

**Virginia Land Conservation Foundation Board of Trustees  
Tuesday, September 25, 2018  
East Reading Room, Patrick Henry Building, Richmond, Virginia**

**MINUTES**

**TIME AND PLACE**

The meeting of the Virginia Land Conservation Foundation Board of Trustees took place at 10:00 a.m. on Tuesday, September 25, 2018 in the East Reading Room of the Patrick Henry Building, Richmond, Virginia.

**MEMBERS PRESENT**

The Honorable Matthew J. Strickler, Secretary of Natural Resources Chair  
Robert Lazaro, Jr. Vice Chair  
The Honorable Bettina Ring, Secretary of Agriculture and Forestry

The Honorable Albert C. Pollard, Jr.  
Jay C. Ford  
Byron M. Adkins, Jr.  
Anna Lawson  
Valerie D. Hubbard  
Glenda C. Booth

Russell Vern Presley, II  
The Honorable John Paul Woodley, Jr.  
Julian T. Ottley  
Steven Apicella  
The Honorable Paul V. Milde

**MEMBERS ABSENT**

Susan E. Donner  
The Honorable Emmett W. Hanger, Jr.

The Honorable Jill Vogel  
The Honorable Matthew Lohr

**STATE AGENCY STAFF PRESENT**

Clyde E. Cristman, DCR, Executive Secretary  
Dominic Bascone, DHR  
Suzan Bulbulkaya, DCR  
Jason Bulluck, DCR  
Linda Crowe, DCR  
Larry Durban VTAX  
Rob Evans, DCR  
Michael Fletcher, DCR  
Kimberly Freiberger, DCR  
Brian Fuller, DCR  
Brett Glymph, VOF  
Jason McGarvey, VOF

Lisa McGee, DCR  
Larry Mikkelson, DCR  
Wendy Musumeci, DHR  
Sharon Partee, DCR  
Jennifer Perkins, VDACS  
Sarah Richardson, DCR  
Isaac Sarver, DCR  
Tom Smith DCR  
Elizabeth Tune, DHR  
Deb VanDuzee, DGIF  
Emily White, VOF

### **OTHERS PRESENT**

Pete Glubiak  
John Hutchinson, SVBF  
Rex Linville, Piedmont Environmental Council  
Zachary Sheldon, The Nature Conservancy  
Ellen Shepard, VAULT  
Kiara Walker, VCU

### **ESTABLISHMENT OF A QUORUM**

With 14 (fourteen) members of the Board present, a quorum was established.

### **CALL TO ORDER**

Secretary Strickler called the meeting to order at 10:06 a.m. and called for member introductions. He thanked members and staff for their commitment to Virginia's outdoors and beautiful landscape. He noted that as a native of Virginia, having grown up in Rockbridge County, he was delighted to be working with Governor Northam and with this Board.

### **MINUTES OF NOVEMBER 28, 2017**

#### **BOARD ACTION**

Mr. Milde moved that the minutes from the November 28, 2017 meeting of the Virginia Land Conservation Foundation Board of Trustees be approved as submitted by staff. Mr. Woodley second and the motion carried with Mr. Apicella and Secretary Strickler abstaining.

### **GOVERNOR'S LAND CONSERVATION GOALS**

Secretary Strickler reviewed Governor Northam's land conservation goals. Goals were developed after reviewing efforts of previous administrations and the approach to land conservation. The tax credits have a solid foundation and land trusts around the state are working to put easements on the ground. Working with the Governor, the Secretary noted that there is a need to take stock of what activities are in place to insure that efforts are making the best use of available dollars. The intent is to work collaboratively with everyone involved in land conservation.

DCR is managing the database of conserved lands. Secretary Strickler advised that updates to the Governor's goal would be provided to the Board as progress is made.

### **VLCF GRANT ROUND UPDATES**

#### *VLCF Grant Closings Since November 2017*

Ms. Bulbulkaya provided the following project update. She noted that thirteen grant projects have closed since the last grant round in November 2017. One of nine grants from the Dominion Surry-Skiffes

Creek settlement has closed, Malvern Hill. About 36 (thirty-six) grants remain open from the traditional grant round.

1. James River Association – Seven Islands Easement (FY2016)

Farmlands and Forestlands category funds were used to acquire an easement over this 330-acre property in Fluvanna County along a stretch of the James River that qualifies for scenic-river status and is part of the Captain John Smith Chesapeake National Historic Trail and the Upper James River Heritage Trail. The easement over this 97% forested property is held by the Virginia Department of Forestry. **Grant Award:** \$110,000. **Payment Amount:** \$110,000. **Match:** \$280,000. **Closed:** November 2017.

2. Boxerwood Education Association – Boxerwood Easement (FY2016)

The 15.46-acre property near Lexington, owned by the Boxerwood Education Association and occupied by the Boxerwood Nature Center and Woodland Garden, has been conserved under an easement held by the Board of Historic Resources utilizing Historic Preservation category funds. The property contains a house listed on the National and Virginia Historic Registers. The nature center is open to the public as an outdoor classroom for local school systems. The Brushy Blue Trail System, which will link the Brushy Hills area to Lexington, Buena Vista, and the Blue Ridge Parkway, is planned for construction across the property. **Grant Award:** \$50,000. **Payment Amount:** \$50,000. **Match:** \$75,000. **Closed:** August 2018.

3. DCR Div. of Natural Heritage – Addition to The Cedars Natural Area Preserve (FY2016)

Using Natural Area Preservation category grant funding, DCR's Natural Heritage Program purchased three parcels in fee totaling 66.78 acres in Lee County as additions to The Cedars Natural Area Preserve. The Cedars region is one of the most biologically diverse places in North America. Within this 50 square mile area the Natural Heritage Program has documented 224 occurrences of 93 rare plants and animals, significant terrestrial communities, biologically significant caves and freshwater communities. **Grant Award:** \$221,700. **Payment Amount:** \$148,000. **Match:** \$0. **Closed:** September 2018. **Remaining Grant Funds:** \$73,700.

4. Northern Neck Land Conservancy – Ditchley Farm Easement (FY2016)

This grant from the Open Space and Parks funding category enabled the Northern Neck Land Conservancy to purchase an easement on the Ditchley property near Kilmarnock in Northumberland County. The 162-acre historic waterfront property will provide public access to tidal shoreline areas and the Chesapeake Bay. The public water access will be in two areas where public access opportunities are scarce: on Dividing Creek directly across from the Hughlett Point State Natural Area Preserve and on Prentice Creek. **Grant Award:** \$200,000. **Payment Amount:** \$200,000. **Match:** \$4,081,000. **Closed:** October 2017.

5. Piedmont Environmental Council – Farmland Along the Rapidan River (FY2017)

Farmlands and Forestlands category funds and funding from the NRCS Agricultural Land Easement program were combined to acquire an easement co-held by the Piedmont Environmental Council and the Culpeper Soil and Water Conservation District over this 382-acre grain, turkey, and beef farm along the Rapidan River in Orange County. This easement will protect the scenic rural context of the Mount Pleasant/Lessland historical site listed on the National Register of Historic Places, and

Clark Mountain, a strategic signal post and command headquarters used during the Civil War. **Grant Award:** \$250,000. **Payment Amount:** \$250,000. **Match:** \$850,000. **Closed:** July 2018.

**6. Capital Region Land Conservancy – Malvern Hill Farm (FY2017; FY2018; Skiffes Creek)**

Capital Region Land Conservancy utilized Historic Preservation category grant funding from two VLCF grant rounds, plus grant funds from the Dominion Surry-Skiffes Creek grant round to successfully acquire and encumber 473 acres of the Malvern Hill property in Henrico and Charles City Counties under a historic preservation easement held by the Board of Historic Resources. The property lies within the core and study area of the Civil War Battle of Malvern Hill (1862) and is listed on the Virginia Landmarks Register and National Register of Historic Places. Malvern Hill also witnessed the encampment of General Marquis D. Lafayette in 1781 and the Virginia Militia during the War of 1812. Ten acres of the property will become a canoe/kayak launch into Turkey Island Creek, to provide public access to this estuary of the James River, and the adjacent Virginia Capital Trail, Presquile National Wildlife Refuge and Captain John Smith Chesapeake National Historic Trail. **FY2017 Grant Award:** \$687,500; **FY2018 Grant Award:** \$141,482; **Skiffes Creek Grant Award:** \$200,000. **Payment Amount:** \$1,028,982. **Match:** \$2,757,082. **Closed:** June 2018.

**7. Living River Restoration Trust – Eastern Branch Restoration Park (FY2017)**

Open Space and Parks category funds were provided to The Living River Restoration Trust to acquire and encumber this nine-acre property under an open-space easement held by the Virginia Outdoors Foundation for use in perpetuity as open-space and as a recreation resource for the City of Virginia Beach. The property was simultaneously deeded to the city. A kayak launch will be developed, providing direct access to the Eastern Branch Elizabeth River Water Trail, part of the Chesapeake Bay Gateways Network. **Grant Award:** \$141,525. **Payment Amount:** \$141,525. **Match:** \$162,330. **Closed:** December 2017.

**8. Stafford County – Crow’s Nest Natural Area Preserve III (FY2017)**

This Natural Area Protection category grant enabled Stafford County to purchase 124 acres located on the Crow’s Nest peninsula adjacent to the Potomac Creek heron rookery near Crow’s Nest Natural Area Preserve. The property will be conveyed to DCR for inclusion in the natural area preserve. This acquisition protects 6,400 feet of streams and wetlands, 12 historic resource sites, the federally listed Small Whorled Pogonia and the Potomac Creek heron rookery. **Grant Award:** \$433,000. **Payment Amount:** \$433,000. **Match:** \$868,899. **Closed:** November 2017.

**9. City of Chesapeake – Indian River Watershed Project (FY2017)**

The City of Chesapeake was able to purchase a property adjacent to Indian River with an Open Space and Parks category grant. This 0.7-acre parcel will be developed as a public park providing public access to the Indian River watershed, within which there is currently no public access. Addition plans for the small park are for fishing, picnicking and wildlife observation. **Grant Award:** \$182,500. **Payment Amount:** \$182,500. **Match:** \$193,189. **Closed:** February 2018.

**10. Valley Conservation Council – Valley Pike Farm (FY2018)**

Farmlands and Forestlands category grant funding was provided to partially fund an open-space easement held by the Virginia Outdoors Foundation on an active 85.88-acre family farm that raises poultry, beef cattle, corn, soybeans, barley and hay in Rockingham County. The Valley Pike Farm is a

Virginia Century Farm that has been in continuous ownership and operation by the same family for over 100 years. **Grant Award:** \$116,100. **Payment Amount:** \$116,100. **Match:** \$141,400. **Closed:** February 2018.

**11. Shenandoah Valley Battlefields Foundation – Bell House (FY2018)**

An Historic Preservation category grant helped to fund an open-space easement held by the Board of Historic Resources on Bell House, a 19th century dwelling listed on the Virginia Landmarks Register and National Register of Historic Places, and the surrounding lot in the City of Winchester. The parcel lies within the core area of the Third Winchester Battlefield (1864) and is within the study area of three additional Civil War Battlefields. **Grant Award:** \$209,996. **Payment Amount:** \$209,996. **Match:** \$609,571. **Closed:** January 2018.

**12. Shenandoah Valley Battlefields Foundation – Clindinst/Crim Greenway (FY2018)**

The Shenandoah Valley Battlefields Foundation (SVBF) conserved a 1.94-acre property in the Town of New Market, encumbered by an easement held by Board of Historic Resources, utilizing a Historic Preservation category grant. The parcel is within the core area of the Civil War Battle of New Market (1864) and is distinguished by a circa 1882 dwelling listed on the Virginia Landmarks Register and National Register of Historic Places. SVBF intends to incorporate a 1.23-acre portion of the property into a pedestrian greenway trail that will provide a direct link between the Virginia Military Institute Hall of Valor Museum and the New Market Historic District. **Grant Award:** \$155,439. **Payment Amount:** \$155,439. **Match:** \$316,117. **Closed:** March 2018.

**13. Northern Virginia Regional Park Authority – Pohick Bay Regional Park Stribling Acquisition (FY2018)**

NOVA Parks acquired the Stribling property in Fairfax County as an addition to the Pohick Bay Regional Park along the Potomac River using Open Space and Parks category funds. The 3.2-acre acquisition is situated on Mason Neck peninsula inside the current park boundary. This inholding had been under private ownership since before Pohick Bay became a regional park. NOVA Parks will now provide additional public recreational access to the river and plans are in place for trail development, picnicking, and nature exploration. **Grant Award:** \$400,000. **Payment Amount:** \$400,000. **Match:** \$1,810,000. **Closed:** May 2018.

*Requests for Grant Extensions and Adjustments*

Ms. Bulbulkaya noted that in a previous grant round on January 6, 2015, the VLCF awarded \$200,000 to the Shenandoah Valley Battlefields Foundation (SVBF) for the Stoner-Keller Mill Farm project, a 121-acre property in the heart of the core area of the Fishers Hill battlefield.

The VLCF grant manual and grant agreement state that projects must be completed within two years, with the possibility of a one-year extension. SVBF was previously granted that extension and the time has expired.

Mr. Woodley asked if the process was close to being completed.

Mr. Hutchinson said that the project was close to being completed, but noted that the project was being delayed by the new requirement of DHR and the American Battlefield Protection Program (ABPP) that land acquisition projects comply with Section 106 of the National Historic Preservation Act.

Mr. Pollard asked if this extension would be setting a precedent for future grants of if this was a one-time extension.

Ms. Musumeci noted that the Section 106 review was a fairly new process. She stated that applicants as well as state agencies now have to work through that process. In this particular case, the requirement is that the historic resources on the property be surveyed. Once the proper information was obtained, that task was completed. SVBF has applied for the ABPP grant and has recently submitted the easement application to DHR.

Director Cristman suggested a grant extension to the next Board meeting. He noted that, since there is no current grant round, the money remains obligated. When a new grant round is established, the Board could review the grant to SVBF. If the project is not completed by that point, the Board could take action to re-obligate the funds back into the Historic Category of the new grant round.

**BOARD ACTION**

Mr. Apicella moved that VLCF project #131(15) to Shenandoah Valley Battlefields Foundation be extended to the date of the next Board meeting at which time, if necessary, the Board would make a further determination. Mr. Ottley seconded and the motion carried.

**LAND PRESERVATION TAX CREDIT ITEMS**

*Update on LPTC program and Transfer Fee Revenues from TAX*

Mr. Durbin gave the following update on the Land Preservation Tax Credit Program.

Donations History Data			
Tax Year	# of Credits	# of Acres	Credit Amt Issued
2000-2008	2,035	414,574	\$939,125,062
2009	228	63,409	\$106,647,006
2010	146	38,551	\$106,845,000
2011	367	75,025	\$108,424,000
2012	228	45,329	\$64,090,780
2013	234	64,909	\$78,882,596
2014	136	31,428	\$46,584,627
2015	182	42,362	\$48,625,672
2016	162	30,981	\$59,968,175
2017	200	49,127	\$75,000,000
2018	71	16,773	\$20,622,816
<b>Grand Total</b>	<b>3,989</b>	<b>872,468</b>	<b>\$1,654,815,734</b>

\* Through August 31, 2018



Code of Virginia §58.1-512 (D)(4): 4

*c. Beginning with calendar year 2015, the maximum amount of credits that may be issued in a calendar year shall not exceed \$75 million. In no case shall the Department issue any tax credit for a donation from any allocation or pool of tax credits attributable to a calendar year prior to the year in which the complete tax credit application for the donation was filed.*



Transfer fees for FY17 6

Land Preservation Transfer  
 Comparison as of March

Revenue	FY2018	FY2017
Revenue Collected - CARS 1671 - fund 0216 RSC 02740	2,789,053	2,360,368
Less: Transfer to GE, Chapter 2, Item 3-101 paragraph T	-600,000	-614,696
<b>Net Revenue</b>	<b>2,189,053</b>	<b>1,745,672</b>
<b>Expenses</b>		
Less: DCR Expenses	336,292	338,558
Less: TAX Expenses	434,471	617,319
Total Expenses	770,764	955,876
<b>Revenue Less Expenses</b>	<b>1,418,289</b>	<b>789,796</b>
<b>50% of Total FY 2014 HB 477 Revenue</b>	<b>1,094,527</b>	<b>872,836</b>



## In the Supreme Court of Virginia

**James K. Woolford and Elizabeth P. Woolford, Trustees of the  
Woolford Trust and William W. Woolford and Janice B. Woolford**

**v.**

**Virginia Department of Taxation  
Record No. 161095**



The Supreme Court:

- Determined that the Woolford’s appraiser was a qualified appraiser and could appraise the Woolford’s property.
- The Court stated that “we do not believe that either the General Assembly or congress intended to allow a person with a total lack of education and experience in appraising a particular type of property to submit a qualified appraisal simply by virtue of holding a general real estate appraisal license.
- Determined that 58.1-512 (D)(4)(a) deals with the Commissioner’s initial acceptance of an application for tax credits, not the Commissioner’s authority to later audit the value of the tax credits.
- Stated that unless the Department determined that the value of the easement is zero, it must award the Woolford’s tax credits for the fair market value of the donation.
- Remanded the case back to Circuit Court for further proceedings.
- The Woolfords and Virginia Tax were able to reach as settlement and mutual release.
- The Circuit Court case has been dismissed.
- No other LPC litigation is currently pending.

### *Distribution of the 2018 VLCF Stewardship Fund*

Ms. Bulbulkaya reviewed the 2018 VLCF Stewardship Fund. A balance of \$1.4 million was transferred from TAX do the VLCF. The Code specifies that at least 50% will be used for stewardship and enforcement and specifies how funds should be disbursed. Upon Board approval, DCR will disburse checks for the following:



<b>2018 Virginia Land Conservation Foundation Stewardship Fund, § 58.1-513(C)(2)</b>				
	<b>AGENCY NAME</b>	<b>NUMBER OF DONATIONS</b>	<b>% OF TOTAL DONATIONS</b>	<b>AMOUNT OF FUNDS</b>
1	American Conservation Legacy Fund, Inc.	1	0.20%	\$2,797.41
2	Blue Ridge Foothills Conservancy	1	0.20%	\$2,797.41
3	Blue Ridge Land Conservancy	13	2.56%	\$36,366.38
4	Capital Region Land Conservancy Inc	6	1.18%	\$16,784.49
5	Central Virginia Battlefields Trust Inc.	3	0.59%	\$8,392.24
6	Civil War Trust	4	0.79%	\$11,189.66
7	County of Albemarle	26	5.13%	\$72,732.77
8	County of Amherst	1	0.20%	\$2,797.41
9	County of Clarke (Clarke County Joint Adm Sr)	16	3.16%	\$44,758.63
10	County of Chesterfield	3	0.59%	\$8,392.24
11	County of Fauquier (Fauquier County Sheriff)	22	4.34%	\$61,543.11
12	County of Fluvanna	1	0.20%	\$2,797.41
13	County of Northumberland	0.5	0.10%	\$1,398.71
14	County of Shenandoah	1	0.20%	\$2,797.41
15	County of Stafford	1	0.20%	\$2,797.41
16	County of Warren	1.5	0.30%	\$4,196.12
17	Eastern Shore Land Trust	3	0.59%	\$8,392.24
18	Ever Green Team	1	0.20%	\$2,797.41
19	Henricopolis Soil & Water Conservation District	1	0.20%	\$2,797.41
20	Historic Fredericksburg Foundation, Inc.	2	0.39%	\$5,594.83
21	Historic Green Springs	2	0.39%	\$5,594.83
22	Historic Virginia Land Conservancy	10	1.97%	\$27,974.14
23	Land Trust of Virginia	19	3.75%	\$53,150.87
24	Living River Restoration Trust	1	0.20%	\$2,797.41
25	Middle Peninsula Chesapeake Bay Public Access Auth.	1	0.20%	\$2,797.41
26	New River Land Trust	2	0.39%	\$5,594.83
27	Northern Neck Chesapeake Bay Public Access Auth.	1	0.20%	\$2,797.41
28	Northern Neck Land Conservancy	8.5	1.68%	\$23,778.02
29	Northern Virginia Conservation Trust	6	1.18%	\$16,784.49
30	Old Dominion Land Conservancy, Inc.	26	5.13%	\$72,732.77
31	Piedmont Environmental Council	2	0.39%	\$5,594.83
32	Shenandoah Valley Battlefield Foundation	2.5	0.49%	\$6,993.54

33	The 500-Year Forest Foundation	1	0.20%	\$2,797.41
34	The Conservation Fund	1	0.20%	\$2,797.41
35	The Nature Conservancy	1	0.20%	\$2,797.41
36	Totopotomoy Battlefield at Rural Plains Foundation	1	0.20%	\$2,797.41
37	Town of Tangier	1	0.20%	\$2,797.41
38	Valley Conservation Council	1	0.20%	\$2,797.41
39	Virginia Department of Conservation & Recreation	6	1.18%	\$16,784.49
40	Virginia Department of Forestry	55	10.85%	\$153,857.78
41	Virginia Department of Game & Inland Fisheries	3	0.59%	\$8,392.24
42	Virginia Department of Historic Resources	7	1.38%	\$19,581.90
43	Virginia Outdoors Foundation	239	47.14%	\$668,581.99
44	Ward Burton Wildlife Foundation	1	0.20%	\$2,797.41
45	Wildrock Inc.	1	0.20%	\$2,797.41
<b>TOTALS</b>		<b>507</b>	<b>100.00%</b>	<b>\$1,418,289.00</b>
Federal agencies are ineligible to receive VLCF funds; the one donation held by NPS was not counted.				

**BOARD ACTION**

Mr. Lazaro moved that the 2018 Virginia Land Conservation Foundation Stewardship Funds be distributed as recommended by DCR staff. Mr. Apicella seconded and the motion carried.

**PROGRESS REPORT ON VLCF GRANT MONITORING PROGRAM**

Mr. Mikkelson noted that over the past several months, DCR had been working to develop a program for monitoring past grants. This began with a master list of the 181 grants issued since the year 2000. Guidelines were developed to guide activities to create a monitoring report to keep on file with DCR.

The process includes:

1. Researching grant files, reviewing the grant and purpose, and viewing aerial imagery.
2. Interviewing the easement holder and asking for monitoring reports.

If things do not seem in order, DCR may:

1. Complete an online property search.
2. Search public records to see if the property has been recorded.
3. Perform a site visit.

The goal is to monitor 40 (forty) projects annually and to review all projects over a 5-year period.

Ms. Booth asked what the consequences were if the project was determined to not be consistent.

Ms. Bulbulkaya responded that DCR would confer with the Office of the Attorney General to determine what remedies may be available.

Director Cristman noted that the first step would be to ask the easement holder to bring the project into compliance. Following that DCR would consult with the Office of the Attorney General and could seek repayment of funds.

Mr. Mikkelson advised that there had been no problems with the eight projects reviewed to date. The information will be cross-referenced with future grant requests.

**FINANCIAL REPORT ON AVAILABLE FUNDS**

Ms. Partee reviewed the following financial report.

**Fund Statement as of August 31, 2018**

<b>OBLIGATED FUND BALANCE – June 30, 2017</b>		<b>\$7,197,007</b>
<b>INCOME</b>		
	FY17 Stewardship Funds	\$872,836
	FY18 Stewardship Funds	\$1,418,289
	FY18 Appropriation – Chapter 832	\$4,500,000
	FY19 Appropriation – Chapter 2	\$0
	FY18 Interest	\$108,526
<b>TOTAL INCOME</b>		<b>\$6,899,651</b>
<b>DISBURSEMENTS</b>		
	FY18 Stewardship Fund Disbursements	\$872,836
	FY18 Grant Payments	\$3,719,811
	FY19 Grant Payments	\$500,736
	FY18 Open Space Preservation (VOF) Payments	\$900,000
	FY19 Open Space Preservation (VOF) Payments	\$0
	FY18 Personnel expenses paid from Interest	\$40,743
	FY19 Personnel expenses paid from Interest	\$7,003
<b>TOTAL DISBURSEMENT</b>		<b>\$6,041,129</b>
<b>OBLIGATED FUND BALANCE – August 31, 2018</b>		<b>\$8,055,529</b>

**Restricted Fund Statement – As of August 31, 2018**

<b>OBLIGATED FUND BALANCE – June 30, 2017</b>		
<b>INCOME</b>		
	FY18 Mitigation Funds Received – Dominion (Skiffes Creek)	\$12,500,000
	FY18 Mitigation Administrative Funds Received – Dominion (Skiffes Creek)	\$625,000
	FY18 Interest	\$147,674
<b>TOTAL INCOME</b>		<b>\$13,272,674</b>
<b>DISBURSEMENTS</b>		
	FY18 Grant Payments	\$200,000
	FY19 Grant Payments	\$3,612,000
	FY18 Administrative Expenses	\$15,193
	FY19 Administrative Expenses	\$995
<b>TOTAL DISBURSEMENT</b>		<b>\$3,828,188</b>
<b>OBLIGATED FUND BALANCE – August 31, 2018</b>		<b>\$9,444,486</b>

**REQUEST TO SPEND INTEREST GENERATED BY THE FUND FOR VLCF ADMINISTRATIVE SUPPORT PURSUANT TO VIRGINIA CODE § 10.1-1020 (G)**

Mr. Smith noted that in September 2017 the Board approved \$65,000 to DCR for administrative support. He presented a suggested motion requesting that the Board add an additional \$80,000 for the current fiscal year. This funding will address existing administrative, web-related and grant management expenses incurred by the Department of Conservation and Recreation in support of Virginia Land Conservation Foundation related activities. Specifically, the funding will be used in support of staff working to assist with grant tracking and stewardship to include site inspections of VLCF projects, development of a grants database to better monitor and report on grants, and land conservation database support of the Foundation’s mission.

**BOARD ACTION**

Mr. Lazaro moved that the Virginia Land Conservation Foundation approve the request from the Department of Conservation and Recreation to expend up to a total of \$80,000 in addition to the \$65,000 approved in September 2017 for FY 2019 for use consistent with the legislative authority on the use of interest generated by the fund, *Code of Virginia* §10.1020.G. Mr. Ford seconded and the motion carried.

**VIRGINIA OUTDOORS FOUNDATION PIPELINE MITIGATION GRANT PROGRAM OVERVIEW**

Ms. White gave an overview of the Forest & Community Opportunities for Restoration and Enhancement Program. This program was negotiated over the course of several years to offset impacts for forest fragmentation and water quality due to new pipeline construction. VOF was identified as one of several mitigation partners.

*Pipeline Impacts*

- Mountain Valley
  - 309 miles
  - 6 counties in VA
  - 125-ft temporary construction easement
  - 50-ft permanent right of way
- Atlantic Coast
  - 600 miles
  - 14 counties in VA
  - 150-ft temporary construction easement
  - 50-ft to 75-ft permanent right of way
  
- Assessment and Evaluation of Impacts
  - Virginia Forest Conservation Partnership
    - Ecosystem services lost
    - Interior habitat lost
  
- MVP & ACP Mitigation Partners
  - Forest Mitigation Partners
    - Virginia Outdoors Foundation
      - \$15 million & \$24.6 million
    - US Endowment for Forestry and Communities
      - \$5 million & \$9 million
    - Charlottesville Area Community Foundation
      - \$5 million (ACP only)
  - Water Quality Mitigation Partners
    - Virginia Association of Soil and Water Conservation Districts
      - \$3.85 million & \$11.5 million
    - Virginia Environment Foundation
      - \$3 million & \$7 million
  
- Virginia Outdoors Foundation
  - Permanent Protection
  - Durable Restoration
  - Community Engagement
  
- Grant Development
  - Inclusive Structure

- Recommendations from Conservation Groups
  - Agency workgroup
  - Outreach
  - Ongoing opportunity for public feedback through the website
- 
- Outreach to Communities
    - Conservation Agencies
    - Mitigation Partners
    - VOF Staff
    - Impacted Localities
  
  - MVP Round Timeline
    - May through August – Outreach
    - July 31 – Agency Workgroup
    - August 8 through August 23 – Grant Material Posted for Public Feedback
    - August 22 – VOF Board of Trustees Approves Grant Program
    - August 29 – Request for Proposals Announced
    - September 12 – Workshop for Interested Applicants
    - October 31 – Project Proposal Submission Deadline
    - November 9 – Technical Committee Meeting
    - November 15 – VOF Special Forestry Committee Meeting
    - December 5 – VOF Board of Trustees Approves Grant Proposals
  
  - Tentative ACP & MVP Timeline (2019)
    - December, 2018 through February, 2019 – Outreach for ACP Program
    - January & February – Workgroup meetings to review and revise grant material
    - February 14 through March 14 – Grant Material Posted for Public Feedback
    - March 28 – VOF Board of Trustees Approves Grant Program
    - April 4 – Request for Proposals Announced
    - April 18 – Workshop for Interested Applicants
    - July 3 – Project Proposal Submission Deadline
    - July 31 – Technical Committee Meeting
    - August 21 – VOF Special Forestry Committee Meeting
    - September 26 – VOF Board of Trustees Approves Grant Proposals

<http://www.virginiaoutdoorsfoundation.org/terra/fcf-mvp>

**PUBLIC COMMENT**

Mr. Linville expressed a concern regarding the IRS Federal Tax change impact on the Land Preservation Tax Credit. At the end of the last month, the IRS proposed a new rule that would characterize any state tax credit as a quid pro quo payment. Effectively if a landowner makes a donation of a conservation easement, that would reduce the federal income tax deduction. The public comment period runs through October 11. Mr. Linville encouraged members to comment during this time.

**NEXT MEETING**

Secretary Strickler noted that there was no meeting scheduled. He suggested that the Board meet in early May once the FY20 budget is final and a determination of funding available for a new grant round.

**ADJOURN**

There was no further business and the meeting adjourned at 11:44 a.m.