

## **From: The Virginia Forest Landowner Update V22 No. 2 Spring 2008**

### **The Virginia Department of Forestry's Forest Conservation Program**

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In the past, when we considered threats to the forest we were primarily concerned with fires, insects, and severe storms. And while these natural forces can cause considerable damage, the forest itself is not destroyed. Over time, nature rebounds, new trees grow, and the forest recovers. Today the forests in Virginia face a greater threat, from the conversion of forest land to development. Virginia is estimated to be losing forest land at a rate of 26,000 acres per year.

In response to this threat, the Virginia Department of Forestry (VDOF) has developed a forest land conservation program that aims to reduce the rate of forest conversion by increasing awareness of forest benefits, assisting localities in planning for forest conversion, and encouraging voluntary conservation by forest landowners. In this article I hope to briefly describe some of the tools available to encourage forest land conservation.

**Use-Value Taxation** – Under use-value taxation, land is taxed based on its productive or current use value rather than its highest or best use value. The reduced tax expense provides the landowner with a modest incentive to continue their rural use of the land such as farming or forestry. This is a relatively weak conservation tool since it only requires an annual commitment from the landowner.

**Ag and Forestal Districts (AFD's)**– These are voluntary agreements between landowners and the locality that provide the landowners with use-value taxation in exchange for agreeing not to develop the property for a period ranging from four to ten years. AFD's also provide the landowner with some protection for their farming or forestry operations from encroaching development. AFD's help localities by focusing their land-use tax incentive on properties that make a greater commitment to conservation.

**Riparian Buffer Tax Credit** – This is a state tax credit to reimburse landowners for a portion of the value of timber that is left standing along waterways after a timber harvest.

**Conservation Easements** – A conservation easement is a voluntary deed restriction that the landowner enters into in order to reduce the development potential on a property.

Conservation easements allow most rural uses of the land to continue such as farming, forestry, or hunting. Landowners also retain the right to live on the land, to sell the land or leave it to heirs. Conservation easement agreements are negotiated between the landowner and an easement holder. Most landowners donate the value of their conservation easement in exchange for state tax credits and federal tax deductions. The VDOF accepts donated conservation easements on forest land. As a forest easement holder the VDOF can partner with forest landowners to ensure that sustainable forest management will continue on the property forever.

**Purchase of Development Rights (PDR's)** – These are local conservation programs that pay landowners to surrender some or most of the development rights on their property. This differs from donated conservation easements where the landowner is partially reimbursed through tax credits and deductions. Due to high costs, these programs are limited in Virginia.

**Grants for Forest Land Conservation** – There are state and federal programs that pay to purchase land and conservation easements. Unfortunately, funding is extremely limited for these programs and they are highly competitive.

This is a very brief description of some of the tools available for forest conservation. To find out which of the local tools are available in your locality check the VDOF website [www.dof.virginia.gov/conserve/](http://www.dof.virginia.gov/conserve/). To assist you with using these tools, the DOF has approved 3 new positions for Forest Conservation Specialists. Two of these positions have been filled. Robert Suydam ([robert.suydam@dof.virginia.gov](mailto:robert.suydam@dof.virginia.gov) 804/328-3031) serves the Richmond area and Michael Santucci covers the northern Piedmont area ([mike.santucci.dof.virginia.gov](mailto:mike.santucci.dof.virginia.gov) 434/977-5193). The remaining position located in Farmville is still open.

The Virginia Forest Landowner Education Program also offers a short course, Forest & Farmland Conservation Strategies, which provides in-depth information on these conservation tools. Please contact Jennifer Gagnon 540/231-6391 [jgagnon@vt.edu](mailto:jgagnon@vt.edu) to request a course be hosted in your locality.

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