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COMMONWEALTH of VIRGINIA
DEPARTMENT OF CONSERVATION AND RECREATION

Frank N. Stovall
*Deputy Director
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*Deputy Director for
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September 15, 2023

The Honorable George L. Barker
Co-Chair, Senate Finance and Appropriations Committee
Pocahontas Building, Room E619
900 East Main Street
Richmond, Virginia 23219

The Honorable Janet D. Howell
Co-Chair, Senate Finance and Appropriations Committee
Pocahontas Building, Room E509
900 East Main Street
Richmond, Virginia 23219

The Honorable Barry D. Knight
Chair, House Appropriations Committee
Pocahontas Building, Room W1312
900 East Main Street
Richmond, Virginia 23219

RE: Department of Conservation and Recreation Lease of Lands Report (FY 2023)

Dear Senator Barker, Senator Howell, and Delegate Knight:

This annual Lease of Lands and Other Properties report is being submitted to satisfy the relevant sections of the requirements of § 10.1-109 of the Code of Virginia:

- A. *The Director is authorized, subject to the written recommendation of the Department of General Services to the Governor and the written approval of the Governor, following review as to form and content by the Attorney General and the provisions of this article, to lease to any person for consideration, by appropriate instrument signed and executed by the Director, in the name of the Commonwealth: (i) any lands or other properties held for general recreational or other public purposes by the Department, for the Commonwealth, or (ii) any lands over which the Department has supervision and control, or any part of such lands where such lease is for the purposes of recreation, agriculture, or resource management and is consistent with the purposes and duties of the*

Department. Notwithstanding the provisions of subdivision (ii), whenever land is acquired by purchase or otherwise for public recreation and conservation purposes under the administration of the Department, the Director is authorized to lease the land or any portion of it back to the owner from whom the land is acquired upon terms and conditions in the public interest. No lease granted under this section shall be for an initial term longer than ten years, but any such lease may contain provisions for lease renewals, either contingent or automatic at the discretion of the Director, for a like period upon the same terms and conditions as originally granted. If written notice of termination is received by the Director from the lessee or if use of the lease is in fact abandoned by the lessee at any time prior to the end of the initial term or any renewal, the Director may immediately terminate the lease.

B. The Department shall include information about leasing activities carried out pursuant to this section in an annual report to the General Assembly.

The Department of Conservation and Recreation (DCR), Division of Natural Heritage currently leases acreage for hunting, agriculture, and residential uses on four (4) Natural Area Preserves (NAPs) across the Commonwealth, totaling an annual revenue of \$10,866.00. The Division of State Parks has two (2) additional leases for residential and property management purposes, and these leases collect no revenue.¹

<u>UNIT</u>	<u>LOCALITY</u>	<u>LESSEE/ CONTRACTOR</u>	<u>START DATE</u>	<u>END DATE</u>	<u>RENEWAL OPTIONS</u>	<u>LEASE/CONTRACT ADMINISTRATOR</u>	<u>ACREAGE</u>	<u>ANNUAL RENT PER ACRE</u>	<u>ANNUAL RENT AMOUNT</u>	<u>RENT DUE DATE</u>	<u>USE</u>
Deed Run Ponds NAP	Rockingham	Robert W. Morton	10/1/2019	Upon Lessee's Death	N/A	Lesley Starke, Natural Areas Stewardship Chief (804) 371-6204	124.80	\$ -	\$ -	N/A	Hunting
Antioch Pines NAP	Isle of Wight	Michelle Hedgepeth Billips	1/1/2022	12/31/2023	Three 1-year renewal options	Lesley Starke, Natural Areas Stewardship Chief (804) 371-6204	32.70	\$ 53.06	\$ 1,735.00	Dec. 15	Agriculture
Lyndhurst Ponds NAP	Augusta	Kenneth Troyer	8/1/2021	12/31/2024	1-year renewal option	Lesley Starke, Natural Areas Stewardship Chief (804) 371-6204	83.00	\$ 110.00	\$ 9,130.00	Biannual (June 15 & Dec. 15)	Agriculture
Difficult Creek NAP	Halifax	Phyllis Carden & Roosevelt Carden	12/14/2022	12/13/2023	Year-to-year renewal options	Lesley Starke, Natural Areas Stewardship Chief (804) 371-6204	1.39	\$ -	\$ 1.00	Dec. 14	Residential
Machicomoco State Park	Gloucester	The Fairfield Foundation	9/24/2020	9/24/2069	N/A	Terry Sims, Machicomoco State Park Manager (804) 346-6032	3.88	\$ -	\$ 1.00	N/A	Historic Restoration & Interpretation
Falkland Farms Conservaton Site (Staunton River SP)	Halifax	Annabelle Snead	11/1/2019	Upon Lessee's Vacation	N/A	Andrew Philpot, District 5 Manager (276) 780-1370	2.70	\$ -	\$ -	N/A	Residential
Smith Mountain Lake State Park	Franklin	Franklin County	2/13/2002	2/13/2032	3 additional 30-year terms	Brian Heft, SML State Park Manager (540) 312-7841	37.34	N/A	N/A	N/A	County Park
Stratton Park	Chesterfield	Chesterfield County	8/25/2006	8/24/2036	3 additional 30-year terms	Brian Fuller, DCR Real Property Manager (804) 678-8533	167.106	N/A	N/A	N/A	County Park
Biscuit Run Park	Albemarle	Albemarle County	1/4/2018	1/3/2117	N/A	Brian Fuller, DCR Real Property Manager (804) 678-8533	1189.3	N/A	N/A	N/A	County Park

DCR reported on three (3) NAP leases for FY 2022, and they continued into FY 2023. On December 14, 2022, DCR acquired a 1.392-acre critical inholding at Difficult Creek NAP. A condition of the sale was for

¹ State Parks manage several agricultural contracts on multiple state parks. These are administered through our Procurement Division and are not administered under § 10.1-109. These are procured and executed as service contracts, and therefore, are not considered leases. For FY23, State Parks earned a total of \$120,482.86 in revenue from 11 contracts encompassing 1,492.16 acres.

DCR to provide a lease-back of the land to the previous owners, allowing them to reside on the property until such time as they are no longer physically able to do so. The residents occupy a home, maintain the grounds, and have given express permission to the Natural Heritage program for any necessary prescribed fire operations on the surrounding lands.

On May 26, 2023, DCR terminated its master lease agreement with the Blue Ridge Center for Environmental Stewardship at Sweet Run State Park. Upon the recent acquisition of an additional 281-acre tract from the Old Dominion Land Conservancy, DCR had entered a “Master Lease and Operations Agreement” and two subleases for residential and agricultural uses with BRCEs to facilitate management of the property, until such time as DCR had the staffing and equipment to manage the property independently. State Parks was appropriated funding in FY 2023, and over the last year, the state park has hired additional personnel and acquired basic equipment needed to facilitate the property’s operations.

In this year’s report, you will note the addition of three (3) additional leases that were not previously reported. These leases are at Smith Mountain Lake (Franklin County), Stratton Park (Chesterfield County), and Biscuit Run (Albemarle County). Staff had previously interpreted the legislative requirement for reporting to include only the portions of properties that were specifically being leased to assist DCR operations through resource management and revenue generation. In order to ensure transparency and provide a complete reporting of leasing of DCR owned property, we are reporting these three leases during this annual report. These leases are to local governments for the development, operation, and maintenance of public parks to provide outdoor recreation opportunities. The details of these leases are provided below.

- **Smith Mountain Lake State Park Lease to Franklin County:** During the acquisition of lands for the establishment of Smith Mountain Lake State Park in 1967, DCR acquired a 37.34-acre tract of land separated by the lake from the main state park property. Pursuant to legislation from the General Assembly, DCR entered a 30-year lease with Franklin County commencing in 2002, for the development of a community park for public recreation and lake access. Named Smith Mountain Lake Community Park, the facility was opened in 2007 and provides a swimming beach and opportunities for hiking, fishing, and picnicking.
- **Lease of Stratton Park to Chesterfield County:** In 2001, the General Assembly authorized DCR to enter into a lease agreement with Chesterfield County for a 167-acre tract known as Stratton Park, which had been transferred to DCR by Ferrum College and the Will of Mary B. Stratton. The parties formalized a 30-year lease in 2006 permitting the county to use the property as a public park for public recreation. Since then, the county has developed hiking trails along Falling Creek and constructed 2 soccer fields and a parking lot to support the activities at the adjacent Ukrop Park, home of the Richmond Kickers Youth Soccer Club.
- **Lease of Biscuit Run Property to Albemarle County:** At the end of 2009, DCR acquired a 1189.877-acre property in Albemarle County known as Biscuit Run. The intention was to develop the property into a state park, but limited access to capital development funding resulted in an inability of the agency to meet the needs and expectations of the community. In January 2018, DCR and Albemarle County entered a 99-year lease and operations MOA to permit the county to develop a public park at the site.

We continue to appreciate the ability to lease our lands to meet our land management objectives, and we thank the General Assembly for their support of our mission.

Respectfully submitted,



Matthew S. Wells
Director

cc: David Reynolds, Legislative Fiscal Analyst, House Appropriations Committee
Kendra Brown Shifflett, Legislative Analyst, Senate Finance and Appropriations Committee
Toni M. Walker, Associate Director, Department of Planning and Budget
Frank N. Stovall, Deputy Director, Department of Conservation and Recreation
Lisa McGee, Director of Policy, Planning and Legislative Affairs, Department of Conservation and Recreation
Brian G. Fuller, Real Property Manager, Department of Conservation and Recreation