

Tax Policy Workgroup Recommendations

1. The Use Value Appraisal Program (UVA) should continue to be fully funded.
2. Additional staff positions should be created so that UVA (Current Use Program) is more effectively administered. Create 4-5 positions to assist County Foresters in the Department of Forests, Parks and Recreation and 1-2 positions to assist the Property Valuation and Review Division of the Department of Taxes. Assessing a per-parcel administration fee of approximately \$25-50 or more could fund these positions. Alternatively, a per-acre fee could be assessed.
3. Local governments should be educated about state reimbursement for lost municipal tax revenue under UVA.
4. Follow the Acceptable Management Practices (“AMP’s”) in the Current-Use Program and consider implementing adequate stream buffers.
5. Expand the Use Value Program to help conserve forest land, wildlife habitat, water resources, etc. by allowing enrollment of various categories of land that are either managed or not managed for timber production. Two options: (1) % of each category to be determined by County Foresters, **or** implement a tiered system like NH’s Current Use program. Different tiers have different assessed use values - the higher the tier, the lower the assessed value. (For example the highest tier could include managed land with public access and the lower tier could be general open space.)
Note – The placement of categories within the tiers is a point of debate. Two options for reimbursing towns include full reimbursement or no local reimbursement.
Discussion: Lowering the size of parcels that are eligible for UVA was discussed, but the group seemed to be in agreement that the cost of funding and administering this program expansion would be prohibitive. One option is to lower the enrollment size requirements in certain counties where development pressures are higher or where there are threatened types of forest land – i.e. sandplain and clayplain forest.
6. Allow adjacent property owners to join together so that parcels that would not individually be eligible for UVA are eligible under a single management plan.
7. Strengthen the incentive to keep enrolled parcels in UVA by increasing penalties for withdrawing from the program.
8. Strengthen the application of land gains tax on timber sales and develop better mechanisms to track timber sales and assess taxes from these sales.
Discussion: This might help prevent forest land from being purchased, stripped of its timber, then resold. Collection of proper taxes would accomplish three things: First, it would reduce the profitability of mining our timber resource thus reducing the byproducts of fragmentation, parcelization and residential development; second, it would move toward leveling the playing field so that “stewardship” minded buyers could better compete in the market with liquidation minded buyers; and third it would raise significant tax revenue that would help fund State programs and relieve a small portion of the tax burden.
9. Decouple or limit property tax on forest land to fund education. Note that this a point of debate.
10. Land with conservation easements should be treated more favorably and assessed at a lower rate for property tax purposes. Note that this was a point of debate.

Planning Workgroup Recommendations

Master Outline

1. Develop a Statewide Conservation Plan for Forests and Wildlife
 - Recognize that natural resources don't have political boundaries.
 - The plan must include a map that includes parcel and town boundaries.
 - Implement broad planning for ecosystem services.
 - The plan should include minimum land conservation required to maintain ecosystem services.
 - Explore new regulatory and non-regulatory approaches at all levels.
2. Coordinate a Comprehensive Anti-Parcelization Planning Charge
 - Private Estate/Public
 - Education and Awareness
 - Utilize Existing Data and Research/Resources – Organizational, Informational, and Financial
 - Understanding Tools - Planning/Implementation
 - Implementation Actions and Activities
3. Promote Long-term Sustainability in Planning
4. Promote Regulatory Analysis/Policies/Incentives
5. Address Property Rights: - Local/State Authority

Planning – Major Topics and Initiatives

1. Statewide Plan for Conservation (Forests/Wildlife)
2. Planning for Ecosystem Services
3. Develop an Accurate Tax Parcel Database
4. Technical Assistance Summit for Town Planners and Others on Forestry and Fragmentation
5. Expansion of VPIC “VT Planning Information Collaborative” to Include Natural Resources Planning
6. Bring Together all Planning Entities to Collaborate
7. Private Planning and Education – Estate Asset Management
8. Consider Long Term Consequences in Planning (50-100 years)
9. Address Act 250 and Other Regulations That Impact Forest Fragmentation – Ancient Roads, Septic Regulations, Road Policies (Local), Growth Center Legislation, Utility Line Exemption (Act 133), etc.
10. Tools for Planning
 - Planned Unit Development – Off Site Mitigation
 - Build Out Analysis
 - Cost of Community Services Study
 - Resource Inventories
 - Contiguous Large Parcel Analysis
 - Working Lands Inventory
11. Regional Zoning Should be Stronger and More Consistent
12. Create Linkages to UVA – Zoning Incentives

Draft Forest Fragmentation and Parcelization Roundtable Recommendations

13. Answer Question to What Are Property Rights?
14. Answer Question to What is Local Authority?
15. Long Term Community Planning and Long-Term Resource Planning

Overarching Themes

1. Duration – Long Term Planning is Needed with Resource Planning
2. Natural Resources Do Not Have Governmental Boundaries – Therefore State, Regional and Local Planning are Needed
3. What is the Minimum Amount of Planning or Resource Required to Maintain Ecosystem Services? How Do Land Use Rights Fit In – Equity?
4. VT Biodiversity Project – Research
5. Research to Planning Analysis – There is a Gap in Delivery of Information to Planning Professionals to Take to Implementation
6. Town Forest Project
7. Formation of Local Conservation Commissions
8. Energy Coordinator Committees
9. Money for Local Planning/Implementation

Other Proposed or Related Recommendations

1. Develop a statewide plan for the long term conservation of the highest priority forest blocks and wildlife corridors for the ecological, economic, and social values that these areas provide. Forested blocks are easily mapped using GIS and satellite imagery and their relative importance and that of wildlife corridors can be assessed using current information and additional field evaluations. (There are several completed and ongoing projects that contribute to this effort.) The full range of innovative approaches should be examined on how priority forest blocks and corridors can be conserved for all their values (public acquisition, conservation easements, state holds easements on lands resold for active forest management, ...) and how this work can be funded (Vermont Housing and Conservation Board, Forest Legacy, statewide bond, ...). Priority forest block conservation should focus on protecting ecologically significant features and promoting sustainable forest management for a full range of products (saw logs, pulp, flooring...) and for large scale public or private projects such as biofuel.
2. Agency of Natural Resources should improve its ability to track forest parcelization and fragmentation. This is needed to understand the scale of the problem, the locations of primary threat to forest blocks, and to help justify the need for public expenditure to solve the problem.
3. Identify priority areas where to discourage parcelization. Most protected lands are in areas where biodiversity is less threatened and areas where fragmentation is less of a concern. Efforts in devising incentives should focus on active lands where threats of parcelization are higher.
4. Describe the consequences of parcelized forests, outline the strategies for passing lands intact, and encourage communication between spouses and within families.
5. Promote landowner technical assistance programs.

Valuation of Ecosystem Services and Protection of Forests in Perpetuity Workgroup Recommendations

1. We need to develop a system to consistently quantify the value of ecosystem services.
Discussion: Move from the academic to the operational, use carbon footprint website as a model. (www.carbonfootprint.com/calculator.html).
2. Change tax system so that homeowners pay a “footprint fee” that reflects the true costs of municipal services, and the cost of degraded ecological services
3. Institute a carbon tax to capitalize a fund for ecosystem services protection.
4. Create a forum on ecosystem services and property rights to raise public awareness.
5. Develop build out case studies to show projected impacts on ecosystem services.
6. Communicate the value of forests to the public in everyday terms. Describe benefits public is receiving for free.
7. Revise incentive programs so that they include ecosystem services as a consideration in decision-making.
8. Create an annual award for ecosystem service stewardship.
Discussion: This would increase awareness and provide role models. Target communities as well as individuals.
9. Create a model for community-based Timberland Investment Management Organizations (TIMO’s) that can buy and manage forest land collectively.

Other Proposed or Related Recommendations

1. Raise awareness of the ecosystem services provided by forest land. Use this to illustrate the necessity of conserving land. Use the valuation of these services to justify paying fair market value to secure those services in perpetuity.
2. Use every opportunity to push discussions and debates to long term considerations. The best solution may not be obvious if we only look short term. The cheapest short-term solution may be the most expensive in the long term.
3. Work with One Vermont Coalition and/or other groups developing strategies to investing in public infrastructure to support long-term prosperity for all Vermonters, and solidify the concept that the ecosystem is our most fundamental infrastructure and it has to be explicitly recognized and supported.
4. Set up new program and funding to acquire and hold property rights necessary to protect ecosystem services and other public benefits.
 - i. This program could be run through Vermont Housing and Conservation Board (VHCB) and be similar to the agriculture program within VHCB.
 - ii. There may be additional emphasis on purchasing forest land in fee simple, holding the rights needed to protect ecosystem services, and reselling other rights (ie selling land subject to easements). The purpose would be to make some forest land available to people to invest in as forest land—not as protection for a house or camp or retreat.
 - iii. State ownership of additional forest land should continue with a focus on priority areas that maximize public values of forestland.
5. Increase legislators’ awareness of values, services and economic significance of forestland.

Forest Product Industry Sustainability Workgroup Recommendations

1. Bolster development of strong, effective, cooperative statewide organizations that bring together forest products industry representatives, landowners and manufacturers to promote the forest products economy.
2. Increase the visibility of the contribution of a working forest to the state—economic, ecological and social benefits of forest land.
3. Increase the professionalism of logging. Invest in programs to support youth who are interested in becoming loggers. Loans, worker's comp pool, access to health insurance, promote low-impact equipment, Ed/Voc-Ag programs and others.
4. Provide consistent support for state promotional efforts for forest products manufacturing sector.
5. Promote the use of Vermont wood in Vermont and Vermont-sponsored development. Support buying local as a concept – piggy back off of buy local food campaign. Local architects should be encouraged to support local wood.
6. Increase weight limits on Vermont Interstates to make Vermont competitive with New Hampshire.
7. Compensate forest landowners for environmental services of forest land.
8. Increase state support for net-metering to encourage biomass development.
9. Use New Hampshire as a model of a state culture that supports the forest products industry.

Discussion: Be sure that policy recommendations aren't simply cost-shifting. E.g. Shifting the cost of highway repair to others.

Discussion: There seem to be cultural and attitudinal differences between the two states. In New Hampshire, the attitude is "How can we make things happen", whereas in Vermont, the attitude seems to be "Here's the rule book." In NH, natural resources and economic development agencies are lumped together. There is a perception (not necessarily reality) that Vermont is less open to business.