: comprehensive land use plan; agricultural zoning; use value taxation; agricultural and forestal districts; agricultural economic development efforts; farm transition efforts, etc.

VDACS will be looking to see that the PDR program is part of a broader strategy designed to preserve working farm and forest land.

# 6. Deed of easement

Please attach a copy of your deed of easement template.

VDACS will be looking to see that the deed of easement is flexible enough to allow for future agricultural production, and that it contains the appropriate components established in the model document. All easements funded by VDACS must be perpetual. Please note: A more detailed review by VDACS of each individual easement will be required prior to closing.

# 7. Monitoring and enforcement strategy

Please describe your monitoring and enforcement schedules/procedures. VDACS will be looking to see that a clear strategy has been established outlining how the easement will be monitored and enforced.

# 8. Program evaluation mechanism

Please describe the process used to evaluate the effectiveness of your program, and indicate the process for making changes or updates to your program based on this evaluation. *VDACS will be looking to see that the program has an evaluation mechanism and a process established for implementing evaluation findings.* 

Completed applications and any questions should be addressed to:

Kevin Schmidt Coordinator, Office of Farmland Preservation Virginia Department of Agriculture and Consumer Services 102 Governor Street Richmond, VA 23219 Phone: (804) 786-1346 Fax: (804) 371-7786 kevin.schmidt@vdacs.virginia.gov www.vdacs.virginia.gov/preservation

## OFFICE OF FARMLAND PRESERVATION PRESENTATIONS 2011-2012

- Delivered presentation on Working Lands Discussion Group and VDACS' efforts to develop a working lands variant at the Virginia Farm Bureau Federation Annual Meeting in Norfolk (November 29, 2011)
- Delivered update on FY 2012 state matching funds, Working Lands Discussion Group and potential legislation to local PDR program managers at their December meeting in Richmond (December 7, 2011)
- Delivered presentation on conservation easements and PDR programs at the "Conservation Easement Workshop for Working Lands" in Pittsylvania (December 13, 2011)
- Delivered presentation on conservation easements and PDR programs at the "Conservation Easement Workshop for Working Lands" in Petersburg (January 5, 2012)
- Delivered presentation on Virginia Farm Link program at the Virginia Biological Farmers "Pre-conference" in Richmond (February 9, 2012)
- Delivered presentation on "Bella Acres Case Study" at the Farm Transition and Farm Link Pilot Workshop with Virginia Farm Bureau Young Farmers Committee in Chatham (February 11, 2012)
- Delivered update on FY 2012 state matching funds, Working Lands Discussion Group and 2012 General Assembly legislative session to local PDR program managers at their March meeting in Richmond (March 7, 2012).
- Delivered presentation on state matching funds to local PDR programs at the Washington County Board of Supervisors meeting in Abingdon (March 13, 2012)
- Delivered presentation on the Virginia Farm Link program and current projects with Virginia Farm Bureau Young Farmers Committee to the Rockingham Young Farmers Continuing Education Meeting in Harrisonburg (March 19, 2012)
- Delivered presentation on farmland preservation tools for local governments at the "Fostering Sustainable Agriculture for Economic Development," conference held by the Rappahannock-Rapidan Regional Commission in Culpeper (April 19, 2012)
- Delivered presentation on the Virginia Farm Link program and state matching funds to local PDR programs at the Valley Conservation Council's 2012 Better Development Symposium, titled "Planning for Farmers, Farming for Planners", held in Staunton (May 15, 2012)
- Delivered presentation on Working Lands Discussion Group and working lands variant at the Virginia Land Conservation Conference in Charlottesville (May 30, 2012)

- Delivered presentation on Use Value Assessment to the Virginia Association of Assessing Officers at their Educational Meeting in Charlottesville (July 11, 2012)
- Delivered presentation on Transfer of Development Rights (TDR) programs at the annual meeting of the Virginia Chapter of the American Planning Association at Wintergreen (July 18, 2012)
- Delivered two presentations on the new Certified Farm Seeker Program at the Virginia Farm Bureau Young Farmers Summer Expo in Lynchburg (July 28 and July 29)
- Delivered presentation on the Bella Acres Case Study for the Pilot Farm Transition and Farm Link workshop in Weyers Cave (August 4, 2012)
- Delivered presentation on conservation easements to the Loudoun County Winegrowers Association in Lovettsville (August 8, 2012)
- Delivered presentation on the Office of Farmland Preservation and its activities for the Hanover Ruritans Club in Mechanicsville (August 21, 2012)
- Delivered presentation on Office of Farmland Preservation, legislative update, the Governor's Agriculture and Forestry Industries Development (AFID) grant, and the Joint Legislative Audit and Review Commission land conservation study at the September meeting of the local purchase of development rights (PDR) program managers in Richmond (September 5, 2012)
- Delivered presentation to interested grant recipients on the Farmland Category ranking criteria for the FY 2013 allocation of funding through the Virginia Land Conservation Foundation (VLCF) in Fredericksburg (September 14, 2012)
- Delivered presentation to Pittsylvania County Board of Supervisors Legislative Committee on PDR programs in Chatham (October 24, 2012)