



## VDOF's Tomorrow Woods Land Conservation Incentive Program

The Virginia Department of Forestry (VDOF) has a unique funding program in southeast Virginia called **Tomorrow Woods**. The goal of this program is to conserve, establish, and enhance forests, with a focus on productive, private working forests. VDOF's goal is to work with landowners to protect large blocks of *working forests* by keeping them intact and unfragmented through the development of an agreement called a **conservation easement**. Forest conservation easements protect the ability of current and future landowners to manage their forestland for a sustainable flow of natural goods and services in perpetuity. When donating a conservation easement, landowners are responsible for paying up-front costs including fees for attorneys, appraisal, title search, title insurance, and management plan preparation costs. The Tomorrow Woods program provides funding towards these costs by reimbursing the landowner directly.

The Tomorrow Woods program will operate from July 1, 2009 to June 30, 2014 or until funds are expended.

### **Tomorrow Woods Eligibility**

The Tomorrow Woods program funding is available to:

- Forest landowners in the counties of Dinwiddie, Isle of Wight, Prince George, Southampton, Surry, Sussex, and the City of Suffolk.
- Non-profit organizations that own land.
- Exceptions to the program include investment and timber companies.

In order for landowners to receive Tomorrow Woods land conservation funding, a conservation easement must be recorded.

### **What is a Conservation Easement?**

A conservation easement is a voluntary legal agreement between a landowner and a government agency or land trust that permanently limits future development of the land to protect its conservation values. The terms of the easement are negotiated between the landowner and the organization that will hold the easement, in this case, the Virginia Department of Forestry. The terms of the easement are perpetual and apply to all future landowners. The organization holding the easement is responsible for ensuring the easement's terms are followed.

Conservation easements limit the division of the property. However, depending on the size and nature of the property, and the conservation values being protected, it may be possible for the landowner to retain the right to build one or more additional structures, or exercise one or more divisions.

Landowners continue to own, use, and control their land, and can sell it or pass it on to heirs. Easements generally allow for the continuation of current uses such as forest management, agriculture, hunting, and fishing. Easements do not require landowners to provide public access.

## **Minimum Criteria**

- ❑ Minimum parcel size: 50 acres with 75 percent forest cover unless the parcel contains more than 100 acres of forest.
- ❑ Forest stewardship management plan or equivalent plan
- ❑ Potential conservation easements must conform to the County's comprehensive plan.

## **Benefits of Donating an Easement**

- ❑ Preserves the natural, scenic, and historical integrity of their land forever.
- ❑ Establish a legacy for the landowner's children, grandchildren, and subsequent generations.
- ❑ Peace of mind knowing that the land will always be protected from development.
- ❑ Federal and State tax benefits associated with donating a conservation easement. For more information please go to: <http://www.dof.virginia.gov/land/index.shtml>

Virginia Land Preservation Tax Credits are limited on an annual basis, and are provided to landowners on a first-come first-serve basis. Landowners wishing to claim state tax credits in the year their easement is recorded are strongly encouraged to begin development of their easement early in that year.

*\*VDOF does not give tax advice. Please check with your tax advisor or attorney about qualifying for any tax benefits associated with conservation easements.*

## **Tomorrow Woods Up-Front Cost Payments**

Donating a conservation easement typically requires landowners pay the costs for attorneys, appraisal, title search, and title insurance. The Tomorrow Woods program provides funding towards these fees by reimbursing the landowner directly. It is important to know these payments would represent a partial easement purchase, and that this funding may be taxable and would subtract from the value of the donation of the easement, thereby reducing the landowner's tax benefit. The landowner is responsible for hiring and paying the invoices. The Tomorrow Woods land conservation funding terms are:

- ❑ **Attorney's fees** – Pay the full cost up to \$4,000 and pay half of the cost over \$4,000 up to a maximum payment of \$6,000.
- ❑ **Appraisal fees** - Pay the full cost up to \$4,000 and pay half of the cost over \$4,000 up to a maximum payment of \$6,000.
- ❑ **Title Insurance costs** – Pay the full cost up to \$2,000
- ❑ **Forest Management Plan costs** – Pay the cost of preparing the required Forest Stewardship Management Plan or equivalent plan. Plans may be prepared by VDOF or private consulting foresters. Different rates apply, please contact VDOF for specifics.

## **Other Tomorrow Woods Program Benefits**

In addition to the land conservation funding, the Tomorrow Woods program also provides landowners with forest establishment and management enhancement incentives. These incentives are available to eligible landowners in the program area, with higher levels of funding provided to land protected by a conservation easement. Please contact your local area forester for more information.

**For more information regarding VDOF's Land Conservation Program and the Tomorrow Woods funding opportunity, please contact Rob Suydam at 804-328-3031.**