

**Parcelization and Forest Fragmentation Roundtable  
Convened by the Vermont Natural Resources Council  
November 16, 2006  
Meeting Summary**

**Meeting Participants:** Michelle Baumflek, Putnam Blodgett, Michele Boomhower, Darby Bradley, Deb Brighton, Catherine Dimitruk, Cindy Cook (Facilitator), Jamey Fidel, Melanie Kehne, Leo Laferriere, Steve Long, Mark Lorenzo, Jessica Massonari, John Meyers, Jens Milke, Janet Milne, David Paganelli, Carl Powden, John Roe, Brian Shupe, Steve Sinclair, Jeff Smith, Eric Sorenson, Peter Upton and Andy Whitman

**Welcome**

Cindy Cook and Jamey Fidel welcomed the group, and reviewed the agenda. They reminded everyone that the Roundtable's written recommendations will include discussion of all viewpoints.

**Land-Use Planning Panel Recommendations**

Michele Boomhower discussed the concept of Transferable Development Rights (TDRs) including implementing TDRs on a regional basis. Michele explained Cost of Community Services analysis done in her region. For every \$1 of revenue for residential development, there is a \$1.36 expense for the town. For every \$1 of revenue for working lands or open space, there is a \$.55 expense for the town. This analysis demonstrates that it is fiscally sound for towns to conserve land. Michele also highlighted the benefit of Forest Land Evaluation and Site Assessment (FLESA) programs. Michele provided a hand-out explaining these concepts. The handout will be posted on the roundtable website – click on forest roundtable at the bottom of [www.vnrc.org](http://www.vnrc.org)

Brian Shupe, from the Vermont Forum on Sprawl discussed the concept of encouraging development in growth centers. Brian explained that in general, towns have failed to focus on the active component of working forests versus the ecological protection of forestland. Some towns have looked at the issue of whether residential development is appropriate in working forests. Different zoning has also been considered – i.e. 5 acre zoning vs. 25 acre zoning.

Brian explained that some towns have created forestry districts, which limits development to camps, forestry, outdoor recreation, etc. to curtail forest fragmentation. These districts are typically in high elevation areas with significant watersheds. Several towns that have implemented districts are Elmore and Bennington. Some towns have negligently put in conditions that limit forestry – i.e. certain road policies. Town roads policies should relate to forestry principles.

Catherine Dimitruk of the Northwest Regional Planning Commission discussed planning tools, including Planned Unit Developments (PUD's) that are designed to keep as much land open as possible, and that require open space set asides. She discussed PUD regulations that the

Town of Highgate is considering which would include:

- ▶ instituting a maximum lot size of two acres,
- ▶ requiring that the creation of 3 or more lots be considered a PUD,
- ▶ requiring that a percentage of land be set aside as open space.
- ▶ requiring that all developments over a certain size be clustered, and
- ▶ instituting a density bonus for open space that is managed.

Catherine provided a hand-out explaining the various planning recommendations for the Town of Highgate. The handout will be posted on the roundtable website – click on forest roundtable at the bottom of [www.vnrc.org](http://www.vnrc.org).

### **Planning Recommendations Discussion**

The Act 250 utility line exemption, which prohibits examining the secondary impacts of a utility line is problematic, as it leads to fragmentation. (Melanie Kehne later explained that the Land Use Panel of the Natural Resources Board has studied this issue and issued written a report for the Legislature).

Brian commented that only 40% of development goes through Act 250 review. Therefore 60% is local review if a town even has any review for development.

Steve Sinclair mentioned that Act 250 has issues as it relates to forestry. Some administrators are interpreting logging over 2,500 feet as being development which triggers Act 250 review for the entire parcel of land. Other issues that need to be addressed through local planning include Ancient Roads and roads policies as they relate to forestry. Biomass also needs to be addressed from a planning perspective. Finally, Vermont needs local markets – land-use should try to accommodate sawmills, secondary and primary manufacturing.

A comment was made that we have done such a good job prohibiting development in prime agricultural land that we are forcing development into forestland and not planning accordingly.

Catherine and Michele offered that towns in their regions are aware of the importance of forests, but they need assistance with implementing good policies. Energy chapters and roads policies need to be better developed. Michelle suggested that we must look at the perennial issue of lack of consistency among the District Commissions of Act 250 relating to forestry issues.

Brian said that the economic impacts of planning need to be better addressed including conserving forests for active management.

Jeff Smith offered that he would like to see a regulation that requires development to use local building products in Vermont construction. Catherine suggested that this would be a good incentive for developers. Carl Powden suggested that all lots in a given town could be required to buy a percentage of local wood products. Middlebury College is setting a good

example in this arena. It's more difficult to promote the use of local forest products than it is agricultural products, in part because of cost and the difficulty of certification.

Darby Bradley commented that the transfer of development rights (TDR's) mechanism hasn't worked to slow parcelization, but off site mitigation has worked. One option is to look at the concept of co-application between a sender and a receiver in the TDR program. He hopes that growth centers will help.

Brian commented that landowners are not building to potential densities. There are not many meaningful incentives for development in rural areas with 1-2 acre zoning.

Deb Brighton registered a concern that reserve or forestry districts take away incentives to create easements on one's property. Deb mentioned the idea of valuing all land at resource value.

Put commented that planning mechanisms should be designed so that the true costs of municipal services to serve development are considered. Cost of community services should be understood in Vermont.

### **Workgroup Formation**

After discussion, the group decided to form four workgroups:

- 1. Tax Policies**
- 2. Planning**
- 3. Valuation of Ecosystem Services and Protection of Forests in Perpetuity**
- 4. Forest Product Industry Sustainability**

### **Tax Policy Workgroup Recommendations**

Workgroup Participants: John Roe, John Meyers, Darby Bradley, Steve Long, Put Blodgett and Jamey Fidel

Recommendations:

1. The Use Value Appraisal Program (UVA) should continue to be fully funded.
2. Additional staff positions should be created so that UVA 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, and water resources 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 unique attributes 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 the UVA Program 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 point was debated.

### **Planning Workgroup Recommendations**

Workgroup Participants: Michelle Boomhower, Peter Upton, Jens Milke, Eric Sorenson, and Melanie Kenne

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. 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
  4. Regulatory Analysis/Policies/Incentives
  5. Property Rights: - Local/State Authority

#### Planning – Major Topics and Initiatives

1. Statewide Plan for Conservation (Forests/Wildlife)
2. Planning for Ecosystem Services
3. 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
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
- Money for Local Planning/Implementation

### **Valuation of Ecosystem Services and Protection of Forests in Perpetuity**

Workgroup Participants: Leo Laferriere, Andy Whitman, Deb Brighton, Michelle Baumflek and David Paganelli

#### 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](http://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.

### **Forest Product Industry Sustainability**

Workgroup Participants: Carl Powden, Steve Sinclair, Mark Lorenzo, and Jeff Smith

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. Discussion: Support buying local as a concept – piggy back off of buy local food campaign. Buying wood in quantity is harder than buying food in quantity. Local architects should be encouraged to support local wood.
6. Increase weight limits on Vermont Interstates to make Vermont competitive with New Hampshire. Discussion: Be sure that policy recommendations aren't simply cost-shifting. E.g. Shifting the cost of highway repair to others.
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: 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.

**Next Steps**

A draft of the roundtable recommendations will be distributed via email for additional feedback. Final recommendations will be drafted at the next roundtable meeting. Cindy and Jamey will work on getting feedback from certain interest groups. Jamey will work on drafting a statement of need to explain why parcelization and forest fragmentation are important issues that need to be addressed.

**Next Meeting**

The next Roundtable meeting will be on December 8 in Randolph. This meeting will focus on completing the recommendations and discussing implementation strategies.