

Installment 5 of 12: *Funding Sources*

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Over the past four months I have outlined some of the basics about conservation easements and how they are used to help protect farmland and other important properties in Berkeley County. I have discussed why a property owner might want to participate in such a program and what life looks like for the property owner after an easement goes into effect. Last month I outlined the benefits of conservation easements, both to the property owner and to the community at large. This month I will discuss the various funding streams that make purchasing an easement possible.

A conservation easement may be purchased by the Berkeley County Farmland Protection Board or it may be donated by the property owner. If an easement is purchased, the funding may come from one or more sources and each of these has a different focus. At present there are four or five possible sources of funds. The backbone of the farmland protection program in Berkeley County is the local transfer tax. This tax is a \$2.20/\$1,000 assessed value fee attached to the transfer of all real property in the county. It was enabled by the County Commission in 2004 and over the years it has been the source of about 60% of the funds used to purchase conservation easements. Whenever the possibility of external matching funds exists, the Berkeley County Farmland Protection Board tries to use those monies, frequently getting a 50-50 match, which basically doubles our purchasing power. The external funds to date have come from one of two sources: the federal Farm Bill has traditionally set monies aside for the purchase of conservation easements, and the State of West Virginia implements a state-wide agricultural conservation easement program through the WV Agricultural Land Protection Authority (also known as the State Authority).

The Federal funds come through the Natural Resource Conservation Service (NRCS), which is a part of the USDA. Over the past 12 years those monies have been implemented through a program which is now called the Agricultural Land Easement program, or ALE. That program looks to fund easements on properties with soils of national and/or state-wide importance that are also in active production of a commodity crop. Roughly 65% of the farmland conservation easements in Berkeley County have been co-funded through ALE or its predecessor program. Funds occasionally come from the State Authority but usually not as a 50-50 match and those funds are often used to help fully fund an easement purchase. To date, less than 5% of the funds used to purchase local easements have come from the State Authority.

A new funding stream will start up soon in West Virginia, although it may only last a few years. The Regional Conservation Partnership Program (RCPP) is a USDA grant program, created by the most recent Farm Bill. The State Authority, in conjunction with eight WV counties of the Potomac River drainage basin, has been awarded two years of funding to purchase conservation easements. These funds may only be used within this eight county area and Berkeley, Jefferson, and Morgan Counties are within this group. Lastly, there is always the possibility that a private, non-profit organization will step in and help. In Jefferson County several easements have been funded with monies from the Civil War Trust. To date in Berkeley County we have not yet been able to partner with such an organization; but we do look for potential funding partners all the time. All of these funding sources imply that there are plenty of funds available for the purchase of conservation easements but that isn't the case. ALE funding in West Virginia has been cut over the years and our local funding stream drops when real estate transactions drop, as they did during the last recession. Since funding is tight and involves public money, the purchase of a conservation easement is a very competitive process. All applicant properties are rated and compete against each other. Only the top-rated properties are selected for funding. Each funding source rates properties differently due to different program goals. In the article next month I'll explain how these various rating schemes work.

## Data Sources

**Current transfer tax rate: \$2.20/\$1,000 valuation.** Verified by John Small, County Clerk. Email from Karen Butcher dated 5 Feb 2016.

**Total local funds expended: \$10,279,748.50 of total purchased: \$17,717,315.00**

```
SELECT tblPropertyFinanceData.CurrencyType, Sum(tblPropertyFinanceData.CurrencyAmount) AS  
SumOfCurrencyAmount  
FROM tblPropertyFinanceData  
GROUP BY tblPropertyFinanceData.CurrencyType;
```

**NRCS percent funded: 30 of 45 properties. 66%**

```
SELECT Count(tblPropertyInformation.PID) AS CountOfPID  
FROM tblPropertyInformation  
WHERE (((tblPropertyInformation.PropertyEasementHolders.Value) Like "*NRCS*");
```

**WVALPA percent funded: 2 of 45 properties. 4%**

```
SELECT Count(tblPropertyInformation.PID) AS CountOfPID  
FROM tblPropertyInformation  
WHERE (((tblPropertyInformation.PropertyEasementHolders.Value) Like "*WVALPA*");
```