

Jefferson County Farmland Protection Board

P. O. Box 731, Charles Town, WV 25414-0731

www.wvfarmlandprotection.org

September 28, 2011

Board Members

County Commissioner

Frances Morgan (Secretary)
P.O. Box 750
Charles Town, WV 25414
Phone: 725-8289
fmorgan@jeffersoncountywv.org

County Development Authority

Thomas Bayuzik (Treasurer)
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County Farm Bureau

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Soil Conservation District

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County Farmer

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Non-Farmer County Residents

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(Board Chair)
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Liz Uible
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Charles Town, WV 25430-0599
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Dear Friend,

On behalf of the Jefferson County Farmland Protection Board, I am pleased to send you our recently completed 2010–2011 Annual Report. This report marks the Board's twelfth year of operation, protecting productive farmland throughout Jefferson County.

Since our beginning in 2000, 16 volunteer community members have joined the Board to help shape the organization's vision and capability to protect our working lands for the future of agriculture. Farmland preservation provides important benefits that make Jefferson County a special place to live and work. Farmland preservation:

- Maintains rural character and quality of life for residents.
- Conserves and protects natural resources, such as water, woodland and air.
- Provides fresh local food to residents.
- Provides affordable farmland for future farmers.
- Enhances economic development potential—
 - Higher-value, clean industries prefer rural settings.
 - Open space and rural settings enhance tourism.
- Is an inexpensive revenue source for county government.
 - We like to joke that "Cows don't go to high school, cornstalks don't call 911, but farmers still pay taxes." In neighboring Clarke County, Virginia, which recently issued a formal study of the economic impact of farmland protection, for each \$1.00 in revenue in 2010, services cost \$1.19 for each house, \$0.46 for each business and \$0.23 for each farm.

As of June 30, 2011, 28 property owners in the county have placed 2,606 acres of their land under an agricultural easement with the Jefferson County Protection Board. Over the coming year, another nine families will complete easements on their farms totaling an additional 1,004 acres. For each, the decision to protect their land has entailed many

hours of careful consideration and planning. We are grateful to these thoughtful individuals for taking the far-sighted and generous step of conserving their land.

None of these successes would have been possible without our many partners who have provided funding, technical expertise and services: our federal funding partners, the Natural Resources Conservation Service (USDA/NRCS) and the American Battlefield Protection Program; our local and state partners, including the Land Trust of the Eastern Panhandle and the Potomac Conservancy, the Nature Conservancy and the Civil War Preservation Trust. We also thank the many Jefferson County staff who have provided professional and collegial support, including those of the Development Authority, the Prosecuting Attorney's Office, the Planning and Zoning Office, and the GIS Office.

As we look forward, the Jefferson County Farmland Protection Board has determined that, with 12 years of operating experience, it is time to review and assess the Board's program, policies and practices to ensure that they are appropriate, in the best interest of stakeholders and the public, and follow the best management principles for a land conservation organization.

Currently, the Board is finishing a formal organizational review that follows the nationally recognized standards and practices developed by the Land Trust Alliance. The results will inform our next step, a strategic plan to be completed in June 2012 that with your input will direct our future goals and activities. The Jefferson County Farmland Protection Board is the first among the state's 17 farmland protection boards to take this proactive step.

Foremost among our goals is to diversify our funding sources in order to continue to bring new farms into the program. Since 2002, the Board has relied on funding from Jefferson County's real estate transfer tax, which in recent years has fallen significantly. We expect to tackle this shortfall by seeking additional funding from private, local, state and national sources. Your help or suggestions are very welcome!

The Jefferson County Farmland Protection Board is grateful for the support and friendship of citizens throughout the county over the past years. Together, we are building a strong future for agriculture and healthy communities in Jefferson County.

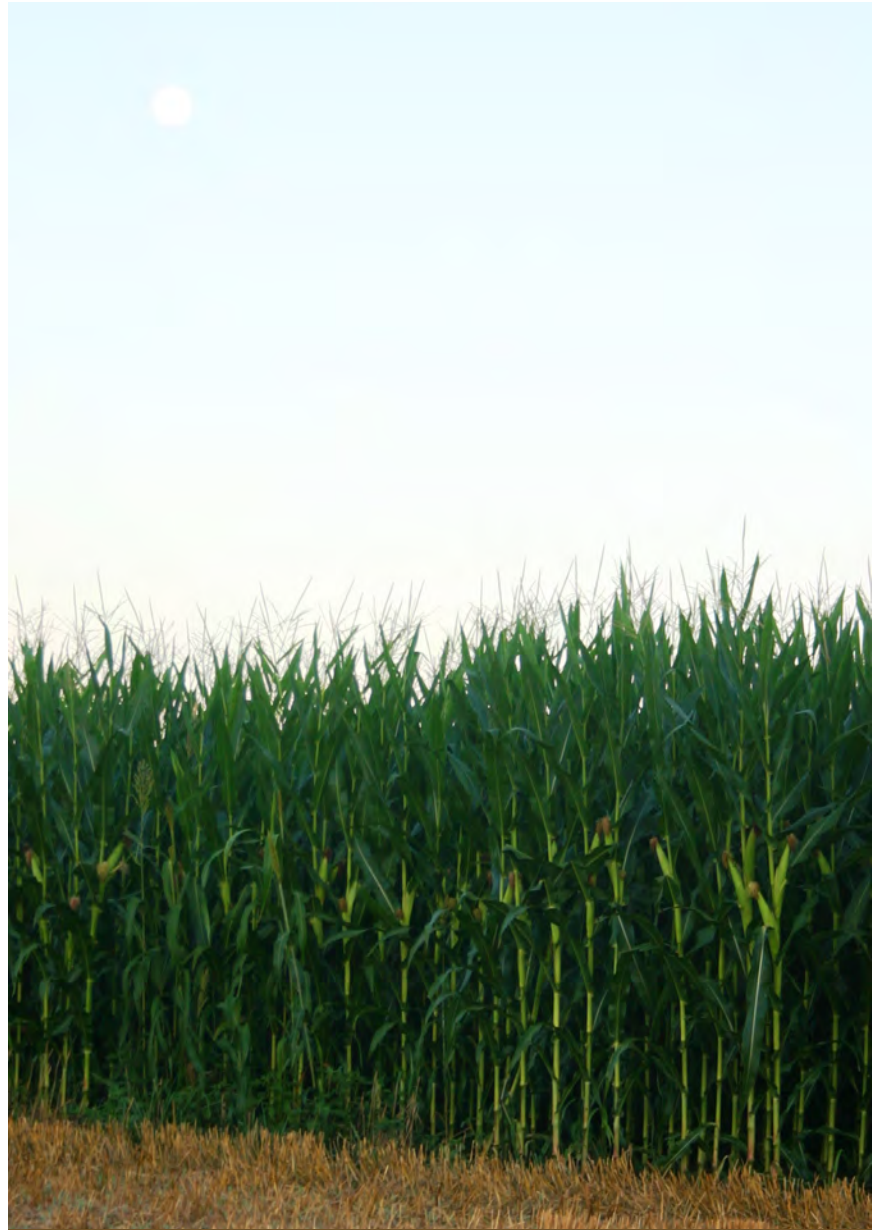
Please feel free to contact our administrator, Elizabeth Wheeler, with your questions and comments.

Sincerely,

Peter Fricke
President

Enclosures

**JEFFERSON COUNTY
Farmland Protection Board**



2010-2011

Annual Report

The Jefferson County Farmland Protection Board affirms that agriculture is an integral and viable part of the county's economy, landscape, natural resources, sense of community and quality of life. The mission of the Jefferson County Farmland Protection Board is to implement identified goals, objectives and policies for the protection and preservation of Jefferson County land best suited for farming in accordance with West Virginia Code 8A-12-1:21.

This report is for the period July 1, 2010 to June 30, 2011.

OUR HISTORY

Established by the Jefferson County Commission on July 13, 2000, the Jefferson County Farmland Protection Board protects important farmland throughout the County by accepting donations of conservation easements and through purchases of conservation easements from willing sellers to ensure that prime farmland remains available for agricultural use. In late 2002, the West Virginia State Legislature and the Jefferson County Commission authorized local funding for the program.

A strategy for protecting farmland in our rural areas is vital to the future of the agricultural industry because the loss of land resources will have an adverse effect on all farm-related businesses. For agriculture to remain viable, there must be a critical mass of farms to sustain the infrastructure (equipment, suppliers, veterinarians, machinery, etc.). Each time a ranch or farm is sold for non-agricultural uses, the viability of every other agricultural operation in Jefferson County is threatened.

Agricultural land is a non-renewable resource. The simplest way to secure productive farmland for future use in Jefferson County is to protect it with a Deed of Conservation Easement.

A conservation easement is a flexible legal tool that enables landowners to permanently protect the natural, scenic and historic values of their property from development and subdivision. Property owners retain full use and ownership of the land. Because an easement is perpetual, it is transferred with the property when it is sold, thereby protecting it forever. Across the nation, easements are a key tool for protecting land threatened by development and inappropriate uses.

The Jefferson County Farmland Protection Board negotiates with eligible property owners to protect farmland within the county. The Board places a conservation easement on properties that qualify for consideration under the terms established by the Jefferson County Commission-approved farmland protection program.

FUNDING SOURCES

Local Funding

Funding for the Jefferson County Farmland Protection Board was established under a state law passed in 2002 that allows West Virginia counties to levy a transfer tax on real estate to purchase development rights from landowners who want their land protected so that it may remain agriculturally viable. The local share of easement funding is generated through the real estate transfer tax and through public and private donations (Figure 1).

Local funds totaling \$7,286,547 have been either expended or obligated for the purchase of a Deed of Conservation Easement on 37 properties for a total of 3,610 acres.

In FY 2010–2011, the Board spent \$799,050.00 in local funds matched by \$799,050.00 from the United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS) to add 335 acres, for a total of \$1,598,100 to purchase easements of 2,606 acres on 28 farms.

The Jefferson County Farmland Protection Board has been careful with its operating costs and maintains them in ratio to income. Operating costs, including office expenses and staff salary and benefits, totaled \$42,254.52 or two percent of the total easement purchases. Easement costs, including appraisals, surveys, legal fees and other professional fees, totaled \$82,786 or five percent of total easement purchases (Figure 2).

Figure 1: Annual Transfer Tax Revenue

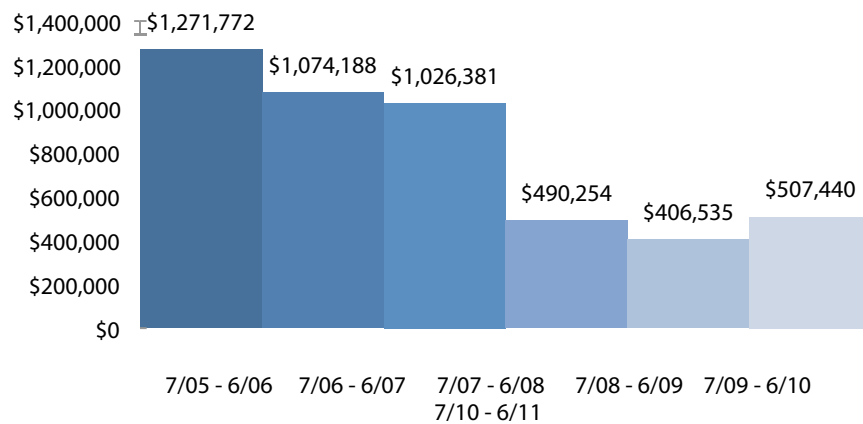
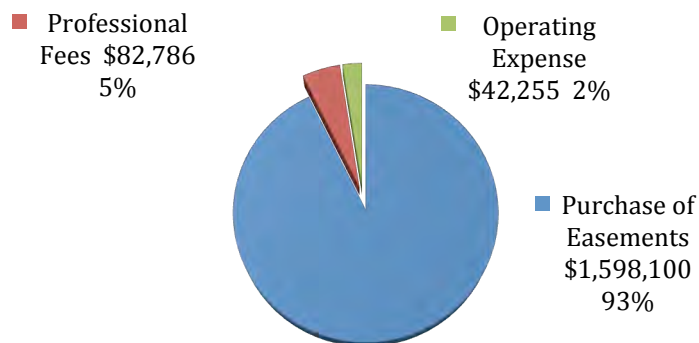


Figure 2: Jefferson County Farmland Protection Board FY 2010-2011 Expense Efficiency



2002 and 2008 Farm Bills

The 2002 and 2008 Farm Bills provide funding for conservation programs on working farmland. The USDA, through the NRCS, awards matching funds from the 2002 and 2008 Farm Bills for Conservation Easement purchases. Since 2002, the Jefferson County Farmland Protection Board has expended \$2,740,747 of the 2002 Farm Bill funds toward the purchase of 1,571 acres in Jefferson County.

The Board has been granted an additional \$1,972,720 from the 2008 Farm Bill funds toward the purchase of 737 additional acres in Jefferson County.

National Park Service

Since August 2003, in conjunction with the Civil War Preservation Trust (CWPT) and The Land Trust of the Eastern Panhandle, the Jefferson County Farmland Protection Board has secured \$1,118,495 to protect farmland in the Antietam Advance and Retreat Study area along Engle-Molers and Trough Roads outside of Shepherdstown and the Smithfield Crossing Battlefield near Middleway.

Funding for these farmland conservation easement purchases will come from the National Park Service (NPS), the Natural Resources Conservation Service and the Jefferson County Farmland Protection Board. There are approximately 3,600 acres eligible for protection in our area under the American Battlefield Protection Program in the Antietam Advance and Retreat Study Area, and the Middleway and Summit Point Battlefield Areas.

Currently, the Jefferson County Farmland Protection Board has expended \$1,023,495 of the NPS-CWPT funds to protect 524 acres (Figure 3).

The Jefferson County Farmland Protection Board is in the process of protecting additional properties in Jefferson County in the Middleway and Summit Point Study areas.

PROPERTIES CLOSED OR IN PROGRESS

The Jefferson County Farmland Protection Board currently holds easements on 28 properties in Jefferson County, totaling 2,606 acres for a total cost of \$9,018,889 and a local cost of \$5,254,647 (Figure 3).

The Board is in the process of negotiating a Deed of Conservation Easement on nine additional properties, totaling 1,004 acres for a total cost of \$4,193,800 and a local cost of \$2,031,900 (Figure 4).

The Jefferson County Farmland Protection Board has received applications from five additional landowners interested in negotiating a Deed of Conservation Easement. The

Figure 3: Closed Easements

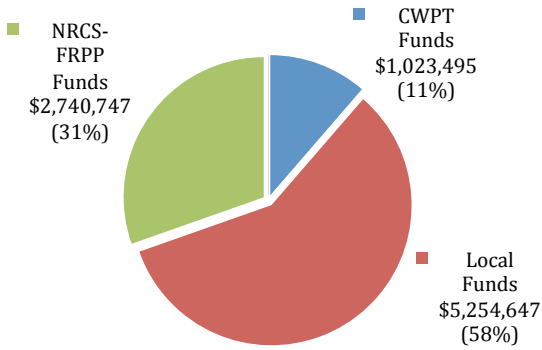


Figure 4: Applications with Obligated Funds in Process

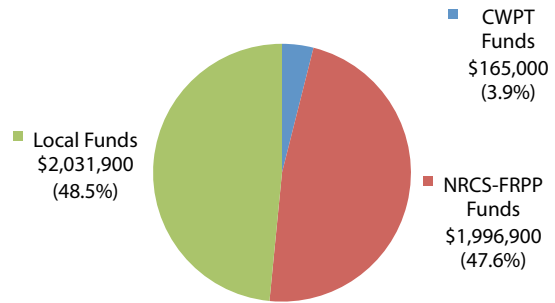


Figure 5: Applications with No Obligation of Funds

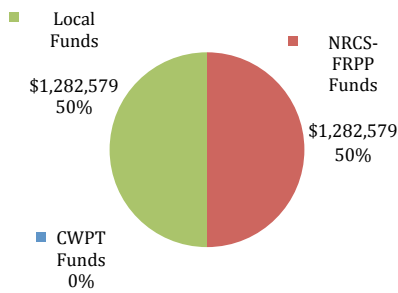
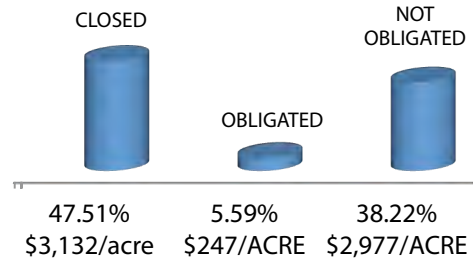


Figure 6: Percentage of Non-Cash Charitable Contributions



total acreage in application is 529, at a total cost of \$2,565,158 and a local cost of \$1,282,579. Local funding is not available for these properties (Figure 5).

Figure 6 shows the percentage of non-cash charitable contributions offered by landowners since the inception of the program. The higher charitable contribution value of the closed and unobligated easements reflects the relatively higher values for these properties which applied before the downturn of the real estate market. Since the inception of the program, landowners have been generous; an average of 30 percent of the value of all property in the program has been given as a non-cash charitable contribution.

ORGANIZATIONAL REVIEW AND PLANNING

The Jefferson County Farmland Protection Board has determined that, given 10 years of operating experience, it is time to review and assess the Board’s program, policies and practices to ensure that they are appropriate, in the best interest of stakeholders and the public, and follow the best management principles for a land conservation organization. Following this review and assessment, the Board will develop a strategic plan with stakeholder and public input and then revise the Board’s program, policies and operat-

ing practices accordingly. The Board has selected the model assessment program of the Land Trust Alliance (LTA) as best meeting the Board's goals for the assessment phase.

The LTA assessment program uses 12 standard goals and 88 best management practices for conservation programs as the metrics for the review and assessment. The output of this first phase will be an assessment report and an evaluation of the strengths, weakness, opportunities and threats (SWOT) of the existing program, policies and practices by the Board.

The development of a strategic plan will include stakeholders, the public and the County Commission through facilitated focus groups and Board listening sessions. The Board and staff will prepare the strategic plan, which will then be subject to stakeholder and County Commission review. The Board will craft a revised program and present it to the County Commission for approval and adoption. It is anticipated the program will be completed in June 2012.

PROGRAM MANAGEMENT

The Jefferson County Farmland Protection Board has always taken a conservative approach to finances and program management. We maintain funds obligated for future easement purchases in CDARs held at local Jefferson County banks. In compliance with State law, the Board's books are audited by external auditors and reviewed by the State Auditor's Office annually, and we are pleased to report that the audits have been passed with flying colors for FY-2010 and all previous years.

We have contractual arrangements with our attorneys, Skinner Law Firm, for legal advice and the closing of easements, and also with our accountants, Ours, Lewis and Company, for bookkeeping services. We contract for appraisal and surveys with local professionals on an as-needed basis. Baseline documentation is contracted to our co-holders, The Land Trust of the Eastern Panhandle, The Nature Conservancy and The Potomac Conservancy. Each co-holder also assists with the monitoring of easements. While the The Nature Conservancy and The Potomac Conservancy provide baselines and monitoring as part of their stewardship program agreed with the landowners, the Land Trust of the Eastern Panhandle charges the Jefferson County Farmland Protection Board a set fee for each baseline or monitoring visit in addition to the stewardship fee requested from landowners.

Monitoring is carried out on every property annually or more often if there are problems with easement compliance. The monitoring visit includes the landowner or his/her agent, Board staff and members, and staff or members of the co-holding organization.

In August 2010, the Board's Administrator resigned to take a position in Loudon County. For six months, the Board's Chairman also served as Acting Administrator, until Elizabeth Wheeler was appointed by the County Commission in February 2011. Ms. Wheeler, a resident of Shepherdstown, brings experience of farmland protection and community food security from posts held in Connecticut. In addition to Ms. Wheeler, the Board employed a student intern, Ms. Lori Ring, a resident of Middleway and honors student at WV Wesleyan College, during the summer of 2010.

FARMLAND PROTECTION PARTNERS

The Jefferson County Farmland Protection Board could not accomplish the considerable and complex work of completing agricultural easements without its many partners and supporters. The Board appreciates the collegiality and professional support of the staff and volunteers from the following organizations:

- The Jefferson County Development Authority
- The Jefferson County Prosecuting Attorney's Office
- The Jefferson County Planning and Zoning Office
- The Jefferson County GIS Office
- The many other County employees who have assisted us during FY-2011
- Our private partners, including the Land Trust of the Eastern Panhandle, The Potomac Conservancy, The Nature Conservancy, American Battlefield Protection Program, Civil War Preservation Trust.

FARMLAND PROTECTION BOARD MEMBERS

The composition of every farmland protection board is dictated by the Voluntary Farmland Protection Act. The Jefferson County Farmland Protection Board is composed of seven members, each serving without compensation but eligible for reimbursement of actual expenses while engaged in the discharge of official duties. All members are required to be county residents. Each member is a voting member, except for the Jefferson County Commissioner, who shall serve in a non-voting, advisory capacity. All members are appointed by the Jefferson County Commission and serve at the will and pleasure of the Commission.

The specific composition of the Board is as follows:

- One County Commissioner (non-voting)—Mrs. Frances Morgan, Board Secretary
- The Executive Director of the County Development Authority—Mr. Thomas Bayuzik, Board Treasurer
- One farmer who is a county resident and a member of the county farm bureau—Mr. Bob Henshaw

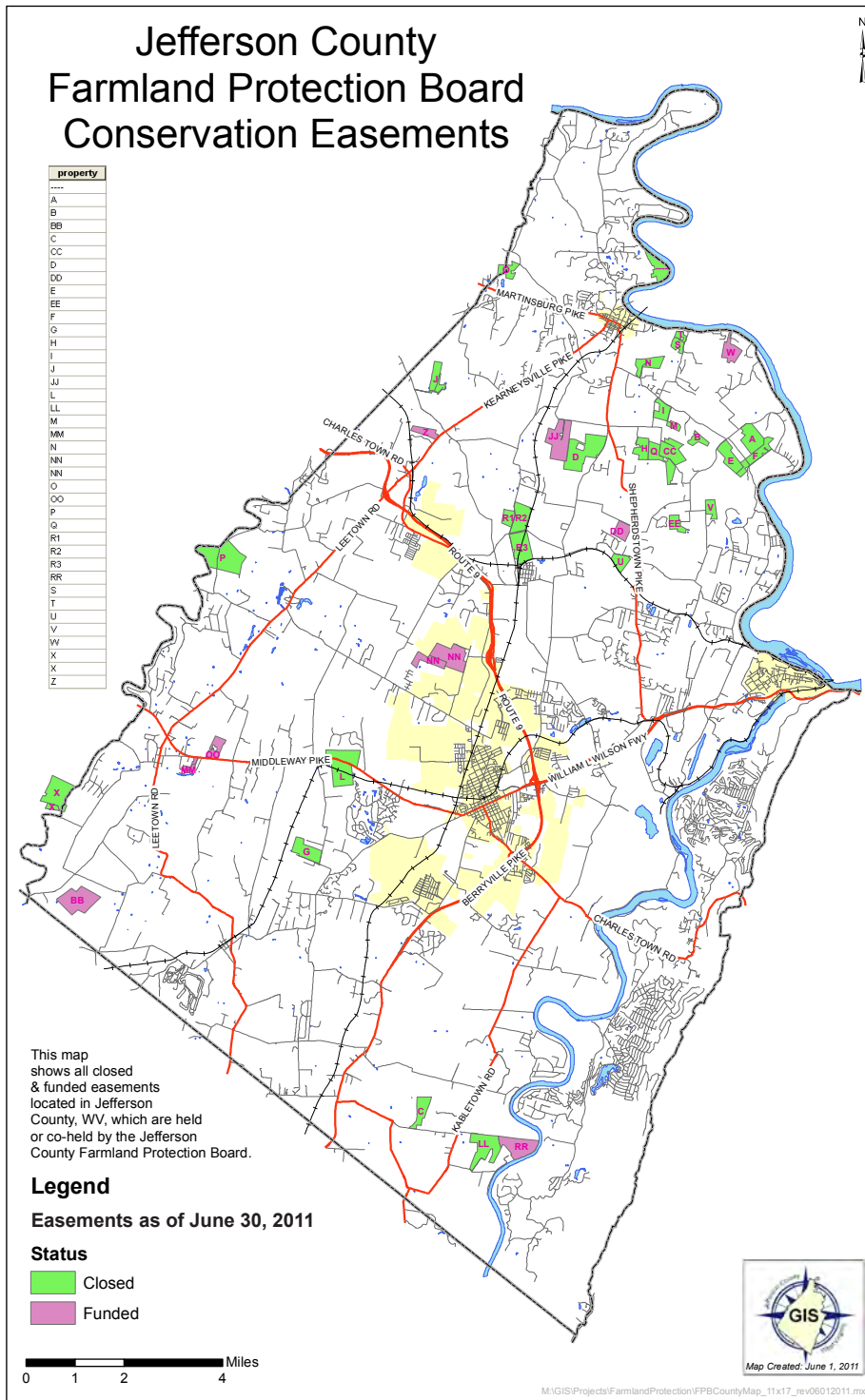
- One farmer who is a county resident and a member of a soil conservation district —Mr. Chris Lotze
- One farmer who is a county resident—Mr. Joe Funkhouser, Board Vice-Chair
- Two county residents who are not members of any of the above organizations —Mr. Peter Fricke, Board Chair, and Ms. Liz Uible

The Jefferson County Farmland Protection Board is assisted in the process of purchasing and accepting donated conservation easements by the Board Administrator, Elizabeth Wheeler, 304/724-1414, FarmlandProtection@jcda.net.

SUMMARY FUNDING FACTS

FY 2010-2011: July 1, 2010 – June 30, 2011

Local Funding	USDA-NRCS Funding	CWPT, American Battlefield Protection Program Funding
Total local funds expended or obligated since 2002: \$7,286,547 for 3,610 acres on 37 properties.	Since 2002, the Jefferson County Farmland Protection Board has expended \$2,740,747 of the 2002 and 2008 Farm Bill funds toward the purchase of 1,571 acres in Jefferson County.	Since August 2003, \$1,118,495 of NPS-CWPT funds has been secured to protect farmland in the Antietam Advance and Retreat Study area along Engle-Molers and Trough Roads outside of Shepherdstown and the Smithfield Crossing Battlefield near Middleway.
FY 2010–2011 local funds for easement purchases: \$799,050 for 335 acres on four properties.	The Board has obligated an additional \$1,972,720 from the Farm Bill funds toward the purchase of 737 additional acres in Jefferson County.	Currently, the Jefferson County Farmland Protection Board has expended \$1,023,495 of the NPS-CWPT funds to protect 524 acres.
As of June 30, 2011, the Board holds easements on 28 properties in Jefferson County, totaling 2,606 acres for a total cost of \$9,018,889 and a local cost of \$5,254,647.	Farm Bill funds expended in FY 2010-2011 total \$799,050.	
The Board is negotiating easements on nine additional properties, totaling 1,004 acres for a total cost of \$4,193,800 and a local cost of \$2,031,900.		
The Board has received applications from five additional landowners interested in negotiating an easement. The total acreage in application is 529, at a total cost of \$2,565,158 and a local cost of \$1,282,579.		



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