

# Forest Legacy Program Fact Sheet

The Forest Legacy Program (FLP) is a program that seeks to protect privately owned, economically and environmentally important forestlands that are threatened by conversion to non-forest uses. FLP is a voluntary program that, through the purchase of conservation easements, operates on the "willing buyer, willing seller" principle. Lands covered by a FLP conservation easement stay in private ownership and continue to be managed for traditional uses such as forest management.

# 1. What is a conservation easement?

A legal instrument through which certain rights, such as subdivision and development, are transferred from a landowner to a non-profit organization or government agency. The grantee organization does not gain the right to subdivide or develop; rather, it holds those restrictions "in trust" and ensures that no one uses the rights restricted by the grantor. A conservation easement is perpetual and runs with the land. Idaho Code Title 55, Chapter 21 is Idaho's Uniform Conservation Easement Act.

# 2. Where does FLP funding come from?

- Federal FLP grant funds *are not* tax-payer dollars.
- FLP is funded through the Land and Water Conservation Fund (LWCF), which was established in 1965, in part, to assist states in conserving vital working lands, wildlife habitats and outdoor recreation.
- Each year, a small percentage of royalties paid by energy companies drilling for oil and gas on public land on the Outer Continental Shelf is deposited into the LWCF account in the federal treasury. The premise of LWCF is essentially to protect one natural resource in exchange for the depletion of another.
- The U.S. Forest Service (USFS) administers the program at the national level and provides grants from LWCF to states to carry out the FLP.

# 3. What qualifies projects for consideration?

- Meets FLP's primary objective to keep working forests working
- 75% forested
- Privately owned
- Includes a minimum 25% non-federal match
- Must be within a Priority Landscape Area as identified in Idaho's Forest Action Plan
- Must be carried out in partnership with another state agency or land trust organization

# 4. How are projects evaluated and selected?

- Projects are evaluated using the following criteria:
  - <u>Importance</u>: criteria reflect the environmental, economic and social values the forest provides
  - <u>Threat</u>: criteria evaluate the likelihood of conversion from forest to non-forest uses that would result in a loss of forest values and public benefits
  - <u>Strategic</u>: criteria reflect the relevance to conservation efforts in a broader perspective (contributes to a conservation strategy and complements other intact forests)
- Projects are evaluated and ranked by a national review panel in Washington DC. The review panel, comprised of 6 state agency representatives and 6 USFS representatives from across the U.S., is tasked with ranking all projects submitted nationwide.

#### 5. How are conservation easement values determined?

- A conservation easement purchase price is determined by an appraisal which conforms to the guidelines of two professional appraisal standards: the Uniform Standards of Professional Appraisal Practice (USPAP) and the Uniform Appraisal Standards of Federal Land Acquisitions (UASFLA or "Yellow Book"). Prior to the acquisition, the FLP requires an independent appraisal review.
- Appraisers meet rigorous private and federal appraisal standards, education, and training and must have considerable experience appraising projects of the same type and complexity.

# 6. How are federal funds conveyed for Forest Legacy acquisitions?

- Federal funds are directly distributed by the USFS to a title company that handles the closing transaction and recording of the conservation easement.
- The federal funding used to purchase a conservation easement cannot be higher than the appraised fair market value.

#### 7. Who holds title to the FLP easement?

The State of Idaho

# 8. How do conservation easements impact property taxes?

The property is still in private ownership and taxed as such. Current property taxes are not impacted.

# 9. Do these FLP conservation easement acquisitions result in any impact on the state general fund?

No. Project funds are allocated directly from the USDA Forest Service for the conservation easement purchase. No general fund dollars are used for the acquisition, nor are they used to fund administration of the Idaho FLP.