

From: Ross, Chuck [Chuck.Ross@vermont.gov]
Sent: Wednesday, October 17, 2012 9:25 AM
To: London, Sarah
Subject: RE: exe priv re ag easements

thanks Sarah. I will try you on phone. crazy week but lets try.
there will be push back but we can push too.
I think the concern will be that many farmers can't afford bargain sales and consequently can't afford the 5%

chuck

From: London, Sarah
Sent: Tuesday, October 16, 2012 11:51 PM
To: Ross, Chuck
Subject: exe priv re ag easements

I can talk tomorrow to update you, I understand you'll be seeing Gus. Below is where I understand us to be with VHCB. Difference is highlighted language below – VHCB proposal. Gov has wanted something before next spring and was not optimistic about working group/ focus groups. He wants something in Jan to make it apply to spring projects – can you make Jan work with Gus? Gov would prefer % farmers pay for stewardship – we thought 5% was reasonable. Gus saying that is too high. Gov also interested in how to incentivize more bargain sales, so we were looking at something like language at very bottom – we're all trying for same goal here, just a matter of how. **If I can tell Gov we'll get specific numbers proposal re farmer contribution or SOME other way to significantly reduce public stewardship contribution and/or overall costs in Jan so it can start being implemented next spring, I'll think we'll get this done.** But it means we really need a specific numbers proposal in Jan.

- VLT starts tracking costs more completely on April 1, 2013 (ie actual costs of stewardship, each project's actual closing costs, etc)
- VHCB pays no more than \$4k for standard closing costs per transaction going forward
- VHCB, VLT develop for FY 14 a contract for services for staff, etc in which (1) costs not exceed 50% of program, (2) whenever fundraising proceeds are available they will be used to cover costs with goal of reducing need for state funds in 10-20% of transactions
- Starting in FY 14, contributions to steward fund will be evaluated at least annually based on performance of the fund, number of new easements, national accreditation standards, comparison to other states, etc. We will be advised of the total stewardship contribution in light of these factors.
- **VHCB, VLT and Chuck convene focus group with farmers and others this winter to determine whether farmers should pay for stewardship. They will also explore getting more "bargain sales." VHCB and Chuck will report back to Governor on this next spring.**
- Stewardship visits will be conducted every other year where permitted
- VHCB will work with VLT and Ag to try to streamline and reduce staff time of processing stewardship approvals/amendments to easements.

- VHCB, VLT, and Secretary to provide Governor with proposal for reducing purchase prices and/or public stewardship contribution by January 2013, including by encouraging more farmers to offer bargain sales at a 15% or greater discount or, absent a bargain sale, requiring farmers to pay 5% of the sale price as a stewardship contribution. VHCB, VLT, and Secretary will also consider options that will allow farmers to make deferred stewardship payments over time based on ability to pay, and expanding the use of conditional stewardship payments by farmers for complicated easement amendments.