

## Monkton Agricultural and Natural Area Committee Meeting—Minutes for 3/31/2011

### In Attendance

#### Members:

Sue Regier, Sam Burr, Laura Farrell, Deb Gaynor, and John McNerney (arrived late)

Guests: Josh Phillips, Bob Heiser

- 1) Sam called the meeting to order at 6:45 pm.
- 2) Sam thanked our guests for coming to help us understand the forest aggregation potential in Monkton.
  - We have already been approached by landowners.
  - Laura talked about the potential for wildlife corridors, and showed Bob the map that we are working with, and where the interested landowners are. Sam indicated where the larger lots are relative to the small lots who are already talking to us.
  - Bob reminded us that forest land conservation is always difficult to fund, and at best, VT has been able to fund only one project per year (e.g., Chittenden County uplands). Payments may be on the order of 30-50 cents on the dollar, but most projects are traditionally done by donation only. Orange County Headwaters was done by a group of landowners, who donated the land, and did fund-raising to make it no-cost for the work involved (appraisals, legal fees, etc).
  - VLT is interested in Bristol Pond to Shelburne Pond connectivity; we should keep that kind of concept in mind, because only local funding is going to be available to support small-scale projects. Land owners should evaluate their situations to ascertain if conservation is beneficial regardless of the level of funding available.
  - VLT has been doing aggregation projects in VT (not forest aggregation per se), and they are concerned that the new forest aggregation initiative not compete for conservation dollars, but add to them.
  - Josh seconded Bob's comments about scale, and noted that MALT doesn't do small projects unless they are entirely funded by the landowners, or unless they fit into another, larger project that is appealing to the VHCB.
  - Perhaps the town fund could underwrite the costs of appraisal, legal fees, etc., which would make it more appealing to the easement holder.
  - John brought the map that Kevin Behm made for us; it has a 25 acre filter for forested acreage and wooded wetland acreage (four colors of interest to us). Hatch marks designate land that is in Current Use.
  - Josh posed the question of where is the economy of scale? How small is too small.? Bob answered that VLT commits its resources to stewardship (perpetual monitoring) only if the parcel is at least 50 acres, although smaller pieces having unique value may be considered also. With as many houses as the group that has approached ANAC has, the stewardship costs are going to be higher regardless of how many acres the aggregated conserved parcel is, because each household represents a personal relationship that takes time. Even dealing with a homeowners association is more overhead than dealing with a single owner.
  - Josh noted that Monkton is a small community with few financial resources, so that the appeal of forest aggregation is that the funding source may be at the state, regional, or even national level. But that means it needs to be a much larger project to attract funding.
  - Bob noted that the other issue is that landowners may have expectations for payment, and that may be problematic.
  - Josh explained that the model in which the conservation easement is donated is based on a high appraisal for a lot, because when that is donated, it then represents a large tax deduction, which makes it attractive to a landowner who can utilize that deduction. The entire easement value is tax deductible, and you can deduct up to 50% in a given year, for 16 years, or 30% per year for up to 5 years (if the 50/16 tax code is not reauthorized). Farmers with a sufficiently high income can utilize even more.

So, how do we move forward?

- ANAC should talk to the landowners to determine what their expectations are. MALT might be interested in holding these easements, probably more so than VLT because they are mostly very small parcels. If there are 3 landowners with 50 acres, or 5 with 50, they could conceivably do it..
  - Bob said that VLT would look at it the same way, with perhaps a slightly larger minimum acreage. Both agree that purchasing easements is probably out of the question, but with donated easements, both organizations would be willing to hold the easements and help raise money for appraisals and stewardship.
  - With all this in mind, ANAC is ready to start a conversation with the group that has already approached us.
  - Josh asked, can the town's fund be used for support work, like endowments, appraisals, etc., and the answer to that is yes, at the Select Board's discretion.
  - They warned us to be careful about expanding the project; it is important to keep the parcels contiguous. When we get to the point of being able to identify solid interest, for a set of contiguous parcels, it is time to bring Bob and Josh into the conversation.
  - Note: an appraisal is ONLY necessary if the landowner is seeking either an easement purchase or a tax deduction. 1. If they want a tax deduction, it is the landowner's responsibility to pay for the appraisal. 2. In donations, there is often the need for sufficient development value (=deduction value); however, if the town helps fund those costs, the need for the landowner to realize the tax deduction is reduced. 3.. To make conservation attractive to a funding agency, there is typically a development threat, if there isn't much value i.e., it isn't developable, it becomes much less attractive to conserve because there is no threat to worry about.
- 3) We need to generate a list of parcels held by the large landowners like A Johnson, Lathrops, large farms, etc. Sam is going to do this.
- 4) Sam reported on the DRB appointment review at the Select Board meeting Monday night.
- 5) John moved and Laura seconded that we accept the minutes from March 2<sup>nd</sup>. Unanimously approved. John moved and Laura seconded that we accept the minutes from Feb. 23<sup>rd</sup>. Unanimously approved.
- 6) We discussed moving the ANAC meeting time to 7 instead of 7:30 if Sue agrees.
- 7) Our next meeting is April 13<sup>th</sup> at 7 pm unless Sue wants to keep the 7:30 time. We will have a meeting with Carla's group at 7:30 pm. If Laura can get their email addresses from Carla, we (Sam) will send individual invitations.
- 8) Laura moved and Deb seconded that we adjourn; we unanimously adjourned at 9:45 pm.

Respectfully submitted on 3/31/2011,

Deb Gaynor  
ANAC Secretary