



400,000-acre Land Conservation Goal

House Appropriations Committee
Subcommittee on Commerce,
Agriculture and Natural Resources

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Summary: state programs

- VLCF: competitive, statewide priorities, leverages private and federal investment
- Local PDR programs, funded through Office of Farmland Preservation: leverages local investment, reflects local priorities
 - Preservation of rural character
 - Focus is usually on working landscapes
 - Protection of agricultural economy
 - Can be a growth management tool
- VOF: long history, cost effective, landowner-driven, fueled by tax credit
- DHR: Specialized expertise with historic and archeological resources



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Getting to 400,000 acres

- Acreage protected in FY 06: 65,764
- Average number of acres protected each year: 56,000
- This is from all sources: state, private, federal, local (including land preservation tax credit)
- $(56K \times 3.5 \text{ fiscal years}) + 65,764 = 261,764$
- This is how far we'll get without doing anything different
- **Gap: 138,236 acres**



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How much might it cost?

- Gap: 138,236 acres
- Assumption: 80% easement; 20% fee acquisition
- Both require perpetual stewardship
- DCR average for fee acquisition: \$6000 per acre
- $27,647 \text{ acres} \times \$6000 = \$165 \text{ M}$
- Estimating easement costs is trickier



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How much might it cost?

- Estimating easement costs
 - VLCF conservation easement projects: \$2037 per acre median (19 projects)
 - PA average for PDR programs statewide: \$3291 per acre for 2006 (233 projects)
 - Land preservation tax credit average for small donations: \$2660 per acre (1026 projects)
 - Local governments are seeing a range
- Using 2700 per acre x 110,589 acres = \$299 M



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Possibilities for reducing cost to the Commonwealth

- VOF had a record year in CY 2006 (70,000 acres), so we are ahead of projections
- State share is usually only half the cost
 - VLCF makes 50% matching grants (exception: state agency projects)
 - Office of Farmland Preservation will also make matching grants
- Increased federal funding
 - Trend in overall programs is down, but additional state funding will mean we have more match available
- Improved federal income tax deduction for tax years 2006 and 2007
- Prospects for 1 or 2 large transactions with a discount



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Neighboring states: spending on land conservation



- Maryland
 - 2002: \$175.5M
 - 2003: \$100.1M
 - 2004: \$76.7M
 - 2005: \$39.4M
- North Carolina
 - 2001: \$68.5M
 - 2002: \$97.77M
 - 2003: \$133.3M



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Questions?

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