

# Issue Analysis Form



**Date:** 11/09/2022  
**Item:** Forest Sustainability Grant Application  
**Lead Department(s):** Assessor / Finance  
Brian Gordineer / Betsy  
**Contact Person(s):** Drewry

## Description and Current Status

The Assessor is requesting authorization to apply for a Virginia Department of Forestry Forest Sustainability Fund grant. This funding was newly created by the Virginia General Assembly for FY2023 (Code of VA 58.1-3242.1), and a total of \$1,000,000 was appropriated for use by Virginia localities. The General Assembly created the sustainability fund to assist localities in replacing tax revenue losses resulting from offering the land use program for forestland.

The amount of awards to individual localities has yet to be determined, and localities are required to apply for funds. The funds, when awarded, may be used for education, outdoor recreation or forest preservation.

The staff recommendation is to use the funds for outdoor recreation initiatives if the grant is approved. Board approval of a grant funding appropriation will be requested if and when the grant is awarded with an outline of the specific use of funds.

## Government Path

- |  |   |  |
|--|---|--|
| Does this require IDA action?                  | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| Does this require BZA action?                  | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| Does This require Planning Commission Action?  | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| Does this require Board of Supervisors action? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
| Does this require a public hearing?            | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| If so, before what date?                       | <input type="checkbox"/> Yes            | <input type="checkbox"/> No            |

## Fiscal Impact Statement

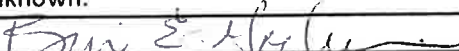
There is no local funding impact for applying for these funds. If awarded, the funds will allow for completion of outdoor recreation initiatives with no burden to County taxpayers. There is no local match required.

## County Impact

If awarded, the funds will allow for completion of outdoor recreation initiatives with no burden to County taxpayers.

## Notes

Prince George County  
 Notice of Grant Application  
 COMPLETION REQUIRED FOR ALL GRANT APPLICATIONS

Prince George Department Name	Assessor
Department Contact	Brian Gordineer
Contact E-Mail	<a href="mailto:bgordineer@princegeorgecountyva.gov">bgordineer@princegeorgecountyva.gov</a>
Contact Phone Number	804-722-8639
Name of Grant	Forest Sustainability Fund
Granting State/Federal/Not-for-Profit Agency	Virginia Department of Forestry
\$ Amount of Grant	Unknown - Proportionate Share of \$1,000,000
Brief Description of the Grant (Nature of the grant and planned use of funds)	State funds provided to assist in revenue loss from forest land use assessments (land use reduced taxes). The General Assembly appropriated \$1,000,000 (Code of VA 58.1-3242.1) in FY2023 for which localities may apply. The funds may be used for education, outdoor recreation or forest preservation. Tentative planned use is outdoor recreation; specific use is to be determined.
Does this grant require a Cash Match? (Yes / No)	No
If cash match is required, provide amount and percentage of match	N/A
Does this grant require an In-Kind Match? (Yes / No)	No
If In-Kind Match is required provide a description and dollar value of services/personnel/materials match	N/A
Will award of this grant result in additional funded FTE? Yes or No and specify Full-Time; Part-Time and # of FTE	No
Has Prince George received this grant award in prior years (is this a recurring grant)?	No; new funding source
If yes, provide most recent previous award date	N/A
Grant Application Deadline Date	November 15, 2022
Requested Board of Supervisor meeting agenda date to present application	November 9, 2022
Expected Date of Grant Award (if known)	Unknown.
Department Head Signature	

**Attach**

Memo(s) from granting state/federal agency with grant information  
 Application (if complete) including a budget summary and narrative

Prince George County  
Notice of Grant Application  
**COMPLETION REQUIRED FOR ALL GRANT APPLICATIONS**

***Provide this completed form and attachments to:***

Finance Director - Note a copy of this form will be provided to County Administrator by Finance Director

<b>FOR FINANCE USE:</b>	
Date Received:	10/21/2022
Received by:	Betsy Drewry
General Fund or Special Revenue Fund	General Fund
<b>G/L Notes (if recurring)</b>	
Revenue Code	0100-20-TBD
Expenditure Code	TBD

<b>Prince George County</b>	
<b>Forestry Use - Parcels &amp; Acreage</b>	
<b>Forest Sustainability Fund Application Data</b>	
<b>682</b>	<b>Parcels with Forestry Use</b>
<b>64,342</b>	<b>Acres of Forestry Use</b>
<b>\$ 60,338,200</b>	<b>Deferred Assessment</b>
	<b>Related to these Parcels</b>
	<b>and Acreage</b>
<b>\$ 494,773.20</b>	<b>Forgone Tax Revenue</b>
	<b>Related to these Parcels</b>
	<b>and Acreage</b>

# Forest Sustainability Fund for Local Government



Forestland provides many benefits to landowners, but also to communities. Landowners directly realize timber, wildlife and recreational values, while the benefits of watershed protection, clean air and scenic beauty are enjoyed by society at large. Realizing this, the Virginia Code enables localities to provide use value taxation that can assist owner in keeping their land as forests. Under use-value taxation, properties are taxed based on the productive value of the land rather than the current market value, which results in lower property taxes.

For county and city governments, maintaining forest land is beneficial, as land devoted to forest land use generally requires less cost in providing services than more intensive uses. However, property in forest land use does result in less revenue to local governments. As a result, the General Assembly established the Forest Sustainability Fund in 2022 for localities to apply for an allocation from the Fund to help offset lower, or forgone tax revenue. Forgone revenue is the fair market value of forest land minus the forest use value of forest land times the locality tax rate.

The Code states that monies will be used for public education, outdoor recreation or forest conservation.

## Who is Eligible

Local county and city governments with forest use value assessment may apply.

## To Apply

An application notice will be sent to each locality with forest use value taxation in October 2022, with an application deadline of November 15, 2022.

The information required is:

- Basic locality contact information, including a W-9 tax form
- A copy of the local ordinance that established forest use taxation
- The amount of forgone revenue due to forest land use taxation

Apply through the [VDQF's Forestry Grants System Access Portal \(https://vaforestry.webgrantscloud.com/index.do\)](https://vaforestry.webgrantscloud.com/index.do).

## Additional Resources

[Code of Virginia Forest Sustainability Fund \(https://law.lis.virginia.gov/vacode/title58.1/chapter32/section58.1-3242.1/\)](https://law.lis.virginia.gov/vacode/title58.1/chapter32/section58.1-3242.1/)

[VDQF's Forestry Grants System Access Portal \(https://vaforestry.webgrantscloud.com/index.do\)](https://vaforestry.webgrantscloud.com/index.do).

## Contact Us

For more information or questions, [e-mail us \(mailto:forestmgt@dof.virginia.gov?subject=Forest%20Management%20Financial%20Assistance%20Programs\)](mailto:forestmgt@dof.virginia.gov?subject=Forest%20Management%20Financial%20Assistance%20Programs).

Virginia Department of Forestry  
900 Natural Resources Drive  
Charlottesville, Virginia 22903  
tel: 434.977.6555 | fax: 434.296.2369

Code of Virginia  
Title 58.1. Taxation  
Subtitle III. Local Taxes  
Chapter 32. Real Property Tax  
Article 4. Special Assessment for Land Preservation

## § 58.1-3242.1. Forest Sustainability Fund

A. There is hereby created in the state treasury a special nonreverting fund to be known as the Forest Sustainability Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. All funds appropriated for such purpose and any gifts, donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes set forth in subsection B. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the State Forester.

B. Any locality that has adopted an ordinance to provide for the use value assessment and taxation for real estate devoted for forest use pursuant to this article may apply for an annual allocation of funds from the Fund. A locality shall submit by November 15 of each year (i) a copy of its ordinance and (ii) the total revenue forgone by the locality in the prior fiscal year due to the use value assessment and taxation for real estate devoted for forest use. The State Forester shall allocate funds from the Fund on a proportional basis, based on the amount of revenues forgone by the applicant localities. Any funds received by a locality shall be used solely for public education generally or for projects related to outdoor recreation or forest conservation.

2022, cc. [378](#), [379](#).

The chapters of the acts of assembly referenced in the historical citation at the end of this section(s) may not constitute a comprehensive list of such chapters and may exclude chapters whose provisions have expired.

Board of Supervisors  
County of Prince George, Virginia

Resolution

At a regular meeting of the Board of Supervisors of the County of Prince George held in the Boardroom, Third Floor, County Administration Building, 6602 Courts Drive, Prince George, Virginia this 9<sup>th</sup> day of November, 2022:

Present:

Vote:

Marlene J. Waymack, Chair  
Donald R. Hunter, Vice-Chair  
Floyd M. Brown, Jr.  
Alan R. Carmichael  
T. J. Webb

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On motion of \_\_\_\_\_, seconded by \_\_\_\_\_, which carried unanimously, the following Resolution was adopted:

AUTHORIZE THE ASSESSOR TO COMPLETE AND SUBMIT A GRANT APPLICATION TO THE VIRGINIA DEPARTMENT OF FORESTRY FOR FOREST SUSTAINABILITY FUNDS.

WHEREAS, the Assessor is requesting approval of the Prince George County Board of Supervisors to apply for a state grant through The Virginia Department of Forestry for newly implemented Forest Sustainability Funds, due November 15, 2022; and

WHEREAS, the amount of funding / award is currently unknown, and the total award received from the State will be utilized for outdoor recreation initiatives.

NOW, THEREFORE, BE IT RESOLVED That the Board of Supervisors of the County of Prince George this 9<sup>th</sup> day of November, 2022, does hereby authorize the submission of a grant application to the Virginia Department of Forestry for Forest Sustainability Funds for outdoor recreation initiatives.

BE IT FURTHER RESOLVED, That a copy of this Resolution shall be retained as support authorizing the grant application to The Virginia Department of Forestry.

A Copy Teste:

\_\_\_\_\_  
Jeffrey D. Stoke  
County Administrator