Virginia Department of Forestry (DOF) Action Commitments Pertaining to Draft Chesapeake Bay Management Strategies Related to DOF Mission

GENERAL COMMENTS

The Department of Forestry understands the importance of the Chesapeake Bay and the role forestry plays in improving its health. Forests are critical to ensuring Virginia meets its 2014 Chesapeake Bay Watershed Agreement goals and outcomes. Conserving forest cover and improving forest productivity is necessary to the maintenance of functioning forest ecosystems that in turn, provide the forest land cover needed to protect water quality and water supply sources throughout the Commonwealth while also sustaining Virginia's robust forest industry. From best management practices to riparian buffers to forest retention and restoration, forests contribute significantly to water quality and supply. Virginians depend on the Bay for many things, and they depend on it being clean. Restoring the Bay watershed waterways not only restores the health of the Bay, it also assures that all Virginians have clean water to drink and the water supply necessary to support farms and industries while also enhancing the quality of life for the citizens of the Commonwealth. These forest management values are all key elements of the Department of Forestry's mission and land conversion activities in the Chesapeake Bay watershed that impact the forest landscape affects these values.

DOF notes that the 2014 Bay Watershed Agreement continues to focus on the importance of riparian forest buffers and urban forest tree canopy for helping to meet Chesapeake Bay water quality goals and outcomes and maintains the targets set for each that were agreed to in the previous Bay Agreement. While DOF remains concerned about the ultimate achievability of the goal targets, the Department is a vigorous supporter of both as aspirational goals. It is also pleased that the new Agreement places a priority on achieving robust land conservation/land use goals. The Department cautions however, that riparian forest buffers and urban tree canopy targets alone, while vital, are only two pieces of the very large puzzle that forestland represents as a contributor to the Bay's overall health.

DOF's position is that forestland itself is at risk due to large-scale conversion. We remain concerned that the broader role forestland plays as the WIP II recognized, most valuable and cost efficient land use for meeting the water quality and source water protection objectives that are vital to the health of the Bay watershed has not been translated on a landscape scale in land use planning decisions at the state, regional and local levels. Virginia continues to lose approximately 16,000 acres of forestland, and its attendant economic and ecosystem service benefits, each year to non-forest conversion – conversion that is occurring most vigorously in the Chesapeake Bay watershed portions of the Commonwealth.

DOF has been working closely since last summer with its sister agencies in Virginia and the other Chesapeake Bay states, federal agencies, NGOs, local governments, the private sector and others on the various management strategies being developed to achieve the new Bay Watershed Agreement's goals and outcomes. During GIT and workgroup discussions, DOF has endeavored to stress its concerns and have strategy elements pertaining to forestland conversion incorporated into the management strategies where appropriate. In the process, we learned that others shared our concerns and we are pleased that forestland related conservation goals and outcomes are now prominently reflected in many of the draft management strategies.

The Department of Forestry has been participating in or monitoring a number of GIT and workgroup efforts but has been most focused on the efforts to develop the management strategies pertaining to Riparian Forest Buffers, Urban Tree Canopy, and Conserved Lands/Land Use in the Watershed. These are the three strategies that DOF will be most involved in the implementation of given its mission and they are the ones management action commitments for the next two years are being offered in this paper. Action items are identified by management strategy but given the interconnectedness of many of the objectives of each GIT, DOF is sharing this response with all three of the above GIT coordinators.

The Virginia Department of Forestry will commit to the following priority actions over the coming two year period. Specific tasks to accomplish these actions will be identified and implemented in collaboration with DOF partners or within DOF as appropriate:

CROSS CUTTING MANAGEMENT STRATEGY ACTION COMMITMENTS

1. Educate external stakeholders and promote policies and programs that clearly show the linkage between forest land and water and the health of both
2. Develop partnerships to pursue funding required to provide resources and tools to help communities better connect the benefits of forestland conservation within the Chesapeake Bay Watershed
3. Raise internal and external awareness of the importance of, and DOF's role in, forestland conservation
4. Coordinate across all parts of DOF to integrate and fully leverage expertise, programs, and partnerships
5. Create training programs for DOF personnel to increase skill sets required to implement the management strategies
6. Address and seek solutions to the obstacles listed below

OBSTACLES

<u>Constraints on Available Human and Other Resources</u>

The Virginia Department of Forestry is a relatively small state agency in terms of personnel and budget. Further, its mission requires it to maintain a robust field operation that is being stretched to meet existing statutory mandates and new requirements associated with its expanding mission responsibilities such as those associated with the Chesapeake Bay management strategies. Because of the tight state budget situation of the past several years, DOF like other state agencies has increasingly looked to other funding sources, most often the federal government, to finance a growing range of additional tasks. Unfortunately, because federal grant sources usually require a state match for federal funding received, DOF has had to turn away additional funding for FTEs and program support because it does not have in-house sufficient personnel or other resources to meet the federal matching requirement. The Department can only leverage its staff so far. This limits DOF's ability to expand its outreach and

marketing efforts, provide technical assistance, and follow-up monitoring of RFBs, UTC efforts, and land conservation initiatives to assure they are being properly implemented and maintained.

RIPARIAN FOREST BUFFER (RFB) MANAGEMENT STRATEGY ACTION COMMITMENTS

1. Work collaboratively with state and federal agencies, localities, NGOs and others to identify lands where riparian forest buffers would be beneficial
    a. Reach out to landowners with information regarding buffer establishment
    b. Use DOF riparian forest buffer prioritization information already compiled for eleven of the Bay counties to focus effort on areas with greatest need
    c. Include forest buffer messages in DOF forestry /water quality events, workshops, presentations, meetings
2. Work collaboratively with partners, agencies, and groups to establish new riparian buffers using DOF technical assistance and support from financial assistance programs
    a. Incorporate specific site preparation and planting steps, that have been refined over time, into implementation plans
    b. Insure DOF's internal management system IFRIS captures all RFB projects
3. Discuss with the Farm Service Agency (FSA) and the Department of Conservation and Recreation (DCR) the value of adding DOF as a signatory to the new Virginia/FSA Conservation Reserve Enhancement Program (CREP) Agreement
    a. Work with FSA to inspect CREP contracts that will expire to determine if tree stocking is adequate for re-enrollment
    b. Assist landowners with steps to establish additional trees as needed for conservation benefit and program eligibility
    c. Work with landowners and cooperating agencies to encourage and establish trees in areas where livestock have been excluded from streams (Practice SL-6 Stream Exclusion)
4. Continue the robust operational forestry water quality program in DOF including:
    a. Notification and inspection of all timber harvests
    b. Encouragement of voluntary Forestry Best Management Practices (BMPs)
    c. Silvicultural water quality law enforcement
    d. An annual BMP audit and report

OBSTACLES

Establishment of new buffers across the watershed over the past three years is averaging about 300 miles per year. Therefore, to reach the 900 miles per year 2014 Bay Watershed goal that is estimated to be needed to meet the 70 percent Bay-wide restoration goal, the Bay watershed agreement signatories will need both additional resources and programs to address landowner reluctance to take part in conservation programs.

Virginia has historically faced challenges in meeting its portion of the Bay wide riparian buffer goal and that goal becomes harder to meet each year as our forests continue to disappear. DOF's data is showing

that Virginia has averaged the addition of only about 40 miles of new riparian forest buffers over the past two years.

Need for Higher Resolution Imagery

DOF understands the forest buffer conservation outcome was based on an analysis employing low resolution imagery showing that 58 percent of the streams had riparian buffers established. DOF has recommended that a new evaluation be completed using high resolution imagery to refine this data and allow much closer scrutiny thereby significantly enhancing Virginia's ability to identify gaps where new buffers are needed or not needed. The increased cost however, is a limiting factor. The Virginia General Assembly authorized last year, collection of data using such imagery for one year for a part of the watershed but the other Bay agreement signatories do not have similar capability. One of the GITs is currently considering the costs vs. benefits of using higher resolution imagery at different scales and the Chesapeake Conservancy which is now leading the land conservation/land use management strategy effort, has been funded by the federal government to develop some level of capacity. DOF does not know at this juncture what the outcome of any of those developments will be or whether higher resolution imagery will be readily available as a management tool over the next two years

The Focus on CREP as Principal Cost Share Funding Mechanism for RFBs

The federal agency partners are relying primarily on the CREP program to provide the financial incentives required to get riparian buffers installed on private lands. CREP however, is an agricultural program and can only be applied to convert working agricultural land to riparian buffers. As such, there are limitations associated with that program for reaching non-agricultural land RFB opportunities. Furthermore, while CREP incentivizes riparian buffers, it does not require forested riparian buffers in all cases. CREP requires that pastureland goes to forest buffers. Crop land can go into grass buffers. Stipulating a preference is the purview of the individual states and Virginia has not made such a preference a requirement for qualification under CREP.

This has created some disparities across the Bay watershed in how effective individual states have been in meeting their RFB goals. As an example, SL-6 category projects do not have a required forest aspect. If a primary goal is to keep cattle out of a stream, an individual state may take the position that a grass buffer with a fence is better than nothing and allow it as eligible under the CREP SL-6 category criteria. From the landowner's perspective, such a solution is cheaper to install, requires less maintenance and can be eliminated more easily than a forested buffer should the landowner decide not to renew the CREP contract. From a long-term, health of the Bay standpoint however, it is more advantageous to have in place riparian forested buffers that are likely to be more permanent because of the investment that has been put into them.

To fix this disincentive to plant RFBs will likely require program changes at the national level. The state programs could require it on an individual basis but such a stipulation may only end up driving landowners to the federal cost share program.

Virginia is currently working with FSA to revise its CREP agreement with the goal of addressing some of these issues and the Virginia Department of Forestry will become a partner in that new agreement.

URBAN TREE COVER (UTC) MANAGEMENT STRATEGY ACTION COMMITMENTS

1. Continue to assist communities that do not have existing capability for Urban Forestry management
    a. Continue Virginia Trees for Clean Water program outreach to urban and urbanizing localities
    b. Share research on Forests and human health and development
    c. Develop and share information and tools to help local leaders and planners strategically protect parks, riparian areas, source water protection areas, and wetlands to build an interconnected green infrastructure that provides ecosystem services and recreation opportunities for urban and suburban citizens
2. Collaborate with other state agencies to establish a recognition program on a state wide level for developers and for communities that meet developed criteria pertaining to stewardship of the urban forest
3. Expand urban forestry technical information and tools and share with local governments
    a. Continue to provide technical support through workshops, meetings, and training opportunities to other state agencies, localities and non government stakeholders on the benefits of establishing and maintaining urban forests
    b. Promote Virginia's Urban and Community Forestry Program by contributing regularly to “American Grove”, a national level social networking platform for urban forestry
    c. Print and distribute the USFS Tree Owner's Manual to agency partners, local communities, utilities and nonprofits to help educate on proper installation and maintenance of urban trees
4. Develop outreach materials to help support the recycling and use of urban forestry operation tree waste
5. Address and seek solutions to the obstacles outlined below

OBSTACLES

<u>Insufficient Infrastructure in Place to Fund and Capture Urban Tree Planting Efforts</u>

DOF understands that the goal to expand the urban tree canopy by 2,400 acres by 2025 was based on a model that assumes 100 trees = one acre planted in urban settings. Meeting this goal will require a very robust tree planting program and Virginia does not currently have a system in place to capture urban tree planting numbers on a watershed-wide basis. Most current projects are small and managed primarily through volunteers. DOF has been working with communities to start building an infrastructure by conducting urban tree canopy assessments and then deferring to the communities to develop individual tree planting goals based on the assessment. To-date, we have assisted 27 communities with the assessments using grant funds for the projects. A dedicated funding stream to finance the capability to

capture planting numbers on a statewide, roll-up basis and assist communities to fund tree planting projects on a regularized basis would be needed to meet the UTC goals.

Lack of Urban Forestry Planning Capability at Locality Level

An urban forest management plan, based on urban tree canopy assessment, tree inventory data and analysis of available staff, equipment, and budget resources, is an essential tool for protecting urban forests; however, many localities within Virginia do not have the resources or capacity to create one. With a UTC assessment, tree inventory and urban forest management plan a manager can execute the prescribed work in a more efficient and cost effective manner than without. When communities have these tools DOF would be in a much better position to provide the technical support to assist in implementation of the plan and help capture the outcomes. Expanding these capacities on a state wide level would assist with the enhancement and conservations of urban forest, in rapidly developing areas.

CONSERVED LANDS/LAND USE MANAGEMENT STRATEGY ACTION COMMITMENTS

1. Continue to conserve high Forest Conservation Value (FCV) forestland within the Chesapeake Bay watershed, through conservation easements, land acquisitions, land exchanges, donations, land use planning, and other conservation mechanisms, with an emphasis on critical watersheds or water sources.
2. Continue to refine the metrics and tools that quantify the impact of forest fragmentation and conversion, and support its institutionalization in the decision-making process at all levels.
    a. Support research and share information about the economic and social benefits of maintaining large blocks of forest in private, community, or public ownership.
3. Nurture partnerships that identify and pursue high level conservation value projects
    a. Leverage non-government funds and contributions to spur private conservation efforts that complement private and public grant investments.
4. Cultivate public-private partnerships to advance and support market-based approaches that provide landowners with economic incentives to retain and conserve forestland
    a. Promote sustainable forest management
    b. Conserve and enhance forest-related ecosystem services
5. Emphasize the need for woodland legacy planning by family forest landowners to address the drivers that result in the involuntary liquidation and parcelization of family owned forestland when such lands are passed from one generation to the next.
6. Develop proposed solutions within a framework of recommendations, approaches and strategies to address desired changes in development practices, transportation policy, land use policy and issues related to land valuation that are currently not allowing forest conservation to compete effectively with non-forest related land use options.

7. Work with government and nongovernment partners to project land uses, extent of forestland loss, and forest ecosystem service conditions that impact the Chesapeake Bay Watershed.
    a. Better define and prioritize actions needed to mitigate forest loss and address regional hotspots of forestland change.
8. Lead a study in partnership with DEQ and other private and public collaborators in the Rappahannock River watershed, George Washington Planning District, to assess growth trends in the region and evaluate the spatial variability of forest ecosystem service value as a model demonstration project applicable to the entire Bay watershed
    a. Produce a regional demonstration of how alternative development methods that increase high value forestland retention can help reduce the offset requirements of development, which will in turn reduce BMP treatment costs needed to comply with Virginia's nutrient neutral stormwater regulations, while maximizing the ecosystem services provided by forests.
9. Address and seek solutions to the obstacles outlined below

OBSTACLES

<u>Disagreement Over Definition of What Constitutes Permanent Protection</u>

Virginia differs with the Chesapeake Bay Program (CBP) over the definition of "permanently protected forests". The CBP's view has been that if forestland is under easement, even if the easement has a defined term, then it is permanently protected as forestland, and cannot be converted to some other land use. DCR and DOF have argued that this is not true because to truly be permanently protected it must be owned in fee simple or have a perpetual conservation easement or other perpetual instrument applied. However, forested acres had been reported by other states as conserved under this definition until now under the CBP and it is what the new 695,000 acres of high priority forest goal has been based upon. DCR and DOF prefer reporting what forestland is actually *permanently* conserved, but under Virginia's definition, the acreage that could be reported would be much less. One option would be to remove the word "permanently", or define what is meant by "permanently protected" in a manner that meets Virginia's desires.

<u>Operational Constraints</u>

The pace of conservation in general and easement donations has been off the last three years, relative to prior years. DOF does not believe there is any single reason for the drop-off. It is a combination of the following:

- The low hanging fruit has been picked. People interested in offering easements have already done so.
- Uncertainty of state and federal tax benefits. The uncertainty surrounding the enhanced federal tax deduction definitely had a large impact in 2014.
- Capacity issues of the various conservation entities.

- Lack of funding or consistent funding to support conservation. History shows when funding is made available, the pace of conservation increases correspondingly.
- Several bills being proposed in the 2015 session of the General Assembly may when taken together, have a further chilling effect on land conservation in Virginia.

Without significant additional resources for targeted land conservation or a broadening of the lands that will count toward the protected lands outcome, Virginia can be expected to continue to achieve the same level of accomplishments as recent years and that will be insufficient to meet the 2014 CBWA land conservation goal for Virginia.

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